CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

No: 500-11-036133-094

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act,* R.S.C., c. C-36, as amended)

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 Debtors listed on Schedules "A", "B" and "C",

Petitioners

and

ERNST & YOUNG INC.,

Monitor

and

DDJ CAPITAL MANAGEMENT, LLC

and

NEWSTART FACTORS, INC

and

STICHTING PENSIOENFONDS ABP

and

THE FOOTHILL GROUP, INC.

and

FOOTHILL CLO I, LTD.

Intervening Parties, *ès qualités*

INTERVENTION OF THE INTERVENING PARTIES ON PETITIONERS' *MOTION FOR AN ORDER EXTENDING THE STAY PERIOD*

BY WAY OF INTERVENTION ON PETITIONERS' *MOTION FOR AN ORDER EXTENDING THE STAY*, THE INTERVENING PARTIES ACTING ON BEHALF OF THE TERM LENDERS, RESPECTFULLY SUBMIT THE FOLLOWING:

1. The Intervening Parties are or represent secured creditors of certain entities within the ABH Group, including ACCC and ACI, pursuant to a Credit and Guarantee Agreement dated as of April 1, 2008 (the "**Term Loan**"), already filed in the Court record as **Exhibit R-1** in support of their *Motion to Vary an Initial Order Rendered Pursuant to the Companies' Creditors Arrangement Act*;

2. The Intervening Parties appear herein on behalf of all lenders under the Term Loan (the "**Term Lenders**"), as Administrative Agent:

   (a) Respondents are or represent Term Lenders who together hold "Term Loan Exposure" representing more than 50% of the aggregate "Term Loan Exposure" of all Lenders. As such, Petitioners are "Requisite Lenders" within the meaning of Section 1.1 of the Term Loan;

   (b) They are deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the previous Administrative Agent, namely Goldman Sachs Credit Partners L.P. ("Goldman"), pursuant to Section 9.7 of the Term Loan; and

   (c) Pursuant to Section 9 of the Term Loan, the Administrative Agent is duly authorized to exercise the rights and remedies of the Term Lenders and act on their behalf;

3. On Tuesday, May 12, 2009, Petitioners served on the service list a motion seeking the extension of the stay period for a further sixteen weeks until September 4, 2009;

4. On Wednesday, May 13, 2009, being the day before the date of the presentation of the motion to extend the stay period, the Monitor distributed to the service list the Fifth Report of the Monitor to which is attached the pro forma cash flow of Abitibi-Consolidated Inc. for the eighteen week period ending on September 6, 2009;

5. The extension of the stay sought by the Petitioners is particularly long; moreover the discrepancy between the cash flow attached to the Fifth Report of the Monitor and the actual results of the operations of the Petitioners is likely to increase over time, given the substantial degree of uncertainty related to the ongoing operations of the Petitioners as alleged by the Petitioners themselves in support of their Motion for Approval of a DIP Financing;

6. Should this Court grant the stay presently sought, it would be in the best interest of the creditors of all classes and the Term Lenders in particular that the financial information supplied by the Petitioners to the Court and the creditors be updated from time to time;

7. Such updated financial information will allow the creditors to seek such remedies as will be warranted by the circumstance in the event that a material deterioration in the actual operations of the Petitioners or their business prospects occurs that may prejudice the interests of the creditors in general and the secured position of the Term Lenders;

8. As appears from the Fifth Report of the Monitor, the Monitor is in a position to report to the Court and the creditors from time to time on the evolution of the cash flow of the Petitioners;

9. This Intervention is well founded in fact and in law;

WHEREFORE, MAY IT PLEASE THIS HONOURABLE COURT TO:

GRANT the present Intervention;

ORDER that within two business days of the end of each four-week period following the granting of Petitioners' Motion extending the stay period and as long as the stay remains in force, Petitioners submit to the Monitor a report on the difference between the cash flows attached to the Fifth Report of the Monitor and the actual cash flow and a revised cash flow for the period remaining until the end of the stay;

ORDER that within two business days of the receipt of the foregoing report of the Petitioners, the Monitor circulates the information contained in such report to those creditors appearing on the service list with comments on the variation between the pro forma and actual figures and its opinion on the reasonableness of the revised cash flow;

DECLARE that the Term Lenders may apply to this Court for such remedies and relief as are warranted in the circumstances should the actual operations to date or the revised cash flow show a significant deterioration of the operating results or business prospects of the Petitioners.

THE WHOLE with costs.

Montréal, this May 13, 2009

Fasken Martineau DuMoulin LLP

Fasken Martineau DuMoulin LLP
Attorneys for the Term Lenders