

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

IN RE:

QUEBECOR WORLD (USA) INC.,
ET AL.,

DEBTORS.

JOINTLY ADMINISTERED
CASE NO. 08-10152(JMP)
CHAPTER 11
Honorable James M. Peck

SETTLEMENT AGREEMENT

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SETTLEMENT AGREEMENT

I. BACKGROUND

WHEREAS, Quebecor World (USA) Inc. and certain of its direct and indirect subsidiaries (collectively the “Debtors”)¹ filed with the United States Bankruptcy Court for the Southern District of New York (“Bankruptcy Court”) voluntary petitions for relief under Title 11 of the United States Code (“Bankruptcy Code”) on January 21, 2008, which have been consolidated for procedural purposes and are being administered jointly under Case No. 08-10152 (“Bankruptcy Cases”);

WHEREAS, on May 18, 2009, the Debtors filed their Third Amended Joint Plan of Reorganization of Quebecor World (USA) Inc. and Certain Affiliated Debtors and Debtors-In-Possession (as amended or supplemented, the “Plan”);

WHEREAS, on July 2, 2009, this Court entered its Findings of Fact, Conclusions of Law, and Order Confirming the Third Amended Joint Plan of Reorganization of Quebecor World (USA) Inc. and Certain Affiliated Debtors and Debtors-In-Possession, dated July 1, 2009, as modified (the “Confirmation Order”);

¹ The Debtors are the following entities: Quebecor World (USA) Inc., Quebecor Printing Holding Company, Quebecor World Capital Corporation, Quebecor World Capital II GP, Quebecor World Capital II LLC, WCZ, LLC, Quebecor World Lease GP, Quebecor World Lease LLC, QW Memphis Corp., The Webb Company, Quebecor World Printing (USA) Corp., Quebecor World Loveland Inc., Quebecor World Systems Inc., Quebecor World San Jose Inc., Quebecor World Buffalo Inc., Quebecor World Johnson & Hardin Co., Quebecor World Northeast Graphics Inc., Quebecor World UP / Graphics Inc., Quebecor World Great Western Publishing Inc., Quebecor World DB Acquisition Corp., WCP-D, INC., Quebecor World Taconic Holdings Inc., Quebecor World Retail Printing Corporation, Quebecor World Arcata Corp., Quebecor World Nevada Inc., Quebecor World Atglen Inc., Quebecor World Krueger Acquisition Corp., Quebecor World Book Services LLC, Quebecor World Dubuque Inc., Quebecor World Pendell Inc., Quebecor World Fairfield Inc., QW New York Corp., Quebecor World Dallas II Inc., Quebecor World Nevada II LLC, Quebecor World Dallas, L.P., Quebecor World Mt. Morris II LLC, Quebecor World Petty Printing Inc., Quebecor World Hazleton Inc., Quebecor World Olive Branch Inc., Quebecor World Dittler Brothers Inc., Quebecor World Atlanta II LLC, Quebecor World RAI Inc., Quebecor World KRI Inc., Quebecor World Century Graphics Corporation, Quebecor World Waukee Inc., Quebecor World Logistics Inc., Quebecor World Mid-South Press Corporation, Quebecor Printing Aviation Inc., Quebecor World Eusey Press Inc., Quebecor World Infiniti Graphics Inc., Quebecor World Magna Graphic Inc., Quebecor World Lincoln Inc, and Quebecor World Memphis LLC.

WHEREAS, the Plan became effective on July 21, 2009;

WHEREAS, in connection with the Debtors' emergence from these Chapter 11 Cases, Quebecor World (USA) Inc. changed its name to World Color (USA) Corp. and each of the affiliated Debtors changed its name to adopt the "World Color" name instead of the "Quebecor" or "Quebecor World" name, and similarly, Quebecor World Inc. changed its name to World Color Press Inc. Nevertheless, pursuant to section 6.4(c) of the Plan, the Reorganized Debtors retained their "Quebecor" names for purposes of these Chapter 11 Cases in all respects;

WHEREAS, the United States, on behalf of the United States Environmental Protection Agency ("EPA"), filed certain Proofs of Claim (Claim Nos. 9175 and 9177–9182) against the Debtors alleging that (1) certain of the Debtors (Quebecor World Arcata Corp., Quebecor World (USA) Inc., Quebecor World KRI Inc., and Quebecor World Printing (USA) Corp.) are liable to reimburse the United States for costs (plus interest) of actions taken, or to be taken, by the United States in response to releases, or threatened releases, of hazardous substances at certain sites pursuant to Section 107(a) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9607(a); (2) certain of the Debtors (Quebecor World Fairfield Inc., Quebecor World KRI Inc., and Quebecor World RAI Inc.) are required by Consent Decrees to implement work and reimburse the United States for certain costs in connection with certain sites; and (3) one of the Debtors, Quebecor World Retail Printing Corp., is liable for penalties for violations of the Clean Air Act, 42 U.S.C. § 7401 et seq., arising from the operation of the facility located at 50 John Hancock Road in Taunton, Massachusetts;

WHEREAS, the proofs of claim filed by the United States set forth the United States' position that the Debtors' injunctive obligations to comply with work requirements under court

orders, environmental statutes, regulations, administrative orders, licenses, and permits are not dischargeable pursuant to Section 1141 of the Bankruptcy Code;

WHEREAS, the State of Illinois at the request of the Illinois Environmental Protection Agency filed certain Proofs of Claim (Claim Nos. 8390, 8391, and 8689) against the Debtors alleging that certain of the Debtors (Quebecor World (USA) Inc., Quebecor World KRI Inc., and Quebecor World RAI Inc.) are liable under the Illinois Environmental Protection Act and CERCLA to reimburse the State of Illinois for past and future response costs incurred at the Lenz Oil Superfund Site in Lemont, Illinois (“Lenz Oil Site”);

WHEREAS, members of the Lenz Oil PRP RD/RA Work Group filed certain Proofs of Claim (Claim Nos. 6693, 6694, 6695, 6760, 6761, 6782, 7897, 7898, 7899, 8151, 8152, and 8153) against the Debtors alleging that certain of the Debtors (Quebecor World (USA) Inc., Quebecor World KRI Inc., and Quebecor World RAI Inc.) are liable to reimburse the members of the Lenz Oil PRP RD/RA Work Group for past and future response costs incurred at the Lenz Oil Site, pursuant to (1) Sections 107 and 113 of CERCLA; (2) the Lenz Oil Superfund Site Consent Decree entered by the United States District Court for the Northern District of Illinois (the “Lenz District Court”) on August 14, 2002, in Case No. 02 C 3609 (the “Lenz Consent Decree”); and (3) the Lenz PRP Group RD/RA Agreement dated March 2, 2001 (the “Lenz PRP Agreement”). Certain funds have been set aside to pay for the costs of implementing the Lenz Consent Decree pursuant to (1) the Lenz Oil Escrow Agreement, dated May 29, 2002, among the members of the Lenz Oil PRP RD/RA Work Group and LaSalle Bank National Association, and (2) the Second Amended and Restated Escrow Agreement dated October 1, 2002, by and among Quebecor World (USA) Inc., Ringier A.G. (“Ringier”), and UBS AG Stamford Branch (the “Ringier Escrow”);

WHEREAS, the Keystone Site Original Generator Defendants Group (the “Keystone PRP Group”) filed a Proof of Claim (Claim No. 8735) against the Debtors alleging that Quebecor World Fairfield Inc. is liable in connection with the Keystone Sanitation Landfill Site in Union Township, Pennsylvania (“Keystone Site”), pursuant to, among other things, (1) the Keystone Landfill Site Original Generator Defendants Organization Agreement dated as of April 14, 1998 (the “Keystone PRP Agreement”), (2) a Consent Decree entered by the United States District Court for the Middle District of Pennsylvania on August 14, 2002, in Case No. 1CVG:93-1482 (the “Keystone Consent Decree”), and (3) applicable law;

WHEREAS, the Debtors would dispute certain of the claimants’ contentions in these proofs of claim and, but for this Settlement Agreement, would object, in whole or in part, to these proofs of claim including, but not limited to, the United States’ contentions regarding the non-dischargeability of environmental work obligations;

WHEREAS, the United States, on behalf of EPA, also filed Proof of Claim No. 9176, which alleges that Quebecor World Buffalo Inc. is liable to the United States for penalties for violations of the Toxic Substances Control Act, 15 U.S.C. § 2601, arising from the operation of the facility located at 2475 George Urban Boulevard, in Depew, New York;

WHEREAS, Proof of Claim No. 9176 was separately resolved in accordance with a Consent Agreement and Final Order in In the Matter of Quebecor World Buffalo, Inc., Docket No. TSCA-02-2010-9209, issued by the Regional Administrator for EPA Region 2 on December 29, 2009, and is therefore not addressed by this Settlement Agreement;

WHEREAS, the Debtors’ obligations with respect to the Lenz Oil Site and certain of their obligations with respect to the Lake Calumet Cluster Superfund Site are subject to an indemnity from Ringier under a Stock Purchase Agreement dated April 24, 1996 (the “Ringier

Stock Purchase Agreement”), which agreement has been assumed by the Debtors pursuant to Section 365 of the Bankruptcy Code, the Plan, and the Confirmation Order;

WHEREAS, in consideration of, and in exchange for, the promises and covenants herein, including, without limitation, the covenants not to sue set forth in Paragraphs 22, 24, and 28, subject to the provisions of Paragraphs 33-35, intending to be legally bound hereby, the Parties hereto hereby agree to the terms and provisions of this Settlement Agreement;

WHEREAS, the treatments provided in this Settlement Agreement are compromises of the contested positions of the Parties that are entered into solely for purposes of this settlement and all Parties reserve their legal arguments on any issues involved in all other matters; and

WHEREAS, settlement of the matters governed by this Settlement Agreement is in the best interest of the Debtors and their estates, is in the public interest, and is an appropriate means of resolving these matters;

NOW, THEREFORE, without the admission of liability or any adjudication on any issue of fact or law, and upon the consent and agreement of the Parties to this Settlement Agreement by their attorneys and authorized officials, it is hereby agreed as follows:

II. DEFINITIONS

1. Unless otherwise expressly provided herein, terms used in this Settlement Agreement that are defined in CERCLA, its regulations, or the Bankruptcy Code, shall have the meaning assigned to them in CERCLA, its regulations, or the Bankruptcy Code. Whenever terms listed below are used in this Settlement Agreement, the following definitions shall apply:

(a) “Additional Sites” means all sites, including, without limitation, all facilities, as that term is defined in CERCLA, other than the Liquidated Sites, Debtor-Owned Sites, Consent Decree Sites, Discharged Sites, and Excluded Sites. An “Additional Site” shall be

construed to include (i) for those sites now or hereafter included on the NPL, all areas of a site as defined by EPA for purposes of the NPL, including any later expansion of such site as may be determined by EPA, and (ii) for those sites not included on the NPL, all areas affected or potentially affected by the release or threatened release of hazardous substances as a direct or indirect result of the operations or activities occurring on that site that gave rise to the release or threatened release.

(b) “Allowed Class 3 General Unsecured Claim” means an allowed non-priority, unsecured Claim that is not subject to objection and is allowed under Class 3 of the Plan as confirmed by the Confirmation Order.

(c) “Allowed Class 4 General Unsecured Claim” means an allowed non-priority, unsecured Claim that is not subject to objection and is allowed under Class 4 of the Plan as confirmed by the Confirmation Order.

(d) “Bankruptcy Cases” means the Chapter 11 bankruptcy cases captioned In re Quebecor World (USA) Inc. et al., Case No. 08-10152 (Jointly Administered).

(e) “Bankruptcy Court” or the “Court” refers to the United States Bankruptcy Court for the Southern District of New York where the Bankruptcy Cases are currently pending.

(f) “CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., as now in effect or hereafter amended.

(g) “Claim” has the meaning provided in Section 101(5) of the Bankruptcy Code.

(h) “Consent Decree Sites” means the Keystone Sanitation Landfill Site in Union Township, Pennsylvania, and the Lenz Oil Site in Lemont, Illinois.

(i) “Debtors” means Quebecor World (USA) Inc. and its 52 subsidiaries that filed voluntary petitions for relief on January 21, 2008, as debtors, debtors-in-possession, or in a new or reorganized form as a result of the Confirmation Order approving the Plan.

(j) “Debtor-Owned Sites” means any properties or sites, or any portions thereof, owned by any of the Debtors at or at any time after the commencement of the Bankruptcy Cases.

(k) “Discharged Sites” means the following three sites: (i) the Byron Salvage Yard Site in Ogle County, Illinois; (ii) the Operating Industries Site in Monterey Park, California; and (iii) the Calumet Containers Site in Hammond, Indiana, including all areas of such sites defined by EPA for purposes of the NPL, including any later expansion of such sites as may be determined by EPA.

(l) “EPA” means the United States Environmental Protection Agency or any legal successor thereto.

(m) “Effective Date” means the date on which this Settlement Agreement is approved by the Bankruptcy Court.

(n) “Excluded Sites” means the following twelve (12) sites: (i) the Bulk Terminals Site in Louisville, Kentucky; (ii) the Constitution Road Site in Atlanta, Georgia; (iii) the M&J Solvents Site in Atlanta, Georgia; (iv) the Seaboard Chemical Corp. Site in Jamestown, North Carolina; (v) the Frontier Chemical Waste Processing Site in Niagara Falls, New York; (vi) the Somersville Road Site in Contra Costa County, California; (vii) the Crymes Landfill Site in Tucker, Georgia; (viii) the Interstate Pollution Control Site in Rockford, Illinois; (ix) the Old Land Reclamation Landfill Site in Depew, New York; (x) the GBF Pittsburgh Landfill Site in Contra Costa, California; (xi) the Chemical Control Corp. Site in Elizabeth, New Jersey; and (xii) the Brampton Road Site in Garden City, Georgia.

(o) “Keystone PRP Group” means the Keystone Site Original Generator Defendants, which filed Proof of Claim No. 8735 in connection with the Keystone Landfill Site in Union Township, Pennsylvania. The members of the Keystone PRP Group are listed at Appendix I attached hereto.

(p) “Lenz PRP Agreement” means the Agreement by and among the Lenz Oil PRP RD/RA Work Group members dated March 2, 2001 for the purpose of funding and implementing the Lenz Oil Site remedy as required by the Lenz Consent Decree.

(q) “Lenz PRP Group” means the parties listed at Appendix II attached hereto, which filed Proofs of Claim Nos. 6693, 6694, 6695, 6760, 6761, 6782, 7897, 7898, 7899, 8151, 8152, and 8153, in connection with the Lenz Oil Site in Lemont, Illinois.

(r) “Liquidated Sites” means the following four sites: (i) the Peterson/Puritan, Inc. Superfund Site located in Lincoln and Cumberland, Rhode Island, which site includes the former J.M. Mills landfill; (ii) the Solvent Recovery Service of New England Superfund Site located in Southington, Connecticut; (iii) the LWD, Inc. Superfund Site located in Calvert City, Kentucky; and (iv) the Lake Calumet Cluster Superfund Site located in Chicago, Illinois. A “Liquidated Site” delineated above shall be construed to include all areas of a site as defined by EPA for purposes of the NPL, including any later expansion of such site as may be determined by EPA.

(s) “March 2001 Letter Agreement” means the letter agreement dated March 26, 2001 between Quebecor World (USA) Inc. and Ringier confirming certain understandings with respect to the indemnification obligations of Ringier relating to the Lenz Oil Site.

(t) “NPL” means the National Priorities List, 40 C.F.R. Part 300.

(u) “Participating PRP Groups” means the Keystone PRP Group and the Lenz PRP Group.

(v) “Parties” to this Settlement Agreement means the Debtors, the United States, the State of Illinois, the Keystone PRP Group, the Lenz PRP Group, and Ringier

(w) “Plan of Reorganization” or “Plan” means the Third Amended Joint Plan of Reorganization of Quebecor World (USA) Inc. and Certain Affiliated Debtors and Debtors-In-Possession, dated July 1, 2009, as modified.

(x) “Prepetition” refers to the time period on, or prior to, the commencement of the Bankruptcy Cases.

(y) “Postpetition” refers to the time period from, and after, the commencement of the Bankruptcy Cases.

(z) “RCRA” refers to the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., as now in effect or hereafter amended.

(aa) “Ringier” means Ringier A.G., a corporation organized under the laws of Switzerland.

(bb) “United States” means the United States of America, including all of its agencies, departments and instrumentalities.

(cc) “Work Consent Decrees” means the following judicial Consent Decrees, as amended: (i) the Consent Decree entered by the United States District Court for the Middle District of Pennsylvania on or about September 10, 1999 in United States v. C&J Clark America, Inc., No. 1:CV:93-1484, related to the Keystone Sanitation Landfill Site in Union Township, Pennsylvania (the “Keystone Consent Decree”); and (ii) the Consent Decree entered by the United States District Court for the Northern District of Illinois on or about August 14, 2002 in

United States v. Alpha Construction Co, No. 02 C 3609, related to the Lenz Oil Site in Lemont, Illinois (the “Lenz Consent Decree”).

III. JURISDICTION

2. The Court has jurisdiction over the subject matter hereof pursuant to 28 U.S.C. §§ 157, 1331, and 1334, and 42 U.S.C. §§ 9607 and 9613(b). Solely for the purposes of any proceeding related to the enforcement of this Settlement Agreement, Ringier waives all objections and defenses that it may have to this Court’s in personam jurisdiction over Ringier or to venue in this District.

IV. PARTIES BOUND; SUCCESSION AND ASSIGNMENT

3. This Settlement Agreement applies to, is binding upon, and shall inure to the benefit of the United States, the State of Illinois, the Participating PRP Groups, Ringier, the Debtors, and the Debtors’ legal successors and assigns, and any trustee, examiner, or receiver appointed in the Bankruptcy Cases.

V. TREATMENT OF CLAIMS -- LIQUIDATED SITES

4. In settlement and satisfaction of the Claims of EPA with respect to the Liquidated Sites, EPA shall have Allowed Class 3 General Unsecured Claims in the amounts set forth below and, with respect to the Lake Calumet Cluster Superfund Site, Ringier shall also be obligated to make a cash payment to EPA as set forth in Subparagraph (b) below. The United States and the Participating PRP Groups shall receive no distributions from the Debtors in the Bankruptcy Cases with respect to the Debtors’ liabilities and obligations under CERCLA for the Liquidated Sites other than as set forth in this Settlement Agreement.

(a) Liquidated Claim Amounts:

(i) With respect to the Peterson/Puritan, Inc. Superfund Site located in Lincoln and Cumberland, Rhode Island, the United States, on behalf of EPA, shall have an Allowed Class 3 General Unsecured Claim against Quebecor World Arcata Corp. in the amount of \$195,500; (ii) With respect to the Solvent Recovery Service of New England Superfund Site located in Southington, Connecticut, the United States, on behalf of EPA, shall have an Allowed Class 3 General Unsecured Claim against Quebecor World Arcata Corp. in the amount of \$175,412.76; (iii) With respect to the LWD, Inc. Superfund Site located in Calvert City, Kentucky, the United States, on behalf of EPA, shall have an Allowed Class 3 General Unsecured Claim against Quebecor World Printing (USA) Corp. in the amount of \$1,000; and (iv) With respect to the Lake Calumet Cluster Superfund Site located in Chicago, Illinois, the United States, on behalf of EPA, shall have an Allowed Class 3 General Unsecured Claim against Quebecor World Printing (USA) Corp. in the amount of \$2,701.12.

(b) With respect to the Lake Calumet Cluster Superfund Site, Ringier shall make an additional payment to EPA in the amount of \$38,617.58 within 30 days of the Court's approval of this Settlement Agreement. The obligation of Ringier to make this payment is in addition to the Debtors' obligation resulting from the allowed claim amount set forth in Paragraph 4(a)(iv).

5. Credits:

(a) With respect to the Allowed Class 3 General Unsecured Claims set forth in Paragraph 4(a), only the amount of cash received by EPA (and net cash received on account of any non-cash distributions) from the Debtors under this Settlement Agreement for the Allowed Class 3 General Unsecured Claim for a particular site, and not the total amount of the allowed

claim against the Debtors, shall be credited by EPA to its account for a particular site, which credit shall reduce the liability of non-settling potentially responsible parties for the particular site by the amount of the credit.

(b) The Claims and payments set forth in Paragraph 4 will be deemed allocated towards all past, present, and future Claims with respect to response costs for the respective Liquidated Sites, whether to address matters known or unknown, for which a Claim of any kind or nature has been, or could be, asserted against the Debtors pursuant to Sections 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607, or Section 7003 of RCRA, 42 U.S.C. § 6973, by EPA or by the potentially responsible parties, or potentially responsible party groups, which have incurred or may incur such costs.

VI. TREATMENT OF CLAIMS -- DEBTOR-OWNED SITES

6 . (a) The Debtors agree that the following claims of, or obligations to, EPA and/or the State of Illinois with respect to Debtor-Owned Sites were not discharged under Section 1141 of the Bankruptcy Code, by the confirmation of the Plan, or the Confirmation Order, nor shall such claims or obligations be impaired or affected in any way by the Bankruptcy Cases, the Plan, or the Confirmation Order:

(i) Claims against the Debtors by EPA and/or the State of Illinois under Section 107 of CERCLA, 42 U.S.C. § 9607, for recovery of response costs incurred Postpetition with respect to response actions taken at a Debtor-Owned Site, including such response action taken to address hazardous substances that have migrated from a Debtor-Owned Site to a proximate location; or

(ii) Actions against the Debtors by EPA and/or the State of Illinois under CERCLA or RCRA seeking to compel the performance of a removal action, remedial action,

corrective action, closure or any other cleanup action at a Debtor-Owned Site, including actions to address hazardous substances that have migrated to a proximate and adjacent location from a Debtor-Owned Site.

(b) EPA and/or the State of Illinois may pursue enforcement actions or proceedings under applicable law with respect to the Claims and obligations of the Debtors to EPA and/or the State of Illinois under Subparagraph (a) above in the manner, and before the administrative or judicial tribunals, in which EPA and/or the State of Illinois could have pursued enforcement actions or proceedings if the Bankruptcy Cases had never been commenced. The Debtors reserve the right to assert any and all defenses and counterclaims available to them under applicable law with respect to any Claims and obligations of the Debtors to EPA and/or the State of Illinois under Subparagraph (a) above that are asserted by EPA and/or the State of Illinois except for any alleged defense of discharge of liabilities provided under the Bankruptcy Code, the Plan, or the Confirmation Order. EPA and the State of Illinois reserve all of their rights with respect to any defenses or counterclaims asserted by the Debtors under this Subparagraph (b).

VII. INSURANCE PROCEEDS

7. To the extent that at any time after the Effective Date, the Debtors recover insurance proceeds on account of any of the Liquidated Sites in excess of the Debtors' costs of pursuing such insurance proceeds, the Debtors may retain 25% of such excess insurance proceeds on account of the Liquidated Sites and the Debtors shall pay 75% of such excess insurance proceeds on account of the Liquidated Sites to the United States. The Debtors agree to allocate in writing any excess insurance proceeds on a fair and equitable basis among the Liquidated Sites and other sites based upon all of the facts and circumstances, including but not limited to any defenses

asserted by insurers, and with deference to any allocation by a court or in an approved settlement document. In determining the Debtors' costs of pursuing insurance proceeds for the Liquidated Sites, the Debtors shall use the same percentage allocation of costs as is used in the Debtors' allocation of recovery of excess insurance proceeds attributed to Liquidated Sites. To the extent that excess insurance proceeds are allocable to sites other than the Liquidated Sites, no payment need be made to the United States from the excess insurance proceeds allocable to sites other than the Liquidated Sites. The United States reserves the right to petition the Court for an adjustment of Debtors' allocation based upon all of the facts and circumstances. The payments required to be made under this Paragraph 7 shall be in addition to the payments required to be made under Paragraph 4. However, under no circumstances, may the payments required to be made under this Paragraph 7, when combined with the distributions received by EPA pursuant to Paragraph 4(a), exceed the amounts of the respective Allowed Class 3 General Unsecured Claims authorized pursuant to Paragraph 4(a). In the event that the excess insurance proceeds sharing requirements of this Paragraph 7 would otherwise result in such an exceedance, the Debtors shall retain the additional amount of excess insurance proceeds necessary to avoid such an exceedance. With respect to any payments received by the United States under this Paragraph 7, the United States shall credit site accounts for particular Liquidated Sites only in accordance with the Debtors' allocation for the particular Liquidated Site (unless adjusted by the Court), which credit shall reduce the liability of non-settling potentially responsible parties for the particular Liquidated Site by the amount of the credit.

VIII. WORK CONSENT DECREES

8. Notwithstanding any other provisions of this Settlement Agreement, including, but not limited to, Section V (Treatment of Claims - Liquidated Sites), Section IX (Treatment of

Additional Sites), and Section XV (Covenant Not to Sue and Reservation of Rights), the Debtors that are parties to Work Consent Decrees shall comply with all obligations to perform work under the Work Consent Decrees, subject to the additional agreements set forth below:

(a) Keystone Site:

(i) The Keystone PRP Group and the Debtors shall amend the Keystone PRP Agreement to provide as follows: (1) the percentage of future response costs incurred at the Site following the Effective Date of the Plan to be paid by the Debtors shall be modified from 17.39% to 11%; and (2) such 11% allocation to the Debtors shall be fixed for the duration of the work on the Keystone Consent Decree and shall not be increased even if one or more members of the Keystone PRP Group become unable to meet their obligations. The Keystone PRP Agreement shall be assumed by the Debtors as amended.

(ii) The Keystone PRP Group shall have an Allowed Class 3 General Unsecured Claim against Quebecor World Fairfield Inc. on account of costs incurred prior to the execution of this Settlement Agreement in the amount of \$60,851.

(iii) Claim No. 8735 filed by the Keystone PRP Group shall be deemed satisfied in full in accordance with the terms of this Settlement Agreement.

(iv) In the event that the United States seeks to enforce the Keystone Consent Decree in the future in a manner that would result in the Debtors' being required to pay more than 17.39% of the response costs incurred or to be incurred at the Keystone Site after the execution of this Settlement Agreement, then the Debtors may seek a determination from the Bankruptcy Court or other court of competent jurisdiction that its obligations to perform under the Keystone Consent Decree were discharged by the confirmation of the Plan and the entry of the Confirmation Order. In such event, the United States reserves its arguments that such

obligations were not discharged by the confirmation of the Plan and the entry of the Confirmation Order as well as its position that the Bankruptcy Court does not have exclusive jurisdiction to decide this discharge issue. In the event the Bankruptcy Court or other court of competent jurisdiction determines that such obligations were discharged, then the Debtors' further obligations shall be limited to paying 17.39% of future response costs incurred at the Keystone Site.

(v) Nothing in this Settlement Agreement shall affect the rights of the Commonwealth of Pennsylvania under the Keystone Consent Decree or the rights, claims, and defenses of the Debtors with respect thereto.

(b) Lenz Oil Site:

(i) Ringier hereby agrees that its indemnity obligations to Debtors under the Ringier Stock Purchase Agreement continue, notwithstanding the confirmation of the Plan and the entry of the Confirmation Order, to the extent, and only to the extent, set forth herein.

(ii) Ringier shall be responsible for paying the costs to perform, implement, and pay any obligations, including financial security to the extent required by Section XIII (Assurance of Ability to Complete Work) of the Lenz Consent Decree, of Quebecor World KRI Inc. and Quebecor World RAI Inc., with respect to the Lenz Consent Decree and the Lenz PRP Agreement ("Consent Decree Costs") to the extent, and only to the extent, set forth in this Paragraph. Ringier shall pay the Debtors' pro rata share (as such share is calculated pursuant to the Lenz PRP Agreement, as may be revised pursuant thereto and to the agreement contemplated by Paragraph 8(b)(iii)) of the Consent Decree Costs, but such liability shall not exceed the total of the following three amounts: (A) the total amount of the funds, refunds and reimbursements now or hereafter allocated to Debtors or Ringier pursuant to the terms of the

Lenz Consent Decree, the Lenz PRP Agreement, the March 2001 Letter Agreement, or as to which Ringier is otherwise entitled by law; (B) the total amount of the funds (less any interest credited) in the Ringier Escrow as of December 31, 2009; and (C) new funds provided by Ringier not to exceed Debtors' pro rata share of up to an additional \$10.2 million in Consent Decree Costs ("New Funds"). For the avoidance of doubt, New Funds shall not include funds in the Ringier Escrow as of December 31, 2009. Ringier shall not be responsible for the payment of any Consent Decree Costs, New Funds or any other funds or obligations except as provided in this Paragraph.

(iii) The Lenz PRP Group, the Debtors and Ringier shall enter into a separate agreement amending the rights and obligations of the parties to conform to the terms hereof.

(iv) The Lenz PRP Agreement, the March 2001 Letter Agreement, and the Lenz Consent Decree (to the extent that the Lenz Consent Decree is an executory contract that can be assumed or rejected), shall be assumed by the Debtors pursuant to 11 U.S.C. § 365. Ringier hereby waives any objections it may have to Debtors' assumption of the above contracts and consent decree.

(v) The Lenz PRP Group shall not seek performance of the Lenz PRP Agreement, or other performance with respect to the Debtors' obligations at the Lenz Oil Site, in any manner other than by enforcing Ringier's obligations hereunder and under the Lenz PRP Agreement. Debtors shall have no responsibility to the Lenz PRP Group for payment of Consent Decree Costs or Lenz PRP Agreement obligations.

(vi) The United States and the State of Illinois agree not to seek performance of the Lenz Consent Decree, or other performance with respect to the Debtors'

obligations at the Lenz Oil Site, in any manner other than by seeking performance of the obligations of Ringier as set forth herein, except for the document retention requirements of Section XXIX (Retention of Records) of the Lenz Consent Decree, which shall continue to be binding upon Debtors.

(vii) After the Court's entry of a final order approving this Settlement Agreement, the United States, the State of Illinois and the Lenz PRP Group shall jointly notify the United States District Court for the Northern District of Illinois of this Court's approval of the terms of this Settlement Agreement. The notice shall include a copy of the Settlement Agreement and references to the provisions of the Settlement Agreement that relate to the Lenz Oil Site.

(viii) The following claims related to the Lenz Oil Site shall be deemed satisfied in full in accordance with the terms of this Settlement Agreement: (A) Claim No. 9179 (to the extent that it relates to the Lenz Oil Site) and Claim No. 9181 filed by the United States on behalf of EPA; (B) Claim Nos. 8390, 8391, and 8689 filed by the State of Illinois; and (C) Claim Nos. 6693, 6694, 6695, 6760, 6761, 6782, 7897, 7898, 7899, 8151, 8152, and 8153, filed by the Lenz PRP Group.

IX. TREATMENT OF ADDITIONAL SITES

9. With respect to all Additional Sites, EPA and the Debtors agree that all liabilities and obligations of the Debtors to EPA under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607, and Section 7003 of RCRA, 42 U.S.C. § 6973, arising from Prepetition acts, omissions, or conduct of the Debtors or their predecessors, including without limitation, the Prepetition generation, transportation, disposal, or release of hazardous wastes or materials, or the Prepetition ownership or operation of hazardous waste facilities, shall be treated as follows:

EPA shall receive no distributions in the Bankruptcy Cases with respect to such liabilities and obligations, but the applicable reorganized Debtors may be required to pay EPA, or such other party as it may designate, such amounts as are provided for in this Paragraph and Paragraph 10 and no additional amounts, unless otherwise provided in a settlement agreement or consent decree. If, and when, EPA undertakes enforcement activities in the ordinary course with respect to any Additional Site, the United States may seek a determination of the liability, if any, of the Debtors, and may seek to obtain a judgment of liability of the Debtors, or enter into a settlement with the Debtors in the manner, and before the administrative or judicial tribunal, in which EPA's claims would have been resolved or adjudicated if the Bankruptcy Cases had never been commenced. However, EPA shall not issue or cause to be issued any unilateral order or seek any injunction against the Debtors under Section 106 of CERCLA, 42 U.S.C. § 9606, or Section 7003 of RCRA, 42 U.S.C. § 6973, arising from the Prepetition acts, omissions, or conduct of the Debtors or their predecessors with respect to any Additional Site. EPA and the Debtors will attempt to settle each liability or obligation asserted by EPA against the Debtors relating to an Additional Site on a basis that is fair and equitable under the circumstances, including consideration of (i) settlement proposals made to other PRPs who are similar to the Debtors in the nature of their involvement with the particular Additional Site; (ii) the fact of the Debtors' bankruptcy; and (iii) the circumstances of this Settlement Agreement; but nothing in this sentence shall create an obligation of EPA that is subject to judicial review. The aforesaid resolution or adjudication of liability may occur notwithstanding the terms of the Plan, the Confirmation Order, or the terms of any order entered to effectuate the discharge received by the Debtors. In any action or proceeding with respect to an Additional Site, the Debtors and EPA reserve any and all rights, claims, and defenses they would have been entitled to assert had the

claim been adjudicated in the ordinary course or during the course of the Bankruptcy Cases including, without limitation, any argument that joint and several liability should or should not be imposed upon the Debtors. Nothing herein shall be construed to limit the parties' rights to assert any and all rights, claims, and defenses they may have in actions or proceedings involving other parties with respect to Additional Sites.

10. In the event any Claim is liquidated pursuant to Paragraph 9 by settlement or judgment to a determined amount (the "Determined Amount"), the applicable Debtor(s) with which such settlement is made, or against which such judgment is entered, will satisfy such Claim within thirty (30) days after the date on which the settlement or judgment is final and effective (the "Settlement/Judgment Date") by providing EPA the "Distribution Amount." The Distribution Amount shall be determined as follows:

(a) If the Claim is against an Operating Debtor, as defined in the Plan, and the Settlement/Judgment Date is prior to the maturity date of the New Unsecured Notes issued under the Plan, which is expected to be on or about July 15, 2013, the following shall apply:

(i) If the holders of Allowed Class 3 Unsecured Claims received New Unsecured Notes with a face value equal to 50% of their claims at the time of the original distributions under the Plan, EPA shall receive, at the option of the Debtors, either (A) New Unsecured Notes with a face value equal to 50% of the Determined Amount, or (B) cash equal to 50% of the Determined Amount;

(ii) If, because total Allowed Class 3 General Unsecured Claims exceeded \$150 million at the time of the original distributions under the Plan, the holders of such claims received notes with a face value of less than 50% of their Allowed Class 3 General Unsecured Claims, then EPA shall receive, at the option of the Debtors, either (A) New Unsecured Notes

with a face value equal to the portion of the Determined Amount representing the ratio of the aggregate face value of the New Unsecured Notes received by Class 3 claimants divided by the allowed amount of all such claims at the time of the original distributions under the Plan, or (B) cash equal to the portion of the Determined Amount representing the ratio of the aggregate face value of the New Unsecured Notes received by Class 3 claimants divided by the allowed amount of all such claims at the time of the original distributions under the Plan;

(b) If the Claim is against an Operating Debtor, as defined in the Plan, and the Settlement/Judgment Date is on or after the maturity date of the New Unsecured Notes issued under the Plan, EPA shall receive cash in the amount set forth in either Paragraph 10(a)(i)(B) or 10(a)(ii)(B), as applicable;

(c) If the Claim is against a Nonoperating Debtor, as defined in the Plan, the Distribution Amount shall be equal to 14% of the Determined Amount, which is approximately the amount of the consideration received by the Allowed Class 4 General Unsecured Claims at the time of the original distributions under the Plan.

Notwithstanding the above, the Debtor(s) and EPA may, with Bankruptcy Court approval, liquidate a Claim with a cash settlement, in which case the amount and timing of the payment shall be governed by the future settlement agreement or consent decree.

11. The terms of Paragraphs 9 and 10 of this Settlement Agreement shall apply to, be binding on, and inure to the benefit of, any successor or assign of the Debtors to the extent that, and only to the extent that, the alleged liability of the successor or assign for an Additional Site is based solely on its status as, and in its capacity as, a successor or assign of the Debtors.

12. Claims of, or obligations to, EPA resulting from the Debtors' Postpetition conduct at Additional Sites that would give rise to liability under Sections 106 and 107(a)(1)-(4) of CERCLA, 42 U.S.C. §§ 9606 and 9607(a)(1)-(4), and Section 7003 of RCRA, 42 U.S.C. § 6973, shall not be discharged under Section 1141 of the Bankruptcy Code, the Plan or the Confirmation Order, nor shall such claims or obligations be impaired or affected in any way by the Bankruptcy Cases, the Plan or the Confirmation Order.

13. EPA may pursue enforcement actions or proceedings under applicable law with respect to the Claims and obligations of the Debtors to EPA under Paragraph 12 in the manner, and before the administrative or judicial tribunals, in which EPA could have pursued enforcement actions or proceedings if the Bankruptcy Cases had never been commenced. The Debtors reserve the right to assert any and all defenses and counterclaims available to them under applicable law with respect to any such Claims and obligations, except for any alleged defense of discharge of liabilities provided under the Bankruptcy Code, the Plan or the Confirmation Order. EPA reserves all of its rights with respect to any defenses or counterclaims asserted by the Debtors under this Paragraph.

X. CLEAN AIR ACT PENALTY CLAIM

14. EPA shall have an Allowed Class 3 General Unsecured Claim in the amount of \$183,109 against Quebecor World Retail Printing Corp. in settlement of Proof of Claim No. 9175, which alleges that Quebecor World Retail Printing Corp. is liable for civil penalties for violations of the Clean Air Act, 42 U.S.C. § 7401 *et seq.*, at the facility located at 50 John Hancock Road, in Taunton, Massachusetts.

XI. SUMMARY OF ALLOWED CLASS 3 GENERAL UNSECURED CLAIMS AND ADDITIONAL PAYMENTS

15. As itemized in this Settlement Agreement and on Appendix III attached hereto, EPA shall have Allowed Class 3 General Unsecured Claims against the Debtors in the aggregate amount of \$557,722.88 and the Keystone PRP Group shall have an Allowed Class 3 General Unsecured Claim in the amount of \$60,851. In addition, EPA shall receive an additional payment from Ringier in the amount of \$38,617.58. The resolution of these Allowed Class 3 General Unsecured Claims, as well as the settlements reached herein, represent a resolution and satisfaction of the claims listed on Appendix IV attached hereto.

XII. TREATMENT OF ALLOWED CLAIMS

16. All Allowed Class 3 General Unsecured Claims under or pursuant to the terms of this Settlement Agreement (a) will receive the same treatment under the Plan, without discrimination, as other Allowed Class 3 General Unsecured Claims, with all attendant rights provided by the Bankruptcy Code and other applicable law, and (b) will not be entitled to any priority in distribution (although the provisions of Section VII (Insurance Proceeds) shall apply in the event of excess insurance proceeds). In no event shall the general unsecured claims allowed, or to be allowed, pursuant to this Settlement Agreement be subordinated to any other general unsecured claims pursuant to any provision of the Bankruptcy Code or other applicable law that authorizes or provides for subordination of allowed Claims, including without limitation, Sections 105, 510, and 726(a)(4) of the Bankruptcy Code.

17. Except for the allowed claim set forth in Section X (Clean Air Act Penalty Claim), the Claims allowed in this Settlement Agreement do not constitute, nor shall they be construed as, forfeitures, fines, or penalties (or payments in lieu thereof). Nothing herein is intended, or shall be construed, as an admission by Debtors of any facts or any violation of law.

Notwithstanding the foregoing, Debtors agree to comply with all terms of this Settlement Agreement upon the Effective Date.

18. Notwithstanding any other provision of this Settlement Agreement, and except as provided under applicable law, there shall be no restrictions on the ability and right of EPA to transfer or sell all, or a portion of any, securities distributed to it pursuant to the Plan; to sell its right to all, or a portion of any, distributions under the Plan to one or more third parties; or to transfer or sell to one or more third parties all, or a portion of any, Allowed Class 3 General Unsecured Claims pursuant to this Settlement Agreement.

19. EPA's Proofs of Claim Nos. 9175 and 9177-9182 shall be deemed satisfied in full in accordance with the terms of this Settlement Agreement.

XIII. DISTRIBUTION INSTRUCTIONS

20. Distributions

(a) Distributions to the United States on behalf of EPA:

(i) Cash payments to the United States shall be made by FedWire Electronic Funds Transfer ("EFT" or wire transfer) to the U.S. Department of Justice account in accordance with current electronic funds transfer procedures. Payment shall be made in accordance with instructions provided to the Debtors by the Financial Litigation Unit of the United States Attorney's Office for the Southern District of New York and shall reference the Civil Action Number 08-10152 and DOJ File Numbers 90-11-2-09461 and 90-11-2-19461/1. The Debtors shall transmit written confirmation of such payments to the United States at the addresses specified in Paragraph 32. In the event that the United States sells or transfers its Claims, payment will be made to a transferee only after evidence of the claim transfer shall have

been filed with the Court (prior to the closing of the Bankruptcy Cases) and the applicable appeal period to object to such transfer has expired.

(ii) Non-cash distributions to the United States on behalf of EPA shall be made to:

United States Environmental Protection Agency
Superfund Payments
Cincinnati Finance Center
P.O. Box 979076
St. Louis, MO 63197-9000

The Debtors shall transmit written confirmation of such payments to the United States at the addresses specified in Paragraph 32.

(iii) EPA may, in its sole discretion, direct any portion of any cash distribution, or the proceeds of any non-cash distribution, into site-specific special accounts established to fund response actions at Liquidated Sites in the event that future work is anticipated at such sites.

(b) Distributions to the Keystone PRP Group:

(i) Cash and non-cash distributions to the Keystone PRP Group shall be made to “Original Generator Defendants Trust” and shall be sent to:

Keystone PRP Group
c/o John P. McBurney
De Maximis, Inc.
186 Center Street
Suite 290
Clinton, NJ 08809
Phone: (908) 735-9315
Fax: (908) 735-2132
E-mail: jackburn@demaximis.com

XIV. TREATMENT OF DISCHARGED SITES

21. (a) With respect to the Discharged Sites, EPA agrees that all liabilities and obligations of the Debtors to EPA under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607, arising from Prepetition acts, omissions, or conduct of the Debtors including, without limitation, the Prepetition generation, transportation, disposal, or release of hazardous wastes or materials, or the Prepetition ownership or operation of hazardous waste facilities, were discharged under Section 1141 of the Code, by the Plan and the Confirmation Order, and EPA shall receive no distributions in the Chapter 11 Cases with respect to such liabilities and obligations.

(b) Claims of, or obligations to, EPA resulting from the Debtors' Postpetition conduct at Discharged Sites that would give rise to liability under Sections 106 and 107(a)(1)-(4) of CERCLA, 42 U.S.C. §§ 9606 and 9607(a)(1)-(4), shall not be discharged under Section 1141 of the Bankruptcy Code, by the Plan or by the Confirmation Order, nor shall such claims or obligations be impaired or affected in any way by the Bankruptcy Cases, the Plan, or the Confirmation Order.

XV. COVENANT NOT TO SUE AND RESERVATION OF RIGHTS

22. In consideration of all of the foregoing, including, without limitation, the payments and/or distributions that will be made and the Allowed Class 3 General Unsecured Claims authorized pursuant to the terms of this Settlement Agreement, and except as specifically provided in Paragraphs 26 through 28, EPA covenants not to (a) file a civil action or to take any administrative action against the Debtors pursuant to Sections 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607, or Section 7003 of RCRA, 42 U.S.C. § 6973, with respect to each of the Liquidated Sites; (b) file a civil action or take any administrative action against Ringier, in its

capacity as indemnitor of one or more of the Debtors, pursuant to Sections 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607, or Section 7003 of RCRA, 42 U.S.C. § 6973, with respect to the Lake Calumet Cluster Superfund Site or the Lenz Oil Site; or (c) file a civil action or take any administrative action against the Debtors pursuant to Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b), for civil penalties resulting from the Clean Air Act violations alleged in Proof of Claim No. 9175 with respect to the facility operated by Quebecor World Retail Printing Corp. located at 50 John Hancock Road in Taunton, Massachusetts. These covenants not to sue shall take effect on the Effective Date.

23. This Settlement Agreement in no way impairs the scope and effect of the Debtors' discharge under Section 1141 of the Bankruptcy Code as to any third parties or as to any Claims that are not addressed by this Settlement Agreement.

24. Without in any way limiting the covenant not to sue (and the reservations thereto) set forth in Paragraph 22 and notwithstanding any other provision of this Settlement Agreement, such covenant not to sue shall also apply to the Debtors' successors and assigns, officers, directors, employees and trustees, but only to the extent that the alleged liability of the successor or assign, officer, director, employee, or trustee of any Debtor is based solely on its status as, and in its capacity as, a successor or assign, officer, director, employee, or trustee of any Debtor.

25. The covenants not to sue contained in Paragraphs 22 and 24 of this Settlement Agreement extend only to the Debtors, Ringier (in its capacity as indemnitor of one or more of the Debtors), and the persons described in Paragraphs 22 and 24 above, and do not extend to any other person. Nothing in this Settlement Agreement is intended as a covenant not to sue, or a release from liability, for any person or entity other than the Debtors, Ringier (in its capacity as indemnitor of one or more of the Debtors), the United States, and the persons described in

Paragraph 24. EPA, the Debtors and Ringier expressly reserve all claims, demands, and causes of action either judicial or administrative, past, present or future, in law or equity, that EPA, the Debtors, and Ringier may have against all other persons, firms, corporations, entities, or predecessors of the Debtors for any matter arising at or relating in any manner to the sites or claims addressed herein.

26. Notwithstanding the foregoing, EPA's covenant not to sue contained in this Settlement Agreement shall not apply to or affect any action based on (a) a failure to meet a requirement of this Settlement Agreement; (b) criminal liability; or (c) conduct of the Debtors at any Liquidated Site occurring after the date of lodging of this Settlement Agreement which would give rise to liability under 42 U.S.C. §§ 9606 and 9607(a)(1)-(4).

27. Nothing in this Settlement Agreement shall be deemed to limit the authority of the United States to take response action under Section 104 of CERCLA, 42 U.S.C. § 9604, or any other applicable law or regulation, or to alter the applicable legal principles governing judicial review of any action taken by the United States pursuant to that authority. Nothing in this Settlement Agreement shall be deemed to limit the information-gathering authority of the United States under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622, or any other applicable federal or state law or regulation, or to excuse the Debtors from any disclosure or notification requirements imposed by CERCLA, RCRA, or any other applicable federal or state law or regulation.

28. (a) The Debtors hereby covenant not to sue and agree not to assert or pursue any claims or causes of action against the United States with respect to the Liquidated Sites including, but not limited to, (i) any direct or indirect claim for reimbursement from the Hazardous Substances Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C.

§ 9507) through Sections 106(b)(2), 111, 112, 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9611, 9612, 9613, or any other provision of law, related to the Liquidated Sites; (ii) any claim against the United States, including any department, agency or instrumentality of the United States, under Sections 107 or 113 of CERCLA, 42 U.S.C. §§ 9607 or 9613, related to the Liquidated Sites; or (iii) any claims arising out of response activities at the Liquidated Sites. Nothing in this Settlement Agreement shall be deemed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, 40 C.F.R. § 300.700(d).

(b) Ringier hereby covenants not to sue and agrees not to assert or pursue any claims or causes of action against the United States with respect to (i) the Lake Calumet Cluster Superfund Site or (ii) the Lenz Oil Site, in each case including, but not limited to, (A) any direct or indirect claim for reimbursement from the Hazardous Substances Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through Sections 106(b)(2), 111, 112, 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9611, 9612, 9613, or any other provision of law, related to the Lake Calumet Cluster Superfund Site or the Lenz Oil Site; (B) any claim against the United States, including any department, agency or instrumentality of the United States, under Sections 107 or 113 of CERCLA, 42 U.S.C. §§ 9607 or 9613, related to the Lake Calumet Cluster Superfund Site or the Lenz Oil Site; (C) or any claims arising out of response activities at the Lake Calumet Cluster Superfund Site or the Lenz Oil Site. Nothing in this Settlement Agreement shall be deemed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611 and 40 C.F.R. § 300.700(d).

XVI. CONTRIBUTION PROTECTION

29. The Parties agree, and by approving this Settlement Agreement, the Bankruptcy Court finds, that this Settlement Agreement constitutes a judicially-approved settlement entered

into by the United States and the Debtors with respect to the Liquidated Sites and by the United States and Ringier, in its capacity as indemnitor for one or more of the Debtors, with respect to the Lake Calumet Cluster Superfund Site and the Lenz Oil Site, for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), and that (a) the Debtors with respect to the Liquidated Sites and (b) Ringier, in its capacity as the indemnitor of one or more of the Debtors, with respect to the Lake Calumet Cluster Superfund Site and the Lenz Oil Site, are entitled, as of the Effective Date, to protection from contribution actions and claims by third parties as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), or as may otherwise be provided by law, for “matters addressed” in this Settlement Agreement. The “matters addressed” in this Settlement Agreement, as that phrase is used in Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), are, with respect to the Debtors, all response actions taken, or to be taken, and all response costs incurred and to be incurred, at or in connection with the Liquidated Sites, by EPA or potentially responsible parties and, with respect to Ringier, in its capacity as the indemnitor of one or more of the Debtors, all response actions taken, or to be taken, and all response costs incurred and to be incurred, at or in connection with the Lake Calumet Cluster Superfund Site and the Lenz Oil Site, by EPA or potentially responsible parties.

30. The Debtors and Ringier agree that with respect to any suit for contribution brought against any of them after the Effective Date for matters related to this Settlement Agreement, they will notify the United States within 15 business days of service of the complaint. In addition, in connection with such suit, the Debtors and Ringier shall notify the United States within 15 business days of service or receipt of any Motion for Summary Judgment and within fifteen 15 business days of receipt of any order from a court setting a case for trial (provided, however, that the failure to notify the United States pursuant to this Paragraph shall not in any

way affect the protections afforded under Section XV (Covenant Not to Sue and Reservation of Rights)).

XVII. EXCLUDED SITES

31. The liability of the Debtors, if any, to EPA with respect to Excluded Sites shall not be affected by this Settlement Agreement. The Debtors reserve their position that any such liabilities were discharged by the confirmation of the Plan and the entry of the Confirmation Order. EPA reserves any arguments it may have that such liabilities were not discharged by the confirmation of the Plan and the entry of the Confirmation Order.

XVIII. NOTICES AND SUBMISSIONS

32. Whenever, under the terms of this Settlement Agreement, written notice is required to be given, or a report or other document is required to be sent by one party to another, it shall be directed to the individuals at the addresses specified below via U.S. certified mail, return receipt requested, unless those individuals or their successors give notice of a change of address to the other Parties in writing. All notices and submissions shall be considered effective upon receipt, unless otherwise provided. Except as otherwise provided in this Settlement Agreement, written notice as specified herein shall constitute complete satisfaction of any written notice requirement in the Settlement Agreement with respect to the Parties to this Settlement Agreement:

As to the United States:

Chief
Environmental Enforcement Section
Environment & Natural Resources Division
P.O. Box 7611
Washington, D.C. 20044-7611
Ref. DOJ File Nos. 90-11-2-09461 and 90-11-2-09461/1

Donald G. Frankel
Trial Attorney
U.S. Department of Justice
One Gateway Center
Suite 616
Newton, MA 02458

Jeannette A. Vargas
Assistant United States Attorney
United States Attorney's Office
Southern District of New York
86 Chambers Street, Third Floor
New York, NY 10007

Craig Kaufman
Attorney-Advisor
U.S. Environmental Protection Agency
Office of Site Remediation Enforcement, Regional Support Division
1200 Pennsylvania Ave., N.W. (Mail Code 2272A)
Washington, DC 20460

As to the State of Illinois:

Elizabeth Wallace
Supervising Attorney
Illinois Attorney General's Office
69 West Washington St., 18th floor
Chicago, IL 60602

As to the Lenz PRP Group:

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Chair, Lenz PRP Group
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(312) 853-7036 (fax)
abielawski@sidley.com

As to the Keystone PRP Group:

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aisenberg@saul.com

William E. Heiser
Vice President, Finance
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wheiser@rhsheppard.com

Jane Gowen Penny, Esq.
Killian & Gephart, LLP
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717-238-5430
jpenny@killiangephart.com

As to Ringier:

Richard M. Schwartz
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004-1980
(212) 859-8263 (direct dial)
(212) 859-4000 (fax)

Martin Werfeli
Director
Ringier AG
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Tel. +41 / 62 / 746 33 12

Peter Wullschleger
Financial Accountant
Ringier AG
Brühlstrasse 5
Switzerland - 4800 Zofingen
Tel. +41 / 92 / 746 36 96

As to the Debtors:

Ann Pantle O'Brien
Director, Environmental Affairs
World Color Press
6215 North Lundy Avenue
Chicago, Illinois 60646
773.631.3869 (direct dial)
773.631.3294 (fax)
ann.pantle@quebecorworld.com

Vincent Maranda
Vice President- Legal Affairs, World Color Press
999 de Maisonneuve Blvd. West, Suite 1100
Montreal, Quebec H3A 3L4
Canada
514.954.3624 (fax)

XIX. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

33. This Settlement Agreement shall be subject to approval of the Bankruptcy Court. The Debtors shall promptly seek approval of this Settlement Agreement under Bankruptcy Rule 9019 or other applicable provisions of the Bankruptcy Code. The hearing on Debtors' request for such approval shall not be held until the United States informs the Bankruptcy Court (pursuant to Paragraph 34) of any public comments on the Settlement Agreement and the United States' responses to those comments.

34. This Settlement Agreement shall be lodged with the Bankruptcy Court for public notice and comment for a period not less than thirty (30) days. After the conclusion of the public comment period, the United States will file with the Bankruptcy Court any comments received, as well as the United States' responses to the comments, and at that time, if appropriate, the Bankruptcy Court will be requested by motion of the United States to approve the Settlement Agreement. The United States reserves the right to withdraw or withhold its consent if the

comments regarding the Settlement Agreement disclose facts or considerations which indicate that the Settlement Agreement is not in the public interest.

35. If for any reason, (a) the Settlement Agreement is withdrawn by the United States as provided in Paragraph 34, or (b) the Settlement Agreement is not approved, then: (i) this Settlement Agreement shall be null and void and the Parties shall not be bound hereunder or under any documents executed in connection herewith; (ii) the Parties shall have no liability to one another arising out of or in connection with this Settlement Agreement or under any documents executed in connection herewith; (iii) this Settlement Agreement and any documents prepared in connection herewith shall have no residual or probative effect or value, and it shall be as if they had never been executed; (iv) this Settlement Agreement, any statements made in connection with settlement discussions, and any documents prepared in connection herewith may not be used as evidence in any litigation between the Parties, and (v) the Parties reserve all their claims, rights, positions, assertions, and defenses.

XX. AMENDMENTS/INTEGRATION AND COUNTERPARTS

36. This Settlement Agreement and any other documents to be executed in connection herewith shall constitute the sole and complete agreement of the Parties hereto with respect to the matters addressed herein. This Settlement Agreement may not be amended except by a writing signed by all Parties to this Settlement Agreement.

37. This Settlement Agreement may be executed in counterparts each of which shall constitute an original and all of which shall constitute one and the same agreement.

XXI. RETENTION OF JURISDICTION

38. Except as provided in Section VI (Treatment of Claims – Debtor-Owned Sites), Section VIII (Work Consent Decrees), and Section IX (Treatment of Additional Sites) regarding

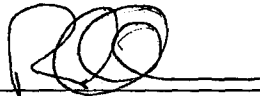
proceedings in other administrative or judicial tribunals, the Court (or, upon withdrawal of the Court's reference, the United States District Court of the Southern District of New York) shall retain jurisdiction over the subject matter of this Settlement Agreement and the Parties hereto for the duration of the performance of the terms and provisions of this Settlement Agreement for the purpose of enabling any of the Parties to apply to the Court at any time for such further order, direction, and relief as may be necessary or appropriate for the construction or interpretation of this Settlement Agreement, or to effectuate or enforce compliance with its terms.

THE UNDERSIGNED PARTIES ENTER INTO THIS SETTLEMENT AGREEMENT

FOR THE UNITED STATES OF AMERICA:

Date: 06/30/10

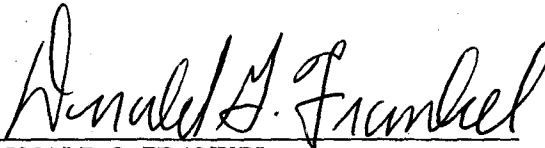
By:



ROBERT G. DREHER
Acting Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20530

Date: 7/1/10


By:



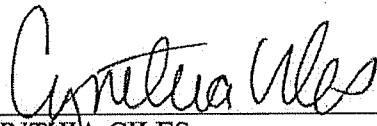
DONALD G. FRANKEL
Trial Attorney
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
One Gateway Center
Suite 616
Newton, MA 02458

PREET BHARARA
United States Attorney
Southern District of New York

Date: 7/1/10

By: 
JEANNETTE A. VARGAS
Assistant United States Attorney
United States Attorney's Office
Southern District of New York
86 Chambers Street, Third Floor
New York, NY 10007

Date: 5/20/10

By: 
CYNTHIA GILES
Assistant Administrator
U.S. EPA, Office of Enforcement and Compliance
Assurance
1200 Pennsylvania Ave. N.W. (Mail Code 2272A)
Washington, D.C. 20460

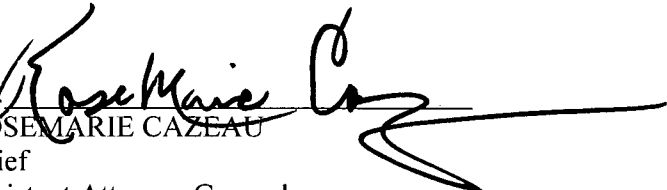
FOR THE STATE OF ILLINOIS:

PEOPLE OF THE
STATE OF ILLINOIS

ex rel. LISA MADIGAN
Attorney General of
State of Illinois


MATTHEW J. DUNN
Chief
Environmental Enforcement/
Asbestos Litigation Division

Date: 5/24/10

By: 
ROSEMARIE CAZEAU
Chief
Assistant Attorney General
Environmental Bureau

ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY

Date: 5/20/10

By: 
JOHN J. KIM
Chief Legal Counsel

FOR THE KEYSTONE PRP GROUP:

Date: 5/28/10

By: 

WILLAIM E. HEISER
Vice President, Finance
R.H. Sheppard Co., Inc.
P.O. Box 877
Hanover, PA 17331-0877

FOR THE LENZ PRP GROUP:

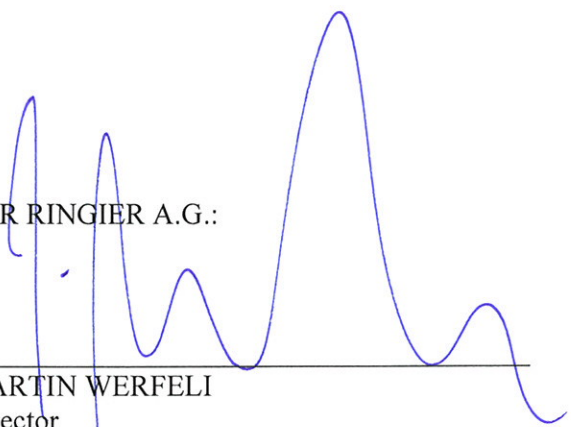
Date: May 21, 2010

By: 

ALAN P. BIELAWSKI
Chair, Lenz PRP Group
Sidley & Austin
One South Dearborn
Chicago, Illinois 60603

FOR RINGIER A.G.:

Date: 21. 05. 2010 By:


MARTIN WERFELI
Director
Ringier AG
Brühlstrasse 5
Switzerland - 4800 Zofingen
Tel. +41 / 62 / 746 33 12

Date: 21. 05. 2010 By:


PETER WULLSCHLEGER
Financial Accountant
Ringier AG
Brühlstrasse 5
Switzerland - 4800 Zofingen
Tel. +41 / 92 / 746 36 96

FOR THE DEBTORS:

Date: 5-17-10

By: David McCarthy
DAVID McCARTHY
World Color (USA) Corp.
(f/k/a Quebecor World (USA) Inc.)
Vice President
381 Riverside Drive, Suite 400
Franklin, TN 37064

APPENDIX I – MEMBERS OF KEYSTONE PRP GROUP

1. The ESAB Group, Inc.
2. SKF USA Inc.
3. R.H. Sheppard Co., Inc.
4. C&J Clark America, Inc.
5. The Genlyte Group, Incorporated
6. Kemper Industries, Inc.

APPENDIX II – MEMBERS OF LENZ PRP GROUP

1. Alpha Construction Company
2. BFI Waste Systems of North America, Inc. in its own capacity and as a successor in interest by corporate merger to E&E Hauling, Inc.
3. Bill Stillwell Buick, Inc.
4. Bower Motors, Inc.
5. Commonwealth Edison Company
6. Crown Cork & Seal Company, Inc.
7. Flexible Steel Lacing Company
8. Harcros Chemicals Inc.
9. Hondo, Inc., doing business as Coca-Cola bottling Co. of Chicago
10. Howard Pontiac Inc.
11. International Truck and Engine Corporation, a successor in interest to Navistar International Transportation Corp. and International Harvester Company
12. Kayser Ford, Inc. in its own capacity and as successor in interest to a dissolved corporation known as the K Group, Inc., formerly known as Kayser Ford, Inc.
13. John and Tom Kranz, doing business as Kranz Service, Inc., and Kranz Service, Inc.
14. Laurel Motors, Inc.
15. Madison Gas and Electric Company
16. Owens-Illinois, Inc.
17. Packey Webb Ford, an Illinois Limited Partnership
18. Sears, Roebuck and Co.
19. Zellmer Truck Lines, Inc.

APPENDIX III: AGREED CLAIMS

Debtor	Allowed Amount	Treatment	Classification	Creditor Name
Quebecor World Arcata Corp.	\$195,500.00	General Unsecured Claim	Class 3	EPA
Quebecor World Arcata Corp.	\$175,412.76	General Unsecured Claim	Class 3	EPA
Quebecor World Printing (USA) Corp.	\$1,000.00	General Unsecured Claim	Class 3	EPA
Quebecor World Printing (USA) Corp.	\$2,701.12	General Unsecured Claim	Class 3	EPA
Quebecor World Fairfield Inc.	\$60,851.00	General Unsecured Claim	Class 3	Keystone PRP Group
Quebecor World Retail Printing Corp.	\$183,109.00	General Unsecured Claim	Class 3	EPA

APPENDIX IV: CLAIMS RESOLVED AND SATISFIED BY THIS SETTLEMENT
AGREEMENT

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