

From: Jay Hurst
To: Malloy, Charles; Theis, 'April
CC: 'Frankel, Paul H.'; Canning, Michael; Hashimoto, Ken; Slomka, IrwinM.; Starks, Jason;
robert.ventrella@azag.gov
Date: 5/26/2011 5:11 PM
Subject: Re: In re Quebecor -- Stipulation to Extend Discovery Cut Off Date

Counsel - I would like to raise another matter. We have the status conference call with Judge Peck next week. What are the subjects you wish to discuss and what are the subjects we wish to discuss. I want to inform you, and ask your prior agreement, to one subject that is important to Texas. Given the absence of any document production by QW to this point, we have relied on whatever information we can gather from our own efforts to identify and depose relevant witnesses. In particular, we believe that the depositions of the Texas customers who have been placed by the Texas sales personnel with the VDA Debtor plants to be highly relevant to the issues raised in this case. These are fairly short, specific depositions. There are so many potential QW witnesses from those identified in your discovery responses, to the nexus issues you have raised, to the actual calculation of a fair number to settle the unpaid Texas taxes, including numerous sales personnel, plant csr personnel, "corporate" personnel who appear to trouble shoot across state lines, the accounting personnel involved in determining the Debtors' VDA proposal figure, and beyond. The federal rules of civil procedure limit us to 10 depositions without further court approval. I am asking that you agree to allow us at least 10 extra depositions. If you don't agree, I intend to ask Judge Peck for such allowance. It is not that I want to take more depositions and incur the expense associated therewith, nor do I say that I will actually take 10 more depositions - but I do want for planning purposes to have the authority to take at least 10 more depositions. This is extremely reasonable in light of the Debtors' failure to produce a single page of requested documents this late in the discovery period and forcing us to try to comply with deadlines based only on the information we can independently obtain. Please confirm that you will agree to extend our right to conduct at least 10 additional depositions or advise me that we need to present this issue to Judge Peck at the upcoming status conference. Thanks for your consideration.

Regards,

Jay Hurst

