CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

SUPERIOR COURT

Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*)

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

ABITIBIBOWATER INC.

And

ABITIBI-CONSOLIDATED INC.

And

BOWATER CANADIAN HOLDINGS INC.

And

the other Petitioners listed on Schedules "A", "B" and "C"

Petitioners

And

ERNST & YOUNG INC.

Monitor

MOTION TO AMEND THE INITIAL ORDER
(Initial Order issued pursuant to Sections 4, 5 and 11 of the *Companies' Creditors Arrangement Act* ("CCAA")

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, THE PETITIONERS RESPECTFULLY SUBMIT THE FOLLOWING:

1. On April 17, 2009, this Court issued an Initial Order under sections 4, 5 and 11 of the CCAA and Sections 191 and ff. of the *Canada Business Corporations Act* R.S.C. 1985, c. C-44 (the "**Initial Order**"), pursuant to an application made by AbitibiBowater Inc., Abitibi-Consolidated Inc., Bowater Canadian Holdings Inc. and the Petitioners listed on Schedules "A", "B" and "C" to the Initial Order.

2. That same day, this Court also issued a recognition order of certain proceedings commenced by ABH and the Petitioners listed on Schedule "C" to the Initial Order under Chapter 11 of Title 11 of the United States Code before the United States Bankruptcy Court for the District of Delaware.

3. In light of certain requests lodged with Petitioners by the BI DIP Agent under the BI DIP Credit Agreement (as these terms are defined in the Initial Order), the Petitioners hereby apply for the following amendments to (or rectifications of) the Initial Order:

   (a) Schedule "D" (the list of Partnerships to which the stay granted under the Initial Order is extended) should be added to the Initial Order, as it was omitted, a copy of Schedule "D" is attached hereto;

   (b) In Schedule "B" (the list of Bowater Petitioners), the fourth (4^{th}) company on the list should read "3231378 Nova Scotia Company"; seeing as it is currently listed under an incorrect name ("323379 Nova Scotia Company"), an amended copy of Schedule "B" is attached hereto;

   (c) Two of the Canadian credit parties to the BI DIP Credit Agreement (as the term is defined in the Initial Order), namely Bowater Pulp and Paper Canada Holdings Limited Partnership ("**Bowater Pulp**") and Bowater Canada Finance Limited Partnership ("**Bowater Finance**"), are partnerships listed in Schedule "D" and thus, are not included with the Bowater Petitioners listed in Schedule "B". The general partner of Bowater Finance, Bowater Canada Treasury Corporation is a Bowater Petitioner; the general partner of Bowater Pulp, Bowater Ventures Inc., is not. However, as credit parties, both Bowater Finance and Bowater Pulp need to be covered by the BI DIP provisions of the Initial Order. In order to resolve this issue, it is respectfully requested that Paragraph 54 of the Initial Order be amended in the following fashion:

> [54] **ORDERS** that the Bowater Petitioners (which for the purposes only of paragraph 54 to 60, 90, 91, 93, 94 and 97 of this Order shall include, in addition to the Bowater Petitioners, Bowater Pulp and Paper Canada Holdings Limited Partnership and Bowater Canada Finance Limited Partnership and Bowater Ventures Inc., in its capacity as the general partner of Bowater Pulp and Paper Canada Holdings Limited Partnership) are hereby authorized and empowered to enter into, obtain and borrow under credit facilities provided pursuant to a Senior Secured Superpriority Debtor in Possession Credit Agreement among Avenue Investments, L.P., as a lender, Fairfax Financial Holdings Limited ("**Fairfax**"), as a lender, the other lenders party thereto from time to time (collectively, the "**BI DIP Lenders**" and , Fairfax as Administrative Agent and Collateral Agent (the Administrative Agent and the Collateral Agent, collectively, the "**BI DIP Agent**") substantially in the form communicated as **Exhibit R-23** in support of the Petition (subject to such non-material amendments and modifications as the parties may agree with a copy thereof being provided in advance to the Monitor) (the "**BI DIP Credit Agreement**"), provided that borrowings under such credit facility shall not exceed the principal amount of US$600 million unless permitted by further Order of this Court, and the BI DIP Credit Agreement is hereby approved.

(d) In light of the Bowater Petitioners' immediate need for DIP funding, the BI DIP Lenders are of the view that it is critical to effect registrations as soon as possible of the necessary BI DIP Documents and of the BI DIP Lenders Charge (as these terms are defined in the Initial Order). The BI DIP Lenders have requested that the Petitioners apply for an amending order directed to land registrars in Quebec and elsewhere as well as to the Registrar of Personal and Moveable Real Rights. It is hereby respectfully requested that this Court add the following paragraphs after Paragraph 56 of the Initial Order:

[56.1] **ORDERS AND DIRECTS** any Land or other Registrar of a district in a province to whom copies of this Order (and any and all documentation ancillary thereto, if presented to them) to accept such copies for registration on the titles to the immovables, lands and premises and rights of the Bowater Petitioners and further **ORDERS** that such registrations shall take place and be effected by all such Land or other Registrars without a certificate attesting that no appeal of this Order has been taken, this Order being good and sufficient authority for so doing.

[56.2] **ORDERS AND DIRECTS** the Registrar (the "**Registrar**") of the Register of Personal and Moveable Real Rights (the "**Register**") to accept, upon payment of the prescribed fees, copies of this Order (and any and all documentation ancillary thereto, if presented to it) for registration in the Register of a hypothec against all moveable Property of the Bowater Petitioners and further **ORDERS** that such registrations shall take place and be effected by the Registrar without a certificate attesting that no appeal of this Order has been taken, this Order being good and sufficient authority for so doing.

4. The Petitioners respectfully submit that this Petition should be granted in accordance with its conclusions.

5. The present Petition is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

1. **GRANT** this *Motion for the Amendment (or Rectification) of an Initial Order* (the "**Motion**").

2. **EXEMPT** AbitibiBowater Inc., Abitibi-Consolidated Inc., Bowater Canadian Holdings Inc. and the other Petitioners listed on Schedules "A", "B" and "C" hereto from having to serve this Motion and from any notice of presentation.

3. **AMEND** as follows the Initial Order issued by this Court in this matter on April 17, 2009:

(a) Add as Schedule "D" to the Initial Order the Schedule "D" attached hereto;

(b) In Schedule "B" of the Initial Order, replace the name of the fourth (4th) company on the Schedule (currently "323379 Nova Scotia Company") with the following name: "3231378 Nova Scotia Company";

(c) Replace the current Paragraph 54 of the Initial Order with the following paragraph:

> [54] **ORDERS** that the Bowater Petitioners (which for the purposes only of paragraph 54 to 60, 90, 91, 93, 94 and 97 of this Order shall include, in addition to the Bowater Petitioners, Bowater Pulp and Paper Canada Holdings Limited Partnership and Bowater Canada Finance Limited Partnership and Bowater Ventures Inc., in its capacity as the general partner of Bowater Pulp and Paper Canada Holdings Limited Partnership) are hereby authorized and empowered to enter into, obtain and borrow under credit facilities provided pursuant to a Senior Secured Superpriority Debtor in Possession Credit Agreement among Avenue Investments, L.P., as a lender, Fairfax Financial Holdings Limited ("**Fairfax**"), as a lender, the other lenders party thereto from time to time (collectively, the "**BI DIP Lenders**" and , Fairfax as Administrative Agent and Collateral Agent (the Administrative Agent and the Collateral Agent, collectively, the "**BI DIP Agent**") substantially in the form communicated as **Exhibit R-23** in support of the Petition (subject to such non-material amendments and modifications as the parties may agree with a copy thereof being provided in advance to the Monitor) (the "**BI DIP Credit Agreement**"), provided that borrowings under such credit facility shall not exceed the principal amount of US$600 million unless permitted by further Order of this Court, and the BI DIP Credit Agreement is hereby approved.

(d) Add the following paragraphs after Paragraph 56 of the Initial Order:

[56.1] **ORDERS AND DIRECTS** any Land or other Registrar of a district in a province to whom copies of this Order (and any and all documentation ancillary thereto, if presented to them) to accept such copies for registration on the titles to the immovables, lands and premises and right of the Bowater Petitioners and further **ORDERS** that such registrations shall take place and be effected by all such Land or other Registrars without a certificate attesting that no appeal of this Order has been taken, this Order being good and sufficient authority for so doing.

[56.2] **ORDERS AND DIRECTS** the Registrar (the "**Registrar**") of the Register of Personal and Moveable Real Rights (the "**Register**") to accept, upon payment of the prescribed fees, copies of this Order (and any and all documentation ancillary thereto, if presented to it) for registration in the Register of a hypothec against all moveable Property of the Bowater Petitioners and further **ORDERS** that such registrations shall take place and be effected by the Registrar without a certificate attesting that no appeal of this Order has been taken, this Order being good and sufficient authority for so doing.

4. **ORDER** the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security.

THE WHOLE WITHOUT COSTS, save and except in case of contestation.

Montréal, April 21, 2009

Stikeman Elliott LLP

Stikeman Elliott LLP
Attorneys for the Petitioners

SCHEDULE "A"
ABITIBI PETITIONERS

1. Abitibi-Consolidated Inc.
2. Abitibi-Consolidated Company of Canada
3. 3224112 Nova Scotia Limited
4. Marketing Donohue Inc.
5. Abitibi-Consolidated Canadian Office Products Holdings Inc.
6. 3834328 Canada Inc.
7. 6169678 Canada Inc.
8. 4042140 Canada Inc.
9. Donohue Recycling Inc.
10. 1508756 Ontario Inc.
11. 3217925 Nova Scotia Company
12. La Tuque Forest Products Inc.
13. Abitibi-Consolidated Nova Scotia Incorporated
14. Saguenay Forest Products Inc.
15. Terra Nova Explorations Ltd.
16. The Jonquière Pulp Company
17. The International Bridge and Terminal Company
18. Scramble Mining Ltd.
19. 9150-3383 Québec Inc.

SCHEDULE "B"

BOWATER PETITIONERS

1. Bowater Canadian Holdings Inc.
2. Bowater Canada Finance Corporation
3. Bowater Canadian Limited
4. 3231378 Nova Scotia Company
5. AbitibiBowater Canada Inc.
6. Bowater Canada Treasury Corporation
7. Bowater Canadian Forest Products Inc.
8. Bowater Shelburne Corporation
9. Bowater LaHave Corporation
10. St-Maurice River Drive Company Limited
11. Bowater Treated Wood Inc.
12. Canexel Hardboard Inc.
13. 9068-9050 Québec Inc.
14. Alliance Forest Products (2001) Inc.
15. Bowater Belledune Sawmill Inc.
16. Bowater Maritimes Inc.
17. Bowater Mitis Inc.
18. Bowater Guérette Inc.
19. Bowater Couturier Inc.

SCHEDULE "C"

18.6 CCAA Petitioners

1. AbitibiBowater Inc.
2. AbitibiBowater US Holding 1 Corp.
3. Bowater Ventures Inc.
4. Bowater Incorporated
5. Bowater Nuway Inc.
6. Bowater Nuway Mid-States Inc.
7. Catawba Property Holdings LLC
8. Bowater Finance Company Inc.
9. Bowater South American Holdings Incorporated
10. Bowater America Inc.
11. Lake Superior Forest Products Inc.
12. Bowater Newsprint South LLC
13. Bowater Newsprint South Operations LLC
14. Bowater Finance II, LLC
15. Bowater Alabama LLC
16. Coosa Pines Golf Club Holdings LLC

SCHEDULE "D"

PARTNERSHIPS

1. Bowater Canada Finance Limited Partnership
2. Bowater Pulp and Paper Canada Holdings Limited Partnership
3. Abitibi-Consolidated Finance LP

AFFIDAVIT

I, the undersigned, Allen Dea, having my principal place of business at Suite 800, 1155 Metcalf Street, Montréal, Quebec, H3B 5H2 solemnly declare the following:

1. I am the Vice President, Treasurer of AbitibiBowater Inc. and Abitibi-Consolidated Inc.;

2. All the facts alleged in the *Motion to Amend the Initial Order (Initial Order issued pursuant to Sections 4, 5 and 11 of the Companies' Creditors Arrangement Act ("CCAA")* are true.

AND I HAVE SIGNED

ALLEN DEA

Solemnly declared before me at Montréal,
on the 21th day of April, 2009

avocate 257915-4

Commissioner for oaths for all the
judicial districts of Québec

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

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And

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And

the other Petitioners listed on Schedules "A", "B" and "C"

Petitioners

And

ERNST & YOUNG INC.

Monitor

NOTICE OF PRESENTATION

TO : SERVICE LIST

TAKE NOTICE that the Motion to Amend the Initial Order (Initial Order issued pursuant to Sections 4, 5 and 11 of the Companies' Creditors Arrangement Act ("**CCAA**") will be presented for adjudication before one of the Honourable Judges of the Superior Court, sitting in practice in and for the District of Montreal, in Room **17.09** of the **Montreal Court House, 1 Notre-Dame St. East**, on **April 22, 2009**, at **9:30 am** in the forenoon, or so soon thereafter as counsel may be heard.

DO GOVERN YOURSELVES ACCORDINGLY.

Montreal, April 21, 2009

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

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