

**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

**STIPULATION**

This stipulation (the “Stipulation”) is entered into and agreed to by and among the debtors in the above-captioned cases (the “Debtors” or the “Reorganized Debtors,” as applicable) and the GCIU-Employer Retirement Fund (the “ERF,” and collectively with the Reorganized Debtors, the “Parties,” and each, individually, a “Party”). The Parties by and through their undersigned attorneys, state as follows:

**WHEREAS**, on January 21, 2008 (the “Petition Date”), the Debtors filed their voluntary petitions in this Court (the “Chapter 11 Cases”) for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”); and

**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”); and

**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”); and

**WHEREAS**, on July 21, 2009, the Plan became effective (the “Effective Date”); and

**WHEREAS**, pursuant to the Plan, on the Effective Date, a Joint Claims Oversight Committee, as defined and provided for in the Plan, was formed; and

**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. Further, on July 2, 2010, World Color Press Inc. was acquired by Quad/Graphics, Inc. ("Quad"). Nevertheless, pursuant to section 6.4(c) of the Plan, the Reorganized Debtors retained their "Quebecor" names for purposes of the Chapter 11 Cases in all respects; and

**WHEREAS**, the Debtors allege that they shutdown and ceased normal business operations in respect of their facility in Memphis, Tennessee (the "Memphis Facility") on April 19, 2009, when it ceased operations and printing production at the Memphis Facility that required contributions to the ERF, and, upon the shutdown of the Memphis Facility, its customer print and production work was transferred to other locations; and

**WHEREAS**, pursuant to that certain Assessment Letter, dated August 10, 2011 (the "Withdrawal Liability Assessment Letter"), the ERF asserted partial withdrawal liability, and made demand for withdrawal liability payments relating to the closure of the Memphis Facility, in the amount of \$1,381,981 (the "Memphis Partial Withdrawal Liability"); and

**WHEREAS**, the Reorganized Debtors disputed the Withdrawal Liability Assessment Letter and the Memphis Partial Withdrawal Liability because, pursuant to the terms and conditions of the Plan and the Confirmation Order, any claim arising on account of withdrawal liability that arose prior to the Effective Date was discharged in the Chapter 11 Cases; and

**WHEREAS**, on May 3, 2012, the Reorganized Debtors filed their *Motion to Enforce the Confirmation Order and Third Amended Joint Plan of Reorganization of the Quebecor Debtors* (the "Motion"), and sought, *inter alia*, an order from the Bankruptcy Court confirming that, as a pre-Effective Date withdrawal liability claim that arose upon the closure of the Memphis Facility, the Memphis Partial Withdrawal Liability was addressed and resolved under the Plan and the Confirmation Order, and any such claim asserted by the ERF pursuant to the Withdrawal Liability Assessment Letter or otherwise relating to the closure of the Memphis Facility was discharged; and

**WHEREAS**, on June 19, 2012, the ERF filed its objection (the "Objection") to the Motion, contending that the withdrawal of the Memphis Facility occurred after the Effective Date and, therefore, was not discharged in the Chapter 11 Cases. On June 26, 2012, the Reorganized Debtors filed their reply (the "Reply") to the Objection; and

**WHEREAS**, on June 27, 2012, the Bankruptcy Court held a hearing on the Motion and related Objection and Reply and, at this hearing, the Bankruptcy Court requested that the Parties meet and confer; and

**WHEREAS**, the Parties have conferred in good faith, and reached agreement, with the consent of the Joint Claims Oversight Committee, on the resolution of the issues presented by the Motion, Objection and Reply as set forth in this Stipulation.

NOW, THEREFORE, in consideration of the agreements and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, and upon the foregoing recitals, which are incorporated herein in all respects, it is hereby stipulated that:

1. The ERF shall have an allowed general unsecured claim on account of any such partial withdrawal liability owing to the ERF, including, without limitation, the Memphis Partial Withdrawal Liability, that arose upon the April 19, 2009 closure of the Memphis Facility and the corresponding cessation of the ERF contribution obligation relating thereto, in the aggregate amount of \$966,857 (the “ERF Allowed Memphis Claim”), with \$773,485.60 of the ERF Allowed Memphis Claim entitled to Class 4 treatment and \$193,371.40 entitled to Class 3 treatment, in each case as defined and provided for under the Plan; with any and all distributions made by the Reorganized Debtors in respect of the ERF Allowed Memphis Claim to be made in accordance with the terms of the Plan and distributed to the ERF at the following address: GCIU-Employer Retirement Fund (Attn: Matthew Wenner), 13191 Crossroads Parkway N. Suite 205, City of Industry, CA 91746-3434.

2. Any and all partial withdrawal liability relating to the closure of the Memphis Facility and the corresponding cessation of the contribution obligations relating thereto was discharged pursuant to the Plan and Confirmation Order.

3. Distributions to the ERF as provided for hereunder on account of the ERF Allowed Memphis Claim, when made, shall be deemed to be in full satisfaction of any and all partial withdrawal liability owing to the ERF relating to the closure of the Memphis Facility and the cessation of any contribution obligations relating thereto, including, without limitation, in respect of the Memphis Partial Withdrawal Liability and the ERF Allowed Memphis Claim, and the Memphis Partial Withdrawal Liability and the ERF Allowed Memphis Claim shall be deemed discharged pursuant to the Plan and the Confirmation Order.

4. Quad shall receive full credit in the allowed amount of the ERF Allowed Memphis Claim in connection with any other determination of withdrawal liability and shall not seek a credit in excess of the ERF Allowed Memphis Claim for any subsequent withdrawals.

5. Other than the ERF Allowed Memphis Claim, as provided for in paragraph 1 of this Stipulation, any and all claims, demands or causes of action of the ERF, or any other party claiming by or through the ERF, against the Debtors, the Reorganized Debtors, or Quad, relating to any partial withdrawal liability on account of the April 19, 2009 closure of the Memphis Facility and the corresponding cessation of contribution obligations relating thereto, including, without limitation, the Memphis Partial Withdrawal Liability, shall be deemed waived, disallowed, expunged, released and discharged in the Chapter 11 Cases.

6. This Stipulation, and the allowance of the ERF Allowed Memphis Claim, are subject to approval by the Bankruptcy Court. Upon entry of an Order by the Bankruptcy Court approving this Stipulation and the allowance of the ERF Allowed Memphis Claim, the Motion, the Objection, and the Withdrawal Liability Assessment Letter shall each be deemed withdrawn. If this Stipulation is not approved by the Bankruptcy Court, it shall be null and void and nothing herein shall be deemed an admission or waiver of rights of either Party.

7. 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.

8. This Stipulation constitutes the entire agreement and understanding of the Parties relating to the Withdrawal Liability Assessment Letter, the Memphis Partial Withdrawal Liability, the ERF Allowed Memphis Claim and the subject matter hereof.

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

10. This Stipulation shall be binding on all parties in interest in the Chapter 11 Cases.

11. The Bankruptcy Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Stipulation.

Dated: New York, New York  
October 4, 2012

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*Counsel to the GCIU-Employer Retirement  
Fund*

*Counsel to the Reorganized Debtors*

**SO ORDERED:**

Dated: New York, New York  
October 22, 2012

    s/ James M. Peck      
Honorable James M. Peck  
United States Bankruptcy Judge