EXHIBIT

R-3

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
ABITIBIBOWATER INC., *et al.*,[1]	)	Case No. 09-11296 (KJC)
Debtors.	)	(Joint Administration Pending)

DEBTORS' MOTION FOR AN INTERIM ORDER PURSUANT TO SECTIONS 105, 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) AND 365 OF THE BANKRUPTCY CODE (A) AUTHORIZING CERTAIN DEBTORS TO CONTINUE SELLING RECEIVABLES AND RELATED RIGHTS PURSUANT TO AN AMENDED SECURITIZATION PROGRAM, (B) MODIFYING THE AUTOMATIC STAY AND (C) GRANTING OTHER RELATED RELIEF

AbitibiBowater Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (each a "Debtor," and collectively, the "Debtors"), by and through their undersigned counsel, hereby move this Court for entry of an interim order substantially in the form attached hereto as Exhibit A (the "Order") pursuant to sections 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) and 365 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Local Rules 2002-1, 4001 and 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of

1 The Debtors in these cases, along with the last four digits of each Debtor's federal or Canadian tax identification number, are: AbitibiBowater Inc. (6415), AbitibiBowater US Holding 1 Corp. (6050), AbitibiBowater US Holding LLC (N/A), AbitibiBowater Canada Inc. (3225), Abitibi-Consolidated Alabama Corporation (4396), Abitibi-Consolidated Corporation (9050), Abitibi-Consolidated Finance LP (4528), Abitibi Consolidated Sales Corporation (7144), Alabama River Newsprint Company (7247), Augusta Woodlands, LLC (0999), Bowater Alabama LLC (7106), Bowater America Inc. (8645), Bowater Canada Finance Corporation (8810), Bowater Canadian Forest Products Inc. (2010), Bowater Canadian Holdings Incorporated (6828), Bowater Canadian Limited (7373), Bowater Finance Company Inc. (1715), Bowater Finance II LLC (7886), Bowater Incorporated (1803), Bowater LaHave Corporation (5722), Bowater Maritimes Inc. (5684), Bowater Newsprint South LLC (1947), Bowater Newsprint South Operations LLC (0186), Bowater Nuway Inc. (8073), Bowater Nuway Mid-States Inc. (8290), Bowater South American Holdings Incorporated (N/A), Bowater Ventures Inc. (8343), Catawba Property Holdings, LLC (N/A), Coosa Pines Golf Club Holdings LLC (8702), Donohue Corp. (9051), Lake Superior Forest Products Inc. (9305) and Tenex Data Inc. (5913). The Debtors'

Delaware (the "Local Rules"): (A) authorizing certain Debtors to enter into an amendment to the Securitization Program and to continue selling receivables and related rights pursuant to the amended Securitization Program; (B) modifying the automatic stay; and (C) granting other related relief. In support of this motion (the "Motion"), the Debtors rely upon the *Declaration of William G. Harvey in Support of Chapter 11 Petitions and Various First Day Applications and Motions* (the "Harvey Declaration"), filed contemporaneously herewith and incorporated herein by reference, and respectfully state as follows:

JURISDICTION

1. This Court has jurisdiction to hear this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are sections 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004 and 9014, and Local Rules 2002-1, 4001-1 and 6004-1.

BACKGROUND

3. AbitibiBowater Inc. ("AbitibiBowater" and with its subsidiaries and affiliates, the "Company") is incorporated in Delaware and headquartered in Montreal, Quebec. The Company is the world's largest producer of newsprint by capacity and one of the largest publicly traded pulp and paper manufacturers worldwide. It produces an extensive range of commercial printing papers, market pulp, and wood products, serving customers in over 90 countries. The Company is also among the world's largest recyclers of newspapers and magazines, and has third-party certified 100% of its managed woodlands to sustainable forest

corporate headquarters are located at, and the mailing address for each Debtor is, 1155 Metcalfe Street, management standards. As of December 31, 2008, it owned or operated 24 pulp and paper facilities and 30 wood products facilities located in the United States, Canada, the United Kingdom and South Korea, as well as recycling and power generation facilities. Employing around 15,900 people, the Company realized sales of approximately \$6.8 billion[2] in 2008. Its total assets were \$8.1 billion as of December 31, 2008.

4. The Company's financial performance depends primarily on the market demand for its products and the prices at which they can be sold. These products are globally traded commodities, and as such, the balance between supply and demand drives their pricing and shipment levels. Supply and demand, in turn, are affected by global economic conditions, changes in consumption and capacity, the level of customer and producer inventories, and fluctuations in currency exchange rates. The recent downturn in the global economy has resulted in an unprecedented decline in demand for newsprint, the Company's primary product. In addition, substantial price competition and volatility in the pulp and paper industry, along with negative trends in advertising, electronic data transmission and storage, and continued expansion of the Internet, have exacerbated downward pressure on revenue. At the same time, the global credit markets suffered a significant contraction, including the failure of some large financial institutions, which has resulted in a severe decline in the credit markets and overall availability of credit. These market disruptions, as well as the Company's high debt levels and the overall weakness in consumer demand, have adversely impacted the Company's financial performance and have necessitated the commencement of these Chapter 11 Cases and coordinated Canadian filings.

Suite 800, Montreal, Quebec H3B 5H2, Canada.

2 All monetary figures are presented in U.S. dollars unless specifically noted otherwise.

5. Specifically, on April 16, 2009 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Cases"). Certain of the Debtors (the "Canadian Debtors")[3] and non-debtor subsidiaries of AbitibiBowater (the "CCAA Debtors")[4] are currently under court protection in Canada and will make further application for protection from their creditors under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), in the Superior Court, Commercial Division, for the Judicial District of Montreal, Canada (the "Canadian Court" and the filing, the "Canadian Proceeding"). Two of the CCAA Debtors -- Abitibi-Consolidated Inc. ("ACI") and Abitibi-Consolidated Company of Canada ("ACCC") (together, the "Chapter 15 Debtors") -- will also file petitions for recognition under chapter 15 of the Bankruptcy Code (the "Chapter 15 Cases") in this Court seeking emergency provisional relief in support of the Canadian Proceeding. In addition, AbitibiBowater will file for ancillary relief in Canada seeking provisional relief in support of the Chapter 11 Cases in Canada under the Canadian equivalent of chapter 15, section 18.6 of the CCAA.

6. The Company was created by the 2007 merger of Bowater Inc. ("Bowater") and ACI. Since the merger, Bowater and its direct and indirect subsidiaries (the

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3 The Canadian Debtors are: Bowater Canada Finance Corporation, Bowater Canadian Holdings Incorporated, AbitibiBowater Canada Inc., Bowater Canadian Forest Products Inc., Bowater Maritimes Inc., Bowater LaHave Corporation and Bowater Canadian Limited.

4 The CCAA Debtors are: Bowater Mitis Inc., Bowater Guerette Inc., Bowater Couturier Inc., Alliance Forest Products (2001) Inc., Bowater Belledune Sawmill Inc., St. Maurice River Drive Company, Bowater Treated Wood Inc., Canexel Hardboard Inc., 9068-9050 Quebec Inc., Bowater Canada Treasury Corporation, Bowater Canada Finance Limited Partnership, Bowater Shelburne Corporation, 3231378 Nova Scotia Company, Bowater Pulp and Paper Canada Holdings Limited Partnership, Abitibi-Consolidated Inc., Abitibi-Consolidated Company of Canada, Abitibi-Consolidated Nova Scotia Incorporated, 32117925 Nova Scotia Company, Terra-Nova Explorations Ltd., The Jonquiere Pulp Company, The International Bridge and Terminal Company, Scramble Mining Limited, 9150-3383 Quebec Inc., Star Lake Hydro Partnership, Saguenay Forest Products Inc., 3224112 Nova Scotia Limited, La Tuque Forest Products Inc., Marketing Donohue Inc., Abitibi-Consolidated Canadian Office Products Holdings Inc., 3834328 Canada Inc., 6169678 Canada Incorporated, 4042410 Canada Inc., Donohue Recycling and 1508756 Ontario Inc.

"Bowater Group") and ACI along with ACI's affiliate, Donohue Corp. and its subsidiaries (the "Abitibi Group") have retained distinct identities within the corporate enterprise for cash flow and finance purposes. Both groups maintain separate accounting systems capable of tracking cash flows within the Abitibi Group and Bowater Group respectively.

7. The Company's ability to reorganize, however, depends on the comprehensive reorganization of its businesses in Canada and the United States. The Abitibi and Bowater Groups' (which includes the Debtors and the CCAA Debtors) interests are united in their integrated, co-dependent business relationship. The Debtors and the CCAA Debtors have therefore committed to engage in a joint and harmonious restructuring in both jurisdictions in an effort to maximize value for the benefit of the Company's collective stakeholders.

OVERVIEW[5]

8. The Company has historically monetized substantially all of its accounts receivable generated by the Abitibi Group pursuant to a securitization program (the "Securitization Program") arranged by Citibank, N.A. ("Citibank"). The Securitization Program enables the Debtors to immediately convert the receivables generated by ACI and its United States affiliate, Abitibi Consolidated Sales Corporation ("ACSC"), to cash. Doing so provides up-front liquidity to the Company and funds the Abitibi Group's day-to-day operations.

9. By this Motion, the Debtors seek authority to keep the Securitization Program in place notwithstanding their chapter 11 and CCAA filings (together, the "Insolvency Proceedings"). Absent the requested relief, the Insolvency Proceedings would permit Citibank to terminate the Securitization Program. Termination would immediately, and significantly, disrupt the Abitibi Group's cash flow. The Abitibi Group depends on the advance funding of its

[5] Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Order.

accounts receivable pursuant to the Securitization Program to fund operations and has no viable, alternate source of liquidity.

10. Recognizing the importance of the Securitization Program to its continued operations, prior to filing, the Company negotiated an amendment with Citibank to the Securitization Program (the "Fifth Amendment") pursuant to which the parties to the Securitization Program agreed, among other things, that the Insolvency Proceedings will not, in and of themselves, trigger a termination event. The Fifth Amendment does not otherwise change the basic economics of the financing. Creditors and other stakeholders will remain unaffected by the requested relief. Authorizing certain of the Debtors to enter into an amendment to the Securitization Program and continue to perform under the amended Securitization Program, however, enables them to continue benefiting from the liquidity provided by the Securitization Program until they put in place an alternate form of postpetition financing for the Abitibi Group.

RELIEF REQUESTED

11. By this Motion, the Debtors ask this Court to enter an interim order (the "Interim Order"): (A) authorizing certain Debtors to enter into an amendment to the Securitization Program and to continue to sell receivables and related rights pursuant to the amended Securitization Program; (B) modifying the automatic stay; and (C) granting other related relief. The Securitization Program is an integral component of the Debtors' capital structure, and should be kept in place during the critical early phases of the Debtors' reorganization efforts until a replacement facility is obtained.

A. Prepetition Capital Structure

12. As mentioned above, the Abitibi and Bowater Groups have retained distinct identities within the corporate enterprise for cash flow and finance purposes. Both

Groups maintain separate accounting systems capable of tracking cash flows within the Abitibi Group and Bowater Group respectively. Similarly, no cross-defaults or cross-acceleration provisions exist under the Bowater Group's funded debt obligations in the event of default or acceleration under the Abitibi Group's funded debt obligations, or under the Abitibi Group's funded debt obligations in the event of default or acceleration under the Bowater Group's funded debt obligations. As a result of AbitibiBowater's guarantee of Bowater's prepetition secured bank credit facility (the "Wachovia Facility"), however, a payment default or acceleration with respect to the Wachovia Facility will result in an event of termination under the Securitization Program. As detailed below, the Fifth Amendment, among other things, waives such a default occurring as a result of the Insolvency Proceedings.

13. The Abitibi Group has historically relied upon the Securitization Program and a prepetition secured credit facility to provide liquidity for its operations. Specifically, ACI's Canadian subsidiary, Abitibi-Consolidated Company of Canada ("ACCC") is a borrower under a credit agreement, dated April 1, 2008, that provides for a $400 million 364-day senior secured term loan (the "ACCC Term Loan," and the lenders thereunder, the "ACCC Term Lenders"). ACI and certain of its Canadian affiliates, as well as Donohue Corp. ("Donohue") and certain of its United States affiliates, have guaranteed the ACCC Term Loan on a secured basis.[6] The ACCC Term Loan is in default and has an outstanding prefiling balance of approximately $347 million.

[6] Specifically, collateral securing the ACCC Term Loan includes, among other things: (a) certain inventory, accounts, and other current assets of ACCC, ACI and the other guarantors; (b) substantially all of the personal property of Donohue and certain other Donohue Group subsidiaries; (c) the pledge of stock or other equity interests of certain other Donohue subsidiaries; and (d) real estate and fixtures relating to the Alabama River, Alabama newsprint mill. Certain subsidiaries of ACCC have guaranteed the ACCC Term Loan. The ACCC Term Loan is also guaranteed by most of the Donohue Group entities including: Donohue, ACSC, Augusta Woodlands, Abitibi-Consolidated Alabama Corporation and Alabama River Newsprint Company (the

14. In addition to these secured bank facilities, as of the Petition Date, the Company had issued and outstanding more than twenty separate note series, all but one of which is unsecured, with aggregate prepetition outstanding amounts in excess of $5 billion.

B. Securitization Program

15. The Securitization Program operates as follows. ACI and ACSC originate accounts receivable. As "originators," ACI and ACSC sell and/or contribute those receivables to a special purpose vehicle, that is a non-debtor, Abitibi-Consolidated U.S. Funding Corp. ("ACI Funding") at a discount based upon the outstanding balance on the accounts receivable. ACI Funding pays ACI and ACSC for the receivables using money from (a) collections on the accounts receivable it already owns, and (b) pooling acquired receivables and selling an undivided percentage ownership interest in the pool to Citibank.[7] Under the Securitization Program, Citibank has committed to purchase receivables from ACI Funding in an aggregate principal amount of up to $210 million. Financing available under the Securitization Program at any time is limited by the outstanding balance of the eligible receivables, the size of the total reserves under the programs (effectively, an "equity cushion" based on the present value of the future income stream from the receivables), and other factors.

16. In practice, accounts receivable are collected through various separate lockboxes. Funds from the lockboxes are transferred daily into two accounts now controlled by Citibank that serve to concentrate customer payments on receivables in U.S. and Canadian

"Donohue Group ACCC Guarantors" and, together with the non-U.S. ACCC Guarantors, the "ACCC Guarantors").

7 The purchase price is payable in cash and in the case of a purchase from ACSC, may also be paid by way of a contribution by ACSC to ACI Funding's capital or an increase in the Deferred Purchase Price (as defined in the PCA). The Deferred Purchase Price is set at a maximum of $35 million and is evidenced by a subordinated promissory note by ACI Funding to ACSC.

dollars. To obtain advances under the Securitization Program, the Company provides Citibank with a daily report identifying the amount of eligible receivables available for sale under the Securitization Program and the performance of the existing receivables portfolio (the "Daily A/R Report"). The parties then calculate the amount available (or owed) under the program. From this total, Citibank releases funds up to the amount of the Abitibi Group's projected cash needs for that day (the "Cash Flow Forecast"). The proceeds from the Securitization Program are transferred into the Abitibi Group's operating accounts and disbursed through its cash management system.

17. Various documents implement this structure. Specifically, ACI and ACSC (together, the "Originators") are parties to (a) that certain Amended and Restated Receivables Purchase Agreement, dated as of January 31, 2008 (as heretofore amended, including, without limitation, by Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement dated as of April 16, 2009, the "RPA") among ACI Funding, Eureka Securitisation, plc ("Eureka"), Citibank, Citibank, N.A., London Branch (the "Agent"), ACI, in its capacity as Subservicer and an Originator, and ACSC, in its capacity as Servicer and an Originator and (b) that certain Amended and Restated Purchase and Contribution Agreement, dated as of January 31, 2008 (as heretofore amended, including, without limitation, by Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement dated as of April 16, 2009, the "PCA", the RPA and PCA are collectively hereinafter referred to as the "Receivables Agreements") among ACI and ACSC as Sellers and ACI Funding as Purchaser.

18. Copies of the following documents (each as defined in the Order) are attached as Exhibits B through K hereto: Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement, Amended and Restated Receivables Purchase Agreement; Amended and Restated Purchase and Contribution Agreement; Amendment No. 1 to Amended and Restated Receivables Purchase Agreement; Amendment No. 1 to Amended and Restated Purchase and Contribution Agreement; Amendment No. 2 to Amended and Restated Receivables Purchase Agreement; Waiver and Amendment No. 3 to Amended and Restated Receivables Purchase Agreement; Waiver and Amendment No. 2 to Amended and Restated Purchase and Contribution Agreement; Waiver and Amendment No. 4 to Amended and Restated Receivables Purchase Agreement.

19. Other instruments and agreements related to the Securitization Program (together with the Receivables Agreements, the "Financing Agreements"), include: (a) the Undertaking Agreement (Servicer) dated as of October 27, 2005 by ACI in favor of Eureka, Citibank and the other Banks (as defined in the RPA) that are party to the RPA, as amended; (b) the Undertaking Agreement (Originator) dated as of October 27, 2005 by ACI in favor of ACI Funding, as amended; (c) the Deposit Account Control Agreement dated as of January 31, 2008 among ACI Funding, ACI, ACSC, Citibank and the Agent, as amended (the "Deposit Account Control Agreement"); (d) the Blocked Accounts Agreement dated as of October 27, 2005 among ACI, ACSC, the Agent, Royal Bank of Canada and ACI Funding, as amended (the "Blocked Accounts Agreement"); (e) the Agreement Re: Pledged Deposit Accounts dated as of October 27, 2005 among ACSC, ACI, ACI Funding, the Agent and LaSalle Bank National Association, as amended (the "Pledged Deposit Accounts Agreement"); (f) the Second Amended

and Restated Four Party Agreement for Sold Accounts (General) dated as of January 31, 2008 among Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur – Canada Branch, ACI, ACI Funding, the Agent and Citibank, as amended; (g) the Intercompany Agreement dated as of December 20, 2007 between ACI and ACSC, as amended; (h) the Accounts Receivable Policy (Shipments) General Terms and Conditions, plus the Coverage Certificate effective September 1, 2008 (together with all schedules and endorsements thereto) issued by Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur - Canada Branch to ACI, as amended; and (i) the fee letters dated April 1, 2009 between ACI Funding and the Agent (the "Fee Letters").

20. Pursuant to the RPA, ACI Funding granted Citibank a security interest for its benefit and for the ratable benefit of the investor and the banks participating in the Securitization Program[8] in all of ACI Funding's right, title and interest (collectively, the "Collateral") in and to, among other things: (a) the PCA, including (i) all rights of ACI Funding to receive monies due or to become due under the PCA, (ii) all security interests and property subject thereto from time to time purporting to secure payment of monies due or to become due under the PCA, (iii) all rights of ACI Funding to receive proceeds of insurance (including the right to receive proceeds under the Accounts Receivable Policy (Shipments) General Terms and Conditions issued by Export Development Canada and Compagnie Française d'Assurance pour le Commerce Extérieur – Canada Branch (the "Insurance Proceeds")), indemnity, warranty or guaranty with respect to the PCA, (iv) claims of ACI Funding for damages arising out of or for breach of or default under the PCA, and (v) the right of ACI Funding to compel performance and otherwise exercise all remedies thereunder; (b) all Receivables, the Related Security with respect

thereto and the Collections (each such term as defined in the RPA); (c) the lockboxes and deposit accounts to which collections of the Receivables are remitted and any funds on deposit in the foregoing; and (d) proceeds of any and all of the foregoing.

21. On April 1, 2009, ACI, ACSC, ACI Funding, Eureka, and Citibank entered into Waiver and Amendment No. 4 to the RPA (the "Fourth Amendment"). As a result, Eureka, Citibank and Agent waived certain events of termination under the RPA, extended the Securitization Program to September 1, 2009, and added certain covenants and an event of termination.

C. The Fifth Amendment

22. In anticipation of the Insolvency Proceedings, the parties have agreed to enter into the Fifth Amendment, specifically, the *Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement.* The Fifth Amendment provides that the Insolvency Proceedings will not constitute an Event of Termination or trigger a Facility Termination Date (both as defined in the Receivables Agreements) and accordingly, subject to entry of the Order and a corresponding order from the Canadian Court, permits the continuance of the Securitization Program in place post-filing. Absent further modification, the Fifth Amendment provides that an Event of Termination under the Securitization Program will occur forty-five (45) days after the Petition Date. The Debtors expect to obtain alternate financing to replace the liquidity provided by the Securitization Program upon entry of the Fifth Amendment prior to such time.

[8] Although the RPA contemplates the purchase of receivables by multiple investors and banks, the only purchaser currently under the RPA is Citibank.

23. In the meanwhile, however, upon entry of the Order and the corresponding Canadian court order, the Fifth Amendment will permit ACI and ACSC to continue selling their receivables to ACI Funding, thereby allowing them to continue their prepetition practice of converting Receivables to cash as soon as possible to provide cash flow necessary for various business purposes. The Debtors' ability to maintain business relationships with their vendors, suppliers and customers, to pay their employees, to purchase and supply new inventory and otherwise finance their operations, is essential to the Debtors' continued viability.

24. In addition, the Debtors' need for financing is immediate. In the absence of the proposed continued financing through the Securitization Program, serious and irreparable harm to the Debtors and their estates could occur, which may include third parties declining to conduct business dealings with the Debtors. The preservation, maintenance and enhancement of the going concern value of the Debtors are of the utmost significance and importance to a successful reorganization of the Debtors under chapter 11 of the Bankruptcy Code.

25. The Fifth Amendment will essentially keep the Securitization Program's prepetition economics in place. ACI and ACSC will continue to sell their receivables to ACI Funding and Citibank will remain obligated, subject to the terms of the RPA, to purchase (directly or indirectly) receivables interests in an aggregate principal amount up to $210 million, subject to advance rates established under the program. Other than benefiting from the Debtors' continued access to postfiling liquidity, the Debtors' other creditors and stakeholders will not be adversely impacted by the Fifth Amendment or its terms. Notably, entry into the Fifth Amendment would not change Citibank's status vis-à-vis the Debtors and their, or ACI's and ACCC's, existing secured lenders.

D. Requested Relief

(i) *Principal Order Terms*

26. The Interim Order provides, among other things, that ACI, ACSC and the other Debtors, as applicable, are expressly authorized:

(a) to enter into, and authorize ACSC to cause Abitibi-Consolidated U.S. Funding Corp., a wholly-owned subsidiary of ACSC that is not a Debtor ("ACI Funding") to enter into an Omnibus Amendment, substantially in the form attached to the Motion (the "Amendment"), to (a) that certain Amended and Restated Receivables Purchase Agreement, dated as of January 31, 2008 (as heretofore amended the "RPA") among ACI Funding, Eureka Securitisation, plc ("Eureka"), Citibank, N.A. ("Citibank"), Citibank, N.A., London Branch (the "Agent"), ACI, in its capacity as Subservicer and an Originator, and ACSC, in its capacity as Servicer and an Originator and (b) that certain Amended and Restated Purchase and Contribution Agreement, dated as of January 31, 2008 (as heretofore amended the "PCA", the RPA and PCA, each as amended by the Amendment, are collectively hereinafter referred to as the "Receivables Agreements") among ACI and ACSC as Sellers and ACI Funding as Purchaser, which Amendment shall, among other things, waive certain defaults under the Receivables Agreements

(b) to continue selling and/or contributing Receivables (as defined in the PCA) to ACI Funding in accordance with the terms of the PCA (Receivables sold or contributed to ACI Funding, whether before or after the Filing Date (as defined below), together with the Related Security (as defined in the PCA) being referred to herein as "Transferred Receivables"); and

(c) to otherwise perform or continue to perform, and authorize ACSC to cause ACI Funding, as a wholly owned subsidiary of ACSC, to perform or continue to perform their respective obligations under each of the Receivables Agreements (including without limitation servicing obligations) and each of the other instruments and agreements related to the securitization facility contemplated by the Receivables Agreements, whether currently effective or hereafter entered into (such other instruments and agreements together with the Receivables Agreements and the Amendment, the "Financing Agreements"), including notably, but without limiting the generality of the foregoing: (i) the Undertaking Agreement (Servicer) dated as of October 27, 2005 by ACI in favor of Eureka, Citibank and the other Banks (as defined in the RPA) that are party to the RPA (as heretofore amended, including, without limitation, by Second Amendment of Undertaking

Agreement (Servicer) dated as of January 31, 2008); (ii) the Undertaking Agreement (Originator) dated as of October 27, 2005 by ACI in favor of ACI Funding (as heretofore amended, including, without limitation, by Second Amendment of Undertaking Agreement (Originator) dated as of January 31, 2008); (iii) the Deposit Account Control Agreement dated as of January 31, 2008 among ACI Funding, ACI, ACSC, Citibank and the Agent, as amended (the "Deposit Account Control Agreement"); (iv) the Blocked Accounts Agreement dated as of October 27, 2005 among ACI, ACSC, the Agent, Royal Bank of Canada and ACI Funding, as amended (the "Blocked Accounts Agreement"); (v) the Agreement Re: Pledged Deposit Accounts dated as of October 27, 2005 among ACSC, ACI, ACI Funding, the Agent and LaSalle Bank National Association, as amended (the "Pledged Deposit Accounts Agreement"); (vi) the Second Amended and Restated Four Party Agreement for Sold Accounts (General) dated as of January 31, 2008 among Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur – Canada Branch, ACI, ACI Funding, the Agent and Citibank, as amended; (vii) the Intercompany Agreement dated as of December 20, 2007 between ACI and ACSC, as amended; (viii) the Accounts Receivable Policy (Shipments) General Terms and Conditions, plus the Coverage Certificate effective September 1, 2008 (together with all schedules and endorsements thereto) issued by Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur - Canada Branch to ACI, as amended; and (ix) the fee letters dated April 1, 2009 between ACI Funding and the Agent.

27. The parties expressly contemplate that pursuant to the terms of the Financing Agreements, ACI and ACSC will be authorized and empowered pursuant to section 363(b)(1) of the Bankruptcy Code to service, administer and collect the Transferred Receivables on behalf of ACI Funding pursuant to the Financing Agreements, and with respect to ACI, ACSC and ACI Funding, each shall be expressly authorized and empowered pursuant to section 363(b)(l) of the Bankruptcy Code to make, execute and deliver all instruments and documents and perform all other acts (including, without limitation, the perfection of ACI Funding's ownership interest in the Transferred Receivables) that may be required in connection with the Financing Agreements and the transactions contemplated thereby. Moreover, ACI Funding will

be entitled to the full benefits of section 363(m) of the Bankruptcy Code in connection with any transfers made pursuant to the provisions of the Financing Agreements, with the Agent being entitled to assert ACI Funding's rights thereunder derivatively.

28. The Order further provides that, in accordance with section 364(c)(1) of the Bankruptcy Code, certain indemnification and other obligations ACI and ACSC have under the Financing Agreements (the Agent Obligations and the Receivables Obligations, each as defined in the Order) will constitute allowed senior administrative expense claims against ACI and ACSC (the "Superpriority Claims") with priority over any and all administrative expenses, adequate protection claims, diminution claims and all other claims against the Originators, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under sections 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or attachment, which allowed claims shall for purposes of section 1129(a)(9)(A) of the Bankruptcy Code be considered administrative expenses allowed under section 503(b) of the Bankruptcy Code.

29. The Superpriority Claims will be payable from and have recourse to all pre and postpetition property of ACI and ACSC and all proceeds thereof, subject only to the payment of certain professional fee carve-outs. The Agent will have the authority to enforce the Superpriority Claims in respect of the Receivables Obligations on a derivative basis on behalf of ACI Funding. The Superpriority Claims shall be entitled to the full protection of section 364(e)

of the Bankruptcy Code in the event that the Order or any provision thereof is vacated, reversed or modified, on appeal or otherwise.

30. The Company will request similar relief from the Canadian Court in connection with the Securitization Program for ACI in the Canadian Proceeding. Moreover, ACI and ACCC, as Chapter 15 applicants, will file petitions for recognition under Chapter 15 of the Bankruptcy Code before this Court for purposes of recognizing the provisions of the CCAA Order granting ACI relief in connection with the Securitization Order in the United States to the extent such relief impacts ACI's United States assets and operations.

(ii) Request for Limited Modification of the Automatic Stay

31. The Debtors also seek a limited modification of the automatic stay to implement the Fifth Amendment once authorized to do so. Specifically, pursuant to the Financing Agreements, ACI Funding may deduct from the purchase price it pays for receivables amounts payable by ACI and ACSC in respect of violations of representations and warranties and dilution items (all of such amounts, collectively, the "Repayment Amounts"). The Repayment Amounts effectively operate as set-offs and are netted from the total purchase price due to ACI and ACSC upon the sale of receivables.

32. The Repayment Amounts are conceptually similar to ordinary course bank fees for overdrafts and returned checks. To fully implement the Fifth Amendment and keep the Securitization Program in place, the automatic stay imposed pursuant to section 362 of the Bankruptcy Code must be modified to the extent necessary so as to permit the set-off and netting of the Repayment Amounts. In addition, when ACI Funding pays ACI and ACSC the full purchase price for receivables which are subsequently reduced by the Repayment Amounts (if any), ACI Funding is effectively extending ACI and ACSC credit to the extent of the Repayment

Amount. To fully protect ACI Funding's interests under the Securitization Program, the Debtors accordingly have requested this Court to enter an order granting ACI Funding the Superpriority Claims.

(iii) Fees

33. In connection with the Fourth Amendment entered into on April 1, 2009, ACI Funding agreed in a fee letter to pay a fee equal to 6% of the $210 million commitment, of which $3.15 million was paid on April 2, 2009 and the balance of which is currently due and payable as a result of the commencement of these Chapter 11 Cases. The Debtors do not believe that this Court's authorization is technically necessary for ACI Funding, not a debtor in either Insolvency Proceeding, to pay the fee to the extent it remains unpaid as of the Petition Date. However, out of an abundance of caution, the Debtors respectfully request this Court to authorize ACSC to cause ACI Funding to pay the fee, without the necessity of any further application being made to or Order being obtained from this Court.

DISCLOSURE UNDER LOCAL RULE 4001-2

34. Local Rule 4001-2 provides that all financing requests under sections 363 and 364 of the Bankruptcy Code make certain disclosures regarding their terms. In accordance with Local Rule 4001-2(F), which requires disclosure of provisions that provide disparate treatment for professionals retained by a creditors' committee from those retained by the debtor with respect to a professional fee carve-out, the Debtors note that paragraph 13 of the Order limits the use of the professional fee carve-out to fund claims or causes of action against Citibank, Eureka or ACI Funding arising from the Securitization Program. This limit, however, applies to all professionals equally.

35. Though not required under Local Rule 4001-2, the Debtors wish to highlight the following additional provisions of the Order, which the Debtors believe are necessary and justified in the context of and circumstances of these cases:

(a) True Sale. The Debtors admit, and the Order so provides, that transfers of the Transferred Receivables by the Originators pursuant to the provisions of the Receivables Agreements whether occurring prior to or subsequent to the Filing Date, constitute true sales or true contributions under applicable non-bankruptcy law and are hereby deemed true sales or true contributions, and were or will be for fair consideration and are not otherwise voidable or avoidable. The Debtors further admit, stipulate and agree, and the Order so provides, that upon the transfer of the Receivables to ACI Funding, the Receivables did (with respect to transfers occurring prior to the Filing Date) and will (with respect to the transfers occurring on or after the Filing Date) become the sole property of ACI Funding, and none of the Debtors, nor any creditors of the Debtors, shall retain any ownership rights, claims, liens or interests in or to the Transferred Receivables, or any proceeds thereof pursuant to section 541 of the Bankruptcy Code, pursuant to any theory of substantive consolidation or otherwise. Finally, the Debtors admit, stipulate and agree, and the Order so provides, that upon the transfer by each of the Originators pursuant to the provisions of the Financing Agreements neither the Transferred Receivables, nor the proceeds thereof, shall constitute property of the bankruptcy estates of any of the Debtors, notwithstanding any intentional or inadvertent deposit of any proceeds of the Transferred Receivables in bank accounts owned or controlled by any of the Debtors. Order, ¶¶4, 24.

(b) Non-Consolidation. The Order provides that ACI Funding, Citibank and the Agent shall not (i) be deemed to be in control of the operations of the Debtors, (ii) owe any fiduciary duty to the Debtors, their respective creditors, shareholders or estates or (iii) subject only to the right of the Environmental Protection Agency to be heard at the Final Hearing, and effective upon entry of the Final Order, be deemed to be acting as a "responsible person" or "owner or operator" with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental

Response, Compensation and Liability Act, 29 U.S.C. §§ 9601, *et seq.*, as amended, or any similar federal or state statute). Order, ¶20.

(c) Release. The Order effects a release by the Debtors of any and all claims arising from or related to any acts or transactions occurring prior to the Petition Date against ACI Funding, the Agent, Citibank, Eureka, and each of their respective affiliate, agents, officers, directors, employees and attorneys. Order, ¶¶ 3, 24.

36. Subject to a challenge period, the Debtors' stipulations, admissions and releases are binding on all other parties in interest. The circumstances of this case justify the requested relief to avoid immediate and irreparable harm to the Debtors' estates pending a final hearing. Citibank would not agree to modify and extend the Securitization Program without the inclusion of such terms, each of which was heavily negotiated between the parties. In addition, the Debtors determined in the exercise of their sound business judgment that agreeing to such provisions was appropriate under the circumstances of the case in light of the unavailability of other adequate financing alternatives.

APPLICABLE AUTHORITIES

37. The entry into and continuation of the Securitization Program is vital to the success of the Debtors' reorganization efforts and is the only available means for the Debtors to access sufficient postpetition financing for their operations until they put in place an alternate form of postpetition financing for the Abitibi Group. The preservation of the Debtors' business and the Debtors' ability to reorganize successfully depend heavily on the expeditious approval of this Motion. Absent the Court's approval of the interim relief sought herein, the Debtors face a substantial risk of severe disruption to their business operations and irreparable damage to their relationships with their vendors, customers, and advertisers.

38. The Court should approve the relief sought in this Motion because: (a) the Abitibi Group is an integral part of the Company's -- and the Debtors' -- restructuring efforts; (b) the Abitibi Group depends on the Securitization Program to fund day-to-day operations; (c) the Abitibi Group has no alternate viable source of financing and cannot obtain comparable financing on an unsecured, or junior secured, basis; and (d) approval of the entry into and continuation of the Securitization Program effectively maintains the prepetition status quo among the Debtors' stakeholders and does not disadvantage stakeholders and is in the best interests of the Debtors' estates.

I. DEBTORS SEEK AUTHORITY TO SELL RECEIVABLES PURSUANT TO THE SECURITIZATION PROGRAM

39. The Debtors must continue the Securitization Program to ensure adequate liquidity to finance the Abitibi Group's operations. Continuation of this long-established facility would instill confidence in the Debtors' employees, vendors, advertisers, service providers, and customers. The unique opportunity to extend the existing facility promotes stability during the chapter 11 process and facilitates the Debtors' ability to operate normally and without undue disruption. Further, the Securitization Program presents the most favorable and, indeed, *only* financing option available to the Abitibi Group to meet their needs for short-term liquidity at the outset of these Chapter 11 Cases.

40. The Debtors therefore seek approval of the Fifth Amendment and authority to continue the Securitization Program, pursuant to section 363(b) of the Bankruptcy Code. Section 363 permits the debtors to use, sell or lease property of the estate outside the ordinary course of business, after notice and a hearing. 11 U.S.C. § 363(b)(1). Courts typically approve sales of Debtors' assets, including the receivables sales as described herein, where there is a sound business purpose, adequate notice, good faith negotiations, and a fair and reasonable

purchase price. *See, e.g., Comm. of Equity Sec. Holders* v. *Lionel Corp. (In re Lionel Corp.),* 722 F.2d 1063, 1071 (2d Cir. 1983) (sale of assets pursuant to section 363(b) is evaluated under the business judgment standard); *In re Abbotts Dairies of Pa., Inc.*, 788 F.2d 143, 149-50 (3d Cir. 1986); *In re Delaware & Hudson Railway Co.*, 124 B.R. 169, 176 (D. Del. 1991); *In re Exaeris, Inc.*, 380 B.R. 741, 744 (Bankr. D. Del. 2008).

II. THE RECEIVABLES SALES CONTEMPLATED BY THE SECURITIZATION PROGRAM CONSTITUTE TRUE SALES

41. The Debtors and ACI Funding intend the sales of Receivables to be true sales, free and clear of all liens, claims or other interests within the meaning of section 363(f) of the Bankruptcy Code. Further, section 1129(b)(2)(A) of the Bankruptcy Code specifically allows a debtor to sell property subject to a lien free and clear of such a lien if that lien attaches to the net proceeds of the same, subject to any claims and defenses the debtor may possess with respect thereto. Based upon the foregoing, the sale of receivables free and clear of liens, claims or other interests should be approved under section 363(f) of the Bankruptcy Code.

42. In addition, the PCA expressly contemplates that each receivables sale is a "true sale." Section 5.02 of the PCA states, among other things: "Each Seller [*i.e.,* ACI and ACSC] and the Purchaser [*i.e.,* ACI Funding] have structured this Agreement with the intention that each Purchase of Receivables hereunder be treated as a sale of all of such Seller's right, title and interest in, to and under such Receivables by such Seller to the Purchaser for all purposes[.]"

43. Courts will not recharacterize a transfer of ownership, such as a sale of receivables, as a secured loan where the parties' intent is clear. *Kassuba* v. *Realty Income Trust (In re Kassuba)*, 562 F.2d 511, 514 (7th Cir. 1977). Further, once the parties to a transaction establish that a true sale was intended, any party challenging that transaction must prove, by clear and convincing evidence, that the transaction is in fact a disguised loan. *Chicoine* v.

OMNE Partners (In re Chicoine), 67 B.R. 793, 795 (Bankr. D.N.H. 1986). Further, ACI Funding has no credit recourse under the PCA. *See Major's Furniture Mart, Inc.* v. *Castle Credit Corp., Inc.*, 602 F.2d 538, 544-45 (3d Cir. 1979) (noting that credit recourse is a sign of a secured loan instead of a true sale). Therefore, the Debtors respectfully request this Court find that the sale of Receivables under the Securitization Program constitutes a true sale, and not a disguised loan.

III. APPROVAL OF ENTRY INTO THE FIFTH AMENDMENT AND CONTINUATION OF THE SECURITIZATION PROGRAM IS IN THE BEST INTERESTS OF THE DEBTORS' ESTATES

44. A denial of the Debtors' requested relief will cause immediate and irreparable harm to the Debtors and their estates. Absent access to the financing available by the Securitization Program, the Debtors would experience difficulties in continuing their operations while also meeting their ongoing obligations to suppliers, vendors, employees, and other creditors. If the Debtors are unable to pay their ongoing obligations, they will face operational constraints that would jeopardize their successful reorganizations and value of their estates. In contrast, the Debtors' access to the Securitization Program will ensure that the "going concern" value of the assets are preserved and substantially greater than the value of the assets if such funding were denied.

45. Bankruptcy courts consistently defer to a debtor's business judgment on most business decisions, including the decision to borrow money, unless such decision is arbitrary and capricious. *See In re Trans World Airlines, Inc.*, 163 B.R. 964, 974 (Bankr. D. Del. 1994) (noting that an interim loan, receivables facility and asset-based facility were approved because they "reflect[ed] sound and prudent business judgment . . . [were] reasonable under the circumstances and in the best interest of [the debtor] and its creditors"); *cf. Group of Inst. Investors* v. *Chicago, Mil., St. P. & Pac. Ry.*, 318 U.S. 523, 550 (1943) (holding that decisions

regarding assumption or rejection of leases are left to the business judgment of the debtor); *In re Simasko Prods. Co.*, 47 B.R. 444, 449 (D. Colo. 1985) ("[b]usiness judgments should be left to the board room and not to this Court."). In fact, "[m]ore exacting scrutiny [of the debtor's business decisions] would slow the administration of the debtor's estate and increase its cost, interfere with the Bankruptcy Code's provision for private control of administration of the estate, and threaten the court's ability to control a case impartially." *Richmond Leasing Co.* v. *Capital Bank, N.A.*, 762 F.2d 1303, 1311 (5th Cir. 1985). Consistent with this authority, the Debtors respectively submit that the Court should approve the Debtors' decision to accept and enter into the Securitization Program.

46. Given the widespread usage of such receivables purchase financing programs and the essential role of such programs in improving liquidity, courts frequently permit debtors-in-possession to continue operating receivables purchase facilities and have granted relief similar to that requested in this Motion. *See, e.g.*, *In re DJK Residential LLC*, Case No. 08-10375 (Bankr. S.D.N.Y. Feb. 5, 2008) [Docket No. 59]; *In re J.L. French Automotive Castings, Inc.*, Case No. 06-10119 (Bankr. D. Del. Mar. 3, 2006) [Docket No. 188]; *In re Blue Bonnet Logistics Corp.*, Case No. 03-12413 (Bankr. W.D. Tex. June 3, 2003) [Docket No. 33]; *In re Checkmate Staffing, Inc.*, Case No. 03-19318 (Bankr. C.D. Cal. Dec. 30, 2003) [Docket No. 29]; *In re Access Med. Staffing and Servs.*, Case No. 02-46731 (Bankr. N.D. Cal. Jan. 3, 2003) [Docket No. 21].

47. The Debtors submit for all these reasons that ample justification exists for the relief requested herein.

REQUEST FOR INTERIM RELIEF

48. Bankruptcy Rule 4001(c) permits a court to approve a debtor's request for authority to obtain financing during the 15-day period following the filing of a motion "to the extent necessary to avoid immediate and irreparable harm to the estate pending a final hearing." Fed. R. Bankr. P. 4001(c)(2). In examining such requests under Bankruptcy Rule 4001, courts apply the same business judgment standard as is applicable to other business decisions. *See, e.g., In re Ames Dept. Stores, Inc.*, 115 B.R. 34, 38 (Bankr. S.D.N.Y. 1990). Further, pursuant to Bankruptcy Rule 6003, use of estate property outside the ordinary course of business within twenty (20) business days of the Petition Date is allowed to prevent "immediate and irreparable harm." Authorization to continue the Debtors' Amended Receivables Facility is necessary to avoid dramatically harmful results. The Debtors submit that, for the reasons set forth herein, authority to obtain postpetition financing on an interim basis as requested in this Motion is necessary to avert immediate and irreparable harm to the Debtors' businesses.

REQUEST FOR FINAL HEARING

49. Pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2), the Debtors respectfully request that the Court set a date for the Final Hearing that is no later than thirty (30) days following the Petition Date.

NO PRIOR REQUEST

50. The Debtors have not previously sought the relief requested herein from this or any other Court.

NOTICE

51. No trustee, examiner or statutory committee has been appointed in the Chapter 11 Cases. Notice of this Motion has been provided to the following parties, or, in lieu

thereof, their counsel: (a) the Office of the United States Trustee; (b) the United States Securities and Exchange Commission; (c) the Office of the United States Attorney for the District of Delaware; (d) the Internal Revenue Service; (e) counsel to the agents for the Debtors' prepetition secured bank facilities; (f) counsel to the agent for the Debtors' proposed postpetition lenders; (g) the indenture trustees for each series of the Debtors' prepetition notes; (h) counsel to the agent for the existing securitization facility; (i) the Monitor appointed in the Canadian Proceeding; and (j) the parties identified on the Debtors' consolidated list of thirty-five (35) largest unsecured creditors. Notice of this Motion and any other order entered herein will be served in accordance with Local Rule 9013-1(m). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, the Debtors respectfully request that the Court enter an order, in substantially the form attached hereto as Exhibit A, (i) granting the relief requested herein and (ii) granting such other relief and further relief as the Court may deem just and proper.

Dated: Wilmington, Delaware
April 16, 2009

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Proposed Counsel for the Debtors and Debtors-in-Possession

<u>EXHIBIT A</u>
Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
ABITIBIBOWATER INC., *et al.*,[1]	)	Case No. 09-11296 (KJC)
Debtors.	)	(Joint Administration Pending)

INTERIM ORDER PURSUANT TO SECTIONS 105, 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) AND 365 OF THE BANKRUPTCY CODE (1) AUTHORIZING CERTAIN DEBTORS TO CONTINUE SELLING RECEIVABLES AND RELATED RIGHTS PURSUANT TO AN AMENDED SECURITIZATION FACILITY, (2) MODIFYING THE AUTOMATIC STAY AND (3) GRANTING OTHER RELATED RELIEF

Upon the motion dated April 16, 2009 (the "**Motion**")[2] of the above-captioned Debtors seeking an order of this Court, pursuant to sections 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) and 365 of title 11 of the United States Code (the "**Bankruptcy Code**"):

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1 The Debtors in these cases, along with the last four digits of each Debtor's federal or Canadian tax identification number, are: AbitibiBowater Inc. (6415), AbitibiBowater US Holding 1 Corp. (6050), AbitibiBowater US Holding LLC (N/A), AbitibiBowater Canada Inc. (3225), Abitibi-Consolidated Alabama Corporation (4396), Abitibi-Consolidated Corporation (9050), Abitibi-Consolidated Finance LP (4528), Abitibi Consolidated Sales Corporation (7144), Alabama River Newsprint Company (7247), Augusta Woodlands, LLC (0999), Bowater Alabama LLC (7106), Bowater America Inc. (8645), Bowater Canada Finance Corporation (8810), Bowater Canadian Forest Products Inc. (2010), Bowater Canadian Holdings Incorporated (6828), Bowater Canadian Limited (7373), Bowater Finance Company Inc. (1715), Bowater Finance II LLC (7886), Bowater Incorporated (1803), Bowater LaHave Corporation (5722), Bowater Maritimes Inc. (5684), Bowater Newsprint South LLC (1947), Bowater Newsprint South Operations LLC (0186), Bowater Nuway Inc. (8073), Bowater Nuway Mid-States Inc. (8290), Bowater South American Holdings Incorporated (N/A), Bowater Ventures Inc. (8343), Catawba Property Holdings, LLC (N/A), Coosa Pines Golf Club Holdings LLC (8702), Donohue Corp. (9051), Lake Superior Forest Products Inc. (9305) and Tenex Data Inc. (5913). The Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 1155 Metcalfe Street, Suite 800, Montreal, Quebec H3B 5H2, Canada.

2 Capitalized terms used but not otherwise defined herein shall have the same meanings assigned thereto in the Motion.

(i) authorizing Abitibi Consolidated Sales Corporation ("**ACSC**") and Abitibi-Consolidated Inc., a Chapter 15 debtor[3] ("**ACI**" and together with ACSC the "**Originators**") to enter into, and authorizing ACSC to cause Abitibi-Consolidated U.S. Funding Corp., a wholly-owned subsidiary of ACSC that is not a Debtor ("**ACI Funding**") to enter into an Omnibus Amendment, substantially in the form attached to the Motion (the "**Amendment**"), to (a) that certain Amended and Restated Receivables Purchase Agreement, dated as of January 31, 2008 (as heretofore amended the "**RPA**") among ACI Funding, Eureka Securitisation, plc ("**Eureka**"), Citibank, N.A. ("**Citibank**"), Citibank, N.A., London Branch (the "**Agent**"), ACI, in its capacity as Subservicer and an Originator, and ACSC, in its capacity as Servicer and an Originator and (b) that certain Amended and Restated Purchase and Contribution Agreement, dated as of January 31, 2008 (as heretofore amended the "**PCA**", the RPA and PCA, each as amended by the Amendment, are collectively hereinafter referred to as the "**Receivables Agreements**") among ACI and ACSC as Sellers and ACI Funding as Purchaser,

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[3] Notwithstanding anything in this Order to the contrary, this Order does not grant authority to ACI and nothing in this Order limits the jurisdiction of the Quebec Superior Court of Justice (Commercial Division) (the "**Canadian Court**") over ACI or limits oversight of the monitor appointed in the proceeding of Abitibi-Consolidated Inc. under *Canada's Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**Canadian Proceeding**"). References in this Order to ACI describe the Chapter 15 relief granted to ACI pursuant to this Court's recognition of paragraphs __ through ___ of the initial order of the Canadian Court entered in the Canadian Proceeding and grant of other Chapter 15 relief pursuant to the "Order Granting Provisional Relief" and the "Order Granting Recognition and Relief in Aid of Foreign Proceeding Pursuant to 11 U.S.C. §§1517, 1520, and 1520", in each case, upon entry by this Court in the Chapter 15 case of In re Abitibi-Consolidated Inc., *et al.*, Case No. 09-_____ (___).

which Amendment shall, among other things, waive certain defaults under the Receivables Agreements;

(ii) authorizing the Originators to continue selling and/or contributing Receivables (as defined in the PCA) to ACI Funding in accordance with the terms of the PCA (Receivables sold or contributed to ACI Funding, whether before or after the Filing Date (as defined below), together with the Related Security (as defined in the PCA) being referred to herein as "**Transferred Receivables**");

(iii) authorizing ACI, ACSC and the other Debtors, as applicable, to otherwise perform or continue to perform, and authorizing ACSC to cause ACI Funding, as a wholly owned subsidiary of ACSC, to perform or continue to perform their respective obligations under each of the Receivables Agreements (including without limitation servicing obligations) and each of the other instruments and agreements related to the securitization facility contemplated by the Receivables Agreements, whether currently effective or hereafter entered into (such other instruments and agreements together with the Receivables Agreements and the Amendment, the "**Financing Agreements**"), including notably, but without limiting the generality of the foregoing: (a) the Undertaking Agreement (Servicer) dated as of October 27, 2005 by ACI in favor of Eureka, Citibank and the other Banks (as defined in the RPA) that are party to the RPA (as heretofore amended, including, without limitation, by Second Amendment of Undertaking Agreement (Servicer) dated as of January 31, 2008); (b) the Undertaking Agreement (Originator) dated as of October 27, 2005 by ACI in favor of ACI Funding (as heretofore amended, including, without limitation, by Second Amendment of Undertaking Agreement (Originator) dated as of January 31, 2008); (c) the Deposit Account Control Agreement dated as of January 31, 2008 among ACI Funding, ACI, ACSC, Citibank and the Agent, as amended (the "**Deposit Account Control Agreement**"); (d) the Blocked Accounts Agreement dated as of October 27, 2005 among ACI, ACSC, the Agent, Royal Bank of Canada and ACI Funding, as amended (the "**Blocked Accounts Agreement**"); (e) the Agreement Re: Pledged Deposit Accounts dated as of October 27, 2005 among ACSC, ACI, ACI Funding, the Agent and LaSalle Bank National Association, as amended (the "**Pledged Deposit Accounts Agreement**"); (f) the Second Amended and Restated Four Party Agreement for Sold Accounts (General) dated as of January 31, 2008 among Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur – Canada Branch, ACI, ACI Funding, the Agent and Citibank, as amended; (g) the Intercompany Agreement dated as of December 20, 2007 between ACI and ACSC, as amended; (h) the Accounts Receivable Policy (Shipments) General Terms and Conditions, plus the Coverage Certificate effective September 1, 2008 (together with all schedules and endorsements thereto) issued by Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur - Canada Branch to ACI, as amended; and (i) the fee letters dated April 1, 2009 between ACI Funding and the Agent;

(iv) pursuant to section 364(c)(1) of the Bankruptcy Code, granting ACI Funding, the Agent, Eureka and Citibank priority in payment with respect to the obligations of the Originators under the Financing Agreements over any and all administrative expenses of the kinds specified in sections 503(b) and 507(b) of the Bankruptcy Code, other than in respect of the Carve-Out (as defined below);

(v) scheduling an interim hearing (the "**Interim Hearing**") on the Motion to consider entry of an interim order (this "**Order**") pursuant to Rule 4001 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"); and

(vi) requesting that a final hearing (the "**Final Hearing**") be scheduled, and that notice procedures in respect of the Final Hearing be established, by this Court to consider entry of a final order (the "**Final Order**") authorizing on a final basis, among other things, the Amendment and continued performance of the Debtors' respective obligations under the Financing Agreements, and granting other related relief;

and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties-in-interest; and the Court having considered the Motion and the documents related thereto, and after due deliberation and sufficient cause appearing therefor; due and appropriate notice of the Motion, the relief requested therein having been served by the Debtors on the following parties, or, in lieu thereof, their counsel: (i) the Office of the United States Trustee; (ii) the United States Securities and Exchange Commission; (iii) the Internal Revenue Service; (iv) counsel to the agents for the Debtors' prepetition secured bank facilities; (v) counsel to the agent for the Debtors' proposed postpetition lenders; (vi) the indenture trustees for each series of the Debtors' prepetition notes; (vii) the Agent; (viii) the monitor appointed in the Canadian Proceeding; (ix) the parties identified on the Debtors' consolidated list of thirty-five (35) largest unsecured creditors; (x) the Debtors' primary cash management banks; (xi) the Debtors' primary lockbox banks and (xii) the Environmental Protection Agency; the Interim Hearing having been held on April [17], 2009; and all objections or responses, if any, to the Motion having been withdrawn or overruled either prior to the Interim Hearing, or at the Interim Hearing; and upon the record made by the Debtors at the Interim Hearing and after due deliberation and consideration and sufficient cause appearing therefor;

THE COURT MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

1. On April 16, 2009 (the "**Filing Date**"), the Debtors filed voluntary petitions for relief with this Court under Chapter 11 of the Bankruptcy Code (the "**Chapter 11 Cases**"). The Debtors are continuing in possession of their property, and operating and managing their businesses, as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. This Court has jurisdiction over these proceedings and the parties and the property of the Debtors affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. Subject to Paragraph 24, the Debtors hereby forever waive and release any and all "claims" (as such term is defined in the Bankruptcy Code), counterclaims, causes

of action, defenses or setoff rights, in each case arising from or related to any acts or transactions occurring prior to the Filing Date against ACI Funding, the Agent, Citibank, Eureka and each of their respective affiliates, agents, officers, directors, employees and attorneys (collectively, the "**Released Parties**"), whether arising at law or in equity, including any recharacterization, subordination, avoidance or other claim arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law (collectively, the "**Released Claims**"); provided, however, that nothing in this Order releases any party thereto from their contractual obligations under the Financing Agreements or in any way affects their property interests, as provided in the Financing Agreements, in the Transferred Receivables or the proceeds thereof; provided further, however, that nothing in this Order releases any of the Released Parties from any claims, counterclaims or causes of action assertable by any Debtor in connection with any termination, default or failure to perform under that certain Master Agreement dated as of July 2, 2003, as amended, supplemented or otherwise modified from time-to-time (including, but not limited to, the confirmations dated June 17, 2004 and June 28, 2004), between Citibank Canada and Abitibi-Consolidated Company of Canada. The Debtors further covenant not to sue the Released Parties on account of any Released Claims.

4. The Debtors admit, stipulate and agree that transfers of the Transferred Receivables by the Originators pursuant to the provisions of the Receivables Agreements whether occurring prior to or subsequent to the Filing Date, constitute true sales or true contributions under applicable non-bankruptcy law and are hereby deemed true sales or

true contributions, and were or will be for fair consideration and are not otherwise voidable or avoidable. The Debtors admit, stipulate and agree that upon the transfer of the Receivables to ACI Funding, the Receivables did (with respect to transfers occurring prior to the Filing Date) and will (with respect to the transfers occurring on or after the Filing Date) become the sole property of ACI Funding, and none of the Debtors, nor any creditors of the Debtors, shall retain any ownership rights, claims, liens or interests in or to the Transferred Receivables, or any proceeds thereof pursuant to section 541 of the Bankruptcy Code, pursuant to any theory of substantive consolidation or otherwise. The Debtors admit, stipulate and agree that upon the transfer by each of the Originators pursuant to the provisions of the Financing Agreements, neither the Transferred Receivables, nor the proceeds thereof, shall constitute property of the bankruptcy estates of any of the Debtors, notwithstanding any intentional or inadvertent deposit of any proceeds of the Transferred Receivables in bank accounts owned or controlled by any of the Debtors.

5. The Debtors seek access to the funding proposed to be provided by the Financing Agreements in order to assure sufficient available sources of working capital and financing to carry on the operation of their businesses. Specifically, continued performance of the Financing Agreements will permit the Originators to continue transferring the Receivables to ACI Funding, allowing the Debtors to continue their prepetition practice of converting Receivables to cash as soon as possible to provide cash flow necessary for various business purposes. The Debtors' ability to maintain business relationships with their vendors, suppliers and customers, to pay their employees, to

purchase and supply new inventory and otherwise finance their operations, is essential to the Debtors' continued viability. In addition, the Debtors' need for financing is immediate. In the absence of the proposed financing, serious and irreparable harm to the Debtors' business operations and their estates could occur, which may include third parties declining to conduct business dealings with the Debtors. The preservation, maintenance and enhancement of the going concern value of the Debtors are of the utmost significance and importance to a successful reorganization of the Debtors under chapter 11 of the Bankruptcy Code.

6. Given their current financial condition, financing arrangements and capital structure, the Debtors cannot obtain unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. Financing on a postpetition basis is not otherwise available without certain Debtors granting, pursuant to section 364(c)(1) of the Bankruptcy Code, claims having priority over any and all administrative expenses of the kinds specified in sections 503(b) and 507(b) of the Bankruptcy Code, other than as described below in respect of the Carve-Out.

7. No creditors' committee has been appointed in any of the Chapter 11 Cases. Under the circumstances, the notice given by the Debtors of the Motion, the relief requested therein and the Interim Hearing constitutes appropriate, due and sufficient notice thereof and complies with Bankruptcy Rule 4001(b) and (c) and the Local Bankruptcy Rules, and no further notice of the relief sought at the Interim Hearing and the relief granted herein is necessary or required.

8. Entry into the Amendment and continued performance of the Debtors' respective obligations under the Financing Agreements is in the best interests of the Debtors and their estates, and the Debtors are expressly authorized and empowered to enter into the Amendment and to perform and do or continue to perform and do, as applicable, all acts that may be required in connection with the Financing Agreements. Each currently effective Financing Agreement constitutes, and upon execution and delivery thereof, each newly executed Financing Agreement shall constitute, a valid and binding obligation of each Debtor party thereto, enforceable against each such Debtor in accordance with its terms. The terms and conditions of the Financing Agreements have been negotiated in good faith and at arm's length and the transfers made or to be made and the obligations incurred or to be incurred shall be deemed to have been made for fair or reasonably equivalent value and in good faith (and without intent to "hinder, delay or defraud any creditor" of the Debtors) as those terms are used in the Bankruptcy Code and the transactions contemplated thereunder shall be deemed to have been made in "good faith," as that term is used in sections 363(m) and 364(e) of the Bankruptcy Code and in express reliance upon the protections offered by sections 363(m) and 364(e) of the Bankruptcy Code. The Agent shall be entitled, derivatively, to assert any and all of the rights of ACI Funding, including, without limitation, those arising under section 363(m) of the Bankruptcy Code, arising as a result thereof.

Based upon the foregoing findings and conclusions, and upon the record made at the Interim Hearing, and good and sufficient cause appearing therefore;

IT IS HEREBY ORDERED that:

9. The Motion is granted on an interim basis in accordance with the terms of this Order. Any objections to the Motion with respect to the entry of this Order that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby denied and overruled.

10. ACI, ACSC and the other Debtors, as applicable, are expressly authorized and empowered (i) to execute and deliver, and ACSC is authorized to cause ACI Funding, as a wholly owned subsidiary of ACSC, to execute and deliver the Amendment and all related documents and instruments to be executed and delivered in connection therewith, and the Facility Termination Date (as defined in the RPA and in the PCA) and the Commitment Termination Date (as defined in the RPA) shall be deemed not to have occurred as a consequence of the filing of the Chapter 11 Cases, ACI's Chapter 15 case or the Canadian Proceeding or the taking of corporate action by AbitibiBowater Inc. ("**ABI**"), ACI or ACSC to authorize any of the foregoing or the failure of ABI, ACI or ACSC to pay any debts that are otherwise stayed by any of the foregoing or the written admission by ABI, ACI or ACSC of its inability to pay such debts; (ii) to transfer, and shall be deemed to have transferred, free and clear of all liens, claims, encumbrances and other interests of any of the Originators, or their respective creditors pursuant to sections 363(b)(1) and (f) of the Bankruptcy Code, the Receivables to ACI Funding, without recourse (except to the limited extent provided in the Financing Agreements); (iii) to otherwise perform or continue to perform, and ACSC is authorized to cause ACI Funding, as a wholly owned subsidiary of ACSC, to otherwise perform or continue to perform, as applicable, their respective obligations under the Financing Agreements and

(iv) to make, execute and deliver, and ACSC is authorized to cause ACI Funding, as a wholly owned subsidiary of ACSC, to make, execute and deliver all instruments and documents and perform all other acts (including, without limitation, the perfection of ACI Funding's ownership interest in the Transferred Receivables) that may be required in connection with the Financing Agreements and the transactions contemplated thereby; it being expressly contemplated that pursuant to the terms of the Financing Agreements, ACI and ACSC shall be expressly authorized and empowered pursuant to section 363(b)(1) of the Bankruptcy Code to service, administer and collect the Transferred Receivables on behalf of ACI Funding pursuant to the Financing Agreements, and with respect to the Originators and ACI Funding, each shall be expressly authorized and empowered pursuant to section 363(b)(l) of the Bankruptcy Code to make, execute and deliver all instruments and documents and perform all other acts (including, without limitation, the perfection of ACI Funding's ownership interest in the Transferred Receivables) that may be required in connection with the Financing Agreements and the transactions contemplated thereby. Moreover, ACI Funding shall be entitled to the full benefits of section 363(m) of the Bankruptcy Code in connection with any transfers made pursuant to the provisions of the Financing Agreements, with the Agent being entitled to assert ACI Funding's rights thereunder derivatively. All indemnification and other obligations of the Originators and any other Debtors owing to the Agent, Eureka and Citibank under the Financing Agreements and this Order are hereinafter referred to as the **"Agent Obligations."** All obligations of the Originators and any other Debtors owing to ACI Funding under the Financing Agreements and this Order are hereinafter referred to as the **"Receivables Obligations."** For the avoidance of doubt, the Agent Obligations and the Receivables Obligations do not include any amounts owing to the Agent or Citibank or their respective affiliates under or in connection with (i) any swap claims, (ii) any credit agreement in existence prior to the Filing Date not related to the Financing Agreements or (iii) any other indebtedness not related to the Financing Agreements. Notwithstanding the foregoing, the Agent and Citibank shall be entitled to all of the rights and remedies accorded to them pursuant to the "safe harbor" provisions of the Bankruptcy Code.

11. The Originators and the other Debtors are authorized to use the proceeds of the arrangements contemplated by the Financing Agreements in the operation of the Debtors' businesses, provided, that the use of the proceeds is consistent with the terms of the Financing Agreements and this Order or as may otherwise be agreed in writing by the Agent.

12. In accordance with section 364(c)(1) of the Bankruptcy Code, the Agent Obligations and the Receivables Obligations shall constitute allowed senior administrative expense claims against each of the Originators (the **"Superpriority Claims"**) with priority over any and all administrative expenses, adequate protection claims, diminution claims and all other claims against the Originators, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under sections 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code,

whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or attachment, which allowed claims shall for purposes of section 1129(a)(9)(A) of the Bankruptcy Code be considered administrative expenses allowed under section 503(b) of the Bankruptcy Code, and which shall be payable from and have recourse to all pre- and post-petition property of the Originators and all proceeds thereof, subject only to the payment of the Carve-Out to the extent specifically provided for herein. Subject only to the Carve-Out, no cost or expense of administration asserted against any Debtor with obligations arising under the Financing Agreements under sections 105, 364(c)(1), 503(b), 507(b) of the Bankruptcy Code, or otherwise, including those resulting from the conversion of any of the Chapter 11 Cases pursuant to section 1112 of the Bankruptcy Code, shall be senior to, or pari passu with, the Superpriority Claims of the Agent, Citibank, Eureka or ACI Funding arising out of the Agent Obligations and the Receivables Obligations, as applicable. The Agent shall be permitted to enforce the Superpriority Claims in respect of the Receivables Obligations on a derivative basis on behalf of ACI Funding. The Superpriority Claims shall be entitled to the full protection of section 364(e) of the Bankruptcy Code in the event that this Order or any provision hereof is vacated, reversed or modified, on appeal or otherwise.

13. Any provision of this Order or the Financing Agreements to the contrary notwithstanding, the Superpriority Claims shall be subject and subordinate to a carve-out (the "**Carve-Out**") for (a) the payment of allowed professional fees and disbursements incurred by the professionals retained, pursuant to sections 327, 328 or 1103(a) of the

Bankruptcy Code, by the Debtors and any statutory committee appointed in the Chapter 11 Cases and any disbursements of any member of such committee in an aggregate amount not to exceed (i) $7,500,000 *minus* any payments made pursuant to any carve-out under any other postpetition credit facility of the Debtors in respect of professional fees and disbursements incurred following the occurrence and during the pendency of an Event of Termination (as such term is defined in the Receivables Agreements) or an event of termination or event of default under such other postpetition credit facility of the Debtors (each a **"Carve-Out Event"**) *plus* (ii) professional fees and disbursements incurred prior to the occurrence of a Carve-Out Event to the extent subsequently allowed *plus* (iii) professional fees and disbursements incurred from and after the date on which the Carve-Out Event is no longer continuing to the extent subsequently allowed and (b) quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the Clerk of the Bankruptcy Court; provided, however, that no portion of the Carve-Out or proceeds of the Financing Agreements shall be used to pay professional fees and disbursements incurred in connection with (i) asserting any claims or causes of action against the Agent, Citibank, Eureka or ACI Funding and/or challenging or raising any defense to the Agent Obligations or Receivables Obligations or other obligations under the Financing Agreements, (ii) asserting or prosecuting any action for preferences, fraudulent conveyances, or other avoidance power claims against the Agent, Citibank, Eureka or ACI Funding or (iii) objecting to or contesting the true sale nature of the sale and/or contribution of the Transferred Receivables, provided, further, however, that the Carve-Out may include professional fees and disbursements for investigation of such claims, causes of action or defenses in an aggregate amount not to exceed $50,000. As long as no Carve-Out Event shall have occurred and be continuing, the Debtors shall be permitted to pay compensation and reimbursement of expenses, to the extent permitted by the Bankruptcy Court payable under sections 330 and 331 of the Bankruptcy Code, as the same may be payable, and the amounts so paid, or accrued but unpaid, shall not reduce the Carve-Out; provided, however, that, upon the occurrence and during the continuance of a Carve-Out Event, the foregoing permission to pay allowed compensation and to reimburse expenses shall be limited to the professional fees and disbursements incurred prior to the occurrence of the Carve-Out Event plus the Carve-Out.

14. If the amount of the Carve-Out satisfied with the assets of any Originator exceeds the product of (x) the Carve-Out and (y) such Originator's net asset value expressed as a percentage of the net asset value of the Debtors taken as a whole, such Originator shall have a right of contribution against the Debtors that are not Originators in an amount equal to such excess (or in such other amount as the Bankruptcy Court may deem appropriate under the circumstances) and with the same relative priority as the Carve-Out, and shall be subrogated to the rights of any claimant under the Carve-Out in respect of such right of contribution.

15. Pursuant to the Financing Agreements, ACI Funding may deduct from the purchase price of Transferred Receivables amounts which are payable by the Originators to ACI Funding in respect of violations of certain representations and warranties and dilution items (all of such amounts, collectively, the "**Repayment Amounts**"), and the

automatic stay provisions of section 362 of the Bankruptcy Code are hereby modified to the extent necessary so as to permit the deduction of such amounts by ACI Funding. The payment by ACI Funding of the purchase price for Receivables which are subsequently reduced by such Repayment Amounts constitutes an extension of credit to the applicable Originators.

16. The performance by the Originators and ACI Funding of their respective obligations under the Financing Agreements, and the consummation of the transactions contemplated by the Financing Agreements, and the conduct by the Originators and ACI Funding of their respective businesses, whether occurring prior to or subsequent to the Filing Date, do not, and shall not, provide a basis for a substantive consolidation of the assets and liabilities of the Originators, or any of them, with the assets and liabilities of ACI Funding or a finding that the separate corporate identities of the Originators and ACI Funding may be ignored. Notwithstanding any other provision of this Order, the Agent, Citibank, Eureka and the other parties thereto have agreed to enter into the Financing Agreements in express reliance on ACI Funding being a separate and distinct legal entity, with assets and liabilities separate and distinct from those of any of the Debtors.

17. Pursuant to the Financing Agreements and as described in the Motion, ACI Funding has agreed to pay, and ACSC is hereby authorized and directed (without the necessity of any further application being made to, or order being obtained from, this Court) to cause ACI Funding, as a wholly owned subsidiary of ACSC, to pay certain fees in consideration of the Agent's and Citibank's services in structuring and negotiating Amendment No. 4 to Amended and Restated Receivables Purchase Agreement and

Waiver Agreement dated as of April 1, 2009, Amendment No. 2 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement dated as of April 1, 2009, and the Financing Agreements.

18. Collections of Transferred Receivables and other funds that are subject to the Deposit Account Control Agreement, the Blocked Accounts Agreement or the Pledged Deposit Accounts Agreement shall be processed and transferred pursuant to such agreements, and such agreements are hereby approved in all respects and each deposit bank party thereto is authorized and directed to comply therewith.

19. The Financing Agreements and the provisions of this Order shall be binding upon all parties in interest in these Cases, including, without limitation, the Debtors, ACI Funding, Eureka, Citibank, the Agent, ACSC and ACI and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for the estate of any of the Originators, an examiner appointed pursuant to section 1104 of the Bankruptcy Code or any other fiduciary appointed as a legal representative of any of the Originators or with respect to the property of the estate of any of the Originators) and shall inure to the benefit of the Debtors, ACI Funding, Eureka, Citibank, the Agent, ACSC and ACI.

20. ACI Funding, Citibank and the Agent shall not (i) be deemed to be in control of the operations of the Debtors, (ii) owe any fiduciary duty to the Debtors, their respective creditors, shareholders or estates or (iii) subject only to the right of the Environmental Protection Agency to be heard at the Final Hearing, and effective upon entry of the Final Order, be deemed to be acting as a "responsible person" or "owner or

operator" with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601, *et seq.*, as amended, or any similar federal or state statute).

21. No rights of any entity in connection with a contract or transaction of the kind listed in sections 555, 556, 559, 560 or 561 of the Bankruptcy Code, whatever they might or might not be, are affected by the provisions of this Order.

22. If any or all of the provisions of this Order are hereafter reversed, modified, vacated or stayed, such reversal, stay, modification or vacation shall not affect (x) the validity of any transfer of the Receivables made pursuant to the provisions of the Financing Agreements prior to written notice to the Agent and ACI Funding of the effective date of such reversal, stay, modification or vacation, (y) the validity of any obligation or liability incurred by each of the Originators prior to written notice to the Agent and ACI Funding of the effective date of such reversal, stay, modification or vacation or (z) the validity and enforceability of any priority authorized or created hereby or pursuant to the Financing Agreements. Notwithstanding any such reversal, stay, modification or vacation, any indebtedness, obligations or liabilities incurred, or payment made, by any of the Originators, prior to written notice to the Agent and ACI Funding of the effective date of such reversal, stay, modification or vacation, shall be governed in all respects by the original provisions of this Order, and the Agent, Citibank, Eureka and ACI Funding shall be entitled to all the rights, remedies, privileges and benefits, granted herein and pursuant to the Financing Agreements with respect to all such indebtedness,

obligations or liabilities (including, without limitation, with respect to the manner in which the proceeds of the Transferred Receivables are applied) and to the full benefits of sections 363(m) and 364(e) of the Bankruptcy Code in connection therewith.

23. Upon transfer to ACI Funding, the Transferred Receivables are and shall be the property of ACI Funding and not property of the estates of any of the Debtors and accordingly no expenses of administration of the Chapter 11 Cases or any future proceeding or case which may result from the Chapter 11 Cases, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against the Transferred Receivables, or the proceeds thereof pursuant to section 506(c) of the Bankruptcy Code or otherwise, without the prior written consent of the Agent and no such consent shall be implied from any other action, inaction, or acquiescence by the Agent. To the extent the Agent seeks to exercise, upon an Event of Termination (as such term is defined in the Receivables Agreements), any rights and remedies to the extent provided for in the Receivables Agreements against any Debtor, prior to seeking to lift the automatic stay to exercise such enforcement rights or remedies against such Debtor, the Agent shall provide five (5) business days' written notice (by facsimile, telecopy, electronic mail or otherwise) to (a) counsel for the Debtors: (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Attention: Kelley A. Cornish; (ii) Stikeman Elliott LLP, 1155 René-Lévesque Blvd. West, Suite 4000, Montréal, QC H3B 3V2, Canada, Attention: Guy Martel; and (iii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attention: Pauline K. Morgan; (b)

counsel for the official committee of unsecured creditors in the Chapter 11 Cases (the **"Creditors' Committee"**) (if retained); and (c) counsel for the United States Trustee. For the avoidance of doubt, the foregoing notice requirement shall in no event apply to any exercise by the Agent of any rights and remedies to the extent provided for in the Receivables Agreements against ACI Funding or the assets of ACI Funding.

24. The stipulations, admissions and releases contained in Paragraph 3 and Paragraph 4 of this Order, shall be binding on the Debtors and any successor thereto under all circumstances and for all purposes and the Debtors are deemed to have irrevocably waived and relinquished all rights to contest any such stipulation, admission or release as of the date of entry of this Order. The stipulations, admissions and releases contained in Paragraph 3 and Paragraph 4 of this Order, shall be binding on all other parties in interest, including, without limitation, any official committee that may be appointed in these chapter 11 cases, under all circumstances and for all purposes unless, and solely to the extent that, (a) any party in interest commences a contested matter or adversary proceeding challenging such stipulation, admission or release or asserting any claims or causes of action on behalf of the Debtors' estates against the Released Parties, in each case no later than the later of (1) sixty (60) days after the formation of the Creditors' Committee, or (2) seventy-five (75) days after the Filing Date. If no such contested matter or adversary proceeding is timely commenced then, without further order of the Court, all of the stipulations, admissions and releases contained in Paragraph 3 and Paragraph 4 of this Order, shall be binding on all parties in interest in these chapter 11 cases and shall not be subject to challenge or modification in any respect. If any such

contested matter or adversary proceeding is timely commenced, the stipulations, admissions and releases shall nonetheless remain binding on all parties in interest and shall be preclusive except to the extent that such stipulation, admission or release is expressly challenged pursuant to such timely commenced contested matter or adversary proceeding.

25. Nothing in this Order vests or confers on any person (as defined in the Bankruptcy Code), including the Creditors' Committee, standing or authority to pursue any cause of action belonging to the Debtors or their estates.

26. This Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable nunc pro tunc to the Petition Date immediately upon entry hereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062 or 9024 or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Order. Specifically, pursuant to this Order, the ten day automatic stay periods of Bankruptcy Rules 6004(g) and 6006(d) are expressly inapplicable to this Order and the transactions including, without limitation, transfers contemplated hereby, and accordingly, this Order shall become operative immediately upon entry on the docket.

27. To the extent that any of the provisions of this Order may be inconsistent with the terms and conditions of the Financing Agreements, the provisions of this Order shall govern.

28. On or before the third business day following entry of this Order, the Debtors shall mail copies of a notice of the entry of this Order, together with a copy of this Order and a copy of the Motion (which shall constitute adequate notice of the Final Hearing), to the parties having been given notice of the Interim Hearing, and to any other party that has filed a request for notices with this Court and to any Creditors' Committee after the same has been appointed, or Creditors' Committee counsel, if the same shall have been appointed. The notice of entry of this Order shall state that any party in interest objecting to the relief sought at the Final Hearing shall serve and file written objections with the Clerk, United States Bankruptcy Court for the District of Delaware no later than 4:00 p.m. on __________, 2009. Objections shall be served so that the same are actually received on or before such date by: (a) counsel for the Debtors: (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Attention: Kelley A. Cornish; (ii) Stikeman Elliott LLP, 1155 René-Lévesque Blvd. West, Suite 4000, Montréal, QC H3B 3V2, Canada, Attention: Guy Martel; and (iii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attention: Pauline K. Morgan; (b) counsel for the Creditors' Committee (if retained); (c) counsel for the Agent and Citibank, (i) Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attention: Michael J. Crames and Bradley Y. Smith; (ii) Kaye Scholer LLP, 425 Park Avenue, New York, New York 10022, Attention: Eric Marcus and Benjamin Mintz and (iii) Richards Layton & Finger, One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attention: Mark D. Collins and John H. Knight; (d)

counsel for the United States Trustee, 844 King Street, Room 2207, Attention: David Klauder; and (e) Office of the Clerk of the Court, 824 Market Street, Third Floor, Wilmington, Delaware 19801.

29. The Final Hearing is scheduled for __________, 2009 at _______ __.m. before this Court.

Dated: Wilmington, Delaware
____________ __, 2009

____

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement

Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement

This OMNIBUS AMENDMENT NO. 5 TO AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT AND AMENDMENT NO. 3 TO AMENDED AND RESTATED PURCHASE AND CONTRIBUTION AGREEMENT AND WAIVER AGREEMENT, dated as of April 16, 2009 (this "Amendment Agreement"), is made by and among ABITIBI-CONSOLIDATED U.S. FUNDING CORP. (the "Seller" or "Funding"), CITIBANK, N.A. ("Citibank"), as a Bank, CITIBANK, N.A., LONDON BRANCH, as operating agent (the "Agent") for the Investors and the Banks, ABITIBI-CONSOLIDATED INC. ("ACI") and ABITIBI CONSOLIDATED SALES CORPORATION ("ACSC").

Preliminary Statements. (1) The Seller, Citibank, Eureka Securitisation, plc ("Eureka"), as an Investor, the Agent, ACI, in its capacity as Subservicer and an Originator, and ACSC, in its capacity as Servicer and an Originator, are parties to that certain Amended and Restated Receivables Purchase Agreement, dated as of January 31, 2008 (as amended, restated, supplemented and/or otherwise modified from time to time, the "RPA"; capitalized terms used herein and not otherwise defined herein shall have the meanings attributed to them in the RPA).

(2) ACI and ACSC, as sellers, and Funding, as purchaser, are parties to that certain Amended and Restated Purchase and Contribution Agreement, dated as of January 31, 2008 (as amended, restated, supplemented and/or otherwise modified from time to time, the "PCA").

(3) In March 2008 Eureka assigned all Receivable Interests owned by it to Citibank and Eureka has not purchased any additional Receivable Interests since such assignment.

(4) ACSC and the Parent have advised Funding and the Agent that they are considering the possibility of filing voluntary petitions with the Bankruptcy Court (as defined in the RPA (as amended hereby)) to initiate the Bankruptcy Case (as defined in the RPA (as amended hereby)).

(5) ACI has advised Funding and the Agent that it is considering the possibility of filing a voluntary petition with the Canadian Bankruptcy Court (as defined in the RPA (as amended hereby)) to initiate the Canadian Bankruptcy Case (as defined in the RPA (as amended hereby)), as well as a proceeding under Chapter 11 or Chapter 15 of the Bankruptcy Code.

(6) The taking of corporate action by ACI or ACSC to authorize, and the commencement of, the Bankruptcy Case and the Canadian Bankruptcy Case will constitute, and the failure of ACI or ACSC to pay certain debts that are otherwise stayed by the Bankruptcy Court or the Canadian Bankruptcy Court, as the case may be, or the written admission by ACI or ACSC of its inability to pay such debts, may constitute Servicer Defaults under clauses (iii) and (iv) of the definition thereof, and the occurrence of a Servicer Default will constitute an Event of Termination pursuant to Section 7.01(a) of the RPA (the "Servicer Event of Termination").

(7) The taking of corporate action by the Parent, ACI or ACSC to authorize, and the commencement of, the Bankruptcy Case and the Canadian Bankruptcy Case will constitute, and the failure of the Parent, ACI or ACSC to pay certain debts that are otherwise stayed by the Bankruptcy Court or the Canadian Bankruptcy Court, as the case may be, or the written admission by the Parent, ACI or ACSC of its inability to pay such debts, may constitute Events of Termination pursuant to Sections 7.01(e) and 7.01(g) of each of the RPA and the PCA (the foregoing, together with the Servicer Event of Termination, the "Bankruptcy Event of Termination").

(8) ACI and ACSC hereby request that Funding waive the Bankruptcy Event of Termination and agree that the taking of corporate action by ACI or ACSC to authorize, and the commencement of, the Bankruptcy Case and the Canadian Bankruptcy Case, and the failure of ACI or ACSC to pay certain debts that are otherwise stayed by the Bankruptcy Court or the Canadian Bankruptcy Court, as the case may be, or the written admission by ACI or ACSC of its inability to pay such debts, shall not result in the occurrence of the Facility Termination Date under the PCA.

(9) The Seller, ACI and ACSC hereby request that the Agent (as agent for the Investor) and the Banks waive the Bankruptcy Event of Termination and agree that the taking of corporate action by ACI or ACSC to authorize, and the commencement of, the Bankruptcy Case and the Canadian Bankruptcy Case, and the failure of ACI or ACSC to pay certain debts that are otherwise stayed by the Bankruptcy Court or the Canadian Bankruptcy Court, as the case may be, or the written admission by ACI or ACSC of its inability to pay such debts, shall not result in the occurrence of the Commitment Termination Date and the Facility Termination Date under the RPA.

(10) The Agent (as agent for the Investor), the Banks and Funding (as applicable) are willing to agree to the waivers described above, subject to the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree as follows:

SECTION 1. Waivers. (a) Upon the effectiveness of this Amendment Agreement in accordance with Section 5 hereof, Funding hereby waives the Bankruptcy Event of Termination and agrees that the taking of corporate action by the Parent, ACI or ACSC to authorize, and the commencement of, the Bankruptcy Case and the Canadian Bankruptcy Case, and the failure of the Parent, ACI or ACSC to pay certain debts that are otherwise stayed by the Bankruptcy Court or the Canadian Bankruptcy Court, as the case may be, or the written admission by the Parent, ACI or ACSC of its inability to pay such debts, shall not result in the occurrence of the Facility Termination Date under the PCA; provided, however, that (x) from and after the Petition Date and prior to the time at which the Bankruptcy Court enters the US Interim Order, Funding shall have no obligation to make Purchases from ACSC under the PCA and (y) from and after the Filing Date and prior to the time at which the Canadian Bankruptcy Court enters the Initial Order, Funding shall have no obligation to make Purchases from ACI under the PCA.

(b) Upon the effectiveness of this Amendment Agreement in accordance with Section 5 hereof, but subject to Section 1(c) hereof, the Banks and the Agent (as agent for the Investor) hereby waive the Bankruptcy Event of Termination and agree that the taking of corporate action by the Parent, ACI or ACSC to authorize, and the commencement of, the Bankruptcy Case and the Canadian Bankruptcy Case, and the failure of the Parent, ACI or ACSC to pay certain debts that are otherwise stayed by the Bankruptcy Court or the Canadian Bankruptcy Court, as the case may be, or the written admission by the Parent, ACI or ACSC of its inability to pay such debts, shall not result in the occurrence of the Commitment Termination Date or the Facility Termination Date under the RPA; provided, however, that from and after the earlier to occur of the Petition Date and the Filing Date and prior to the later of the time at which the Bankruptcy Court enters the US Interim Order and the time at which the Canadian Bankruptcy Court makes the Initial Order, (i) the Banks shall have no obligation to purchase Receivable Interests under the RPA and (ii) the Agent shall have no obligation to release collections pursuant to Section 5(a) of Waiver and Amendment No. 4 to RPA.

(c) Notwithstanding any provision to the contrary contained herein, the waiver set forth in Section 1(b) hereof shall only be effective if the Bankruptcy Case and the Canadian Bankruptcy Case are commenced on or prior to April 20, 2009 (or such later date as may be agreed to in writing by the Agent). If the Bankruptcy Case or the Canadian Bankruptcy Case is commenced after such date, an unwaived Event of Termination shall exist under the RPA, as to which the Banks and the Agent may exercise all rights and remedies available to them under the RPA and the other Transaction Documents.

SECTION 2. Amendments to the RPA. Effective as of the date hereof in accordance with Section 5 of this Amendment Agreement, the RPA is amended as follows:

(a) Section 1.01 of the RPA is amended to add the following defined terms in the appropriate alphabetical order:

> "Affiliated Debtor" means an Affiliate of an Originator which has commenced a case under the Bankruptcy Code or under the CCAA.
>
> "Bankruptcy Case" means, collectively, the cases to be filed by (x) ACSC and the Parent under Chapter 11 of the Bankruptcy Code and (y) ACI under Chapter 15 of the Bankruptcy Code (or, at any time on or after the Petition Date, under Chapter 11 of the Bankruptcy Code), in each case with the Bankruptcy Court.
>
> "Bankruptcy Code" means Title 11 of the United States Code, as amended, modified, succeeded or replaced from time to time.
>
> "Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware.

"Canadian Bankruptcy Case" means the case to be filed by ACI under the CCAA with the Canadian Bankruptcy Court.

"Canadian Bankruptcy Court" means the Quebec Superior Court.

"CCAA" means the *Companies' Creditors Arrangement Act* (Canada).

"Filing Date" means the date ACI commences the Canadian Bankruptcy Case in the Canadian Bankruptcy Court.

"Final Order" means the order or judgment of the Bankruptcy Court as entered on the docket of the Bankruptcy Court approving the transactions contemplated by this Agreement, the Originator Purchase Agreement and the other Transaction Documents, in form and substance reasonably satisfactory to the Agent, which order is in effect and not stayed.

"Initial Order" means an order of the Canadian Bankruptcy Court issued by the Canadian Bankruptcy Court substantially in the form of Exhibit A-1 hereto with any changes to the Securitization Provisions that may be approved by the Agent in its reasonable discretion, approving, *inter alia*, the continued sale and servicing of Receivables under the Originator Purchase Agreement and the continued performance by ACI of its obligations under this Agreement and the other Transaction Documents.

"Motion to Appeal" means the Motion for Leave to Appeal from an Interlocutory Judgment and to Suspend Provisional Execution filed by certain creditors of ACI on April 9, 2009 before the Court of Appeal for the district of Montreal, province of Quebec, with respect to an order rendered March 13, 2009 by the Honourable Justice Clément Gascon, J.S.C.

"Petition Date" means the date ACSC commences its Bankruptcy Case in the Bankruptcy Court.

"Securitization Provisions" means paragraph 29 (in respect of the Securitization Program, as defined in the Initial Order, and sales of inventory by ACI to ACSC) and paragraphs 30 through 46 of the Initial Order and any other reference in the Initial Order to the receivables securitization program described in the Transaction Documents or to this Agreement, the Originator Purchase Agreement or the other Transaction Documents.

"US Interim Order" means the order or judgment of the Bankruptcy Court as entered on the docket of the Bankruptcy Court with respect to the Bankruptcy Case substantially in the form of Exhibit A-2 hereto with any changes that may be approved by the Agent in its reasonable discretion, approving, *inter alia*, the transactions contemplated by this Agreement, the Originator Purchase Agreement and the other Transaction Documents.

(b) The definition of "Eligible Receivable" set forth in Section 1.01 of the RPA is hereby amended by (i) deleting the "and" at the end of clause (xviii) thereof, (ii) deleting the "." at the end of clause (xvix) thereof and substituting "; and" therefor and (iii) adding a new clause (xx) that reads as follows:

"(xx) which is not excluded from the Insurance Policy by virtue of the provisions of Section 8(6) of the Insurance Policy."

(c) Clause (v) of the definition of "Servicer Default" set forth in Section 1.01 of the RPA is hereby amended in its entirety to read as follows:

"(v) There shall have occurred any event which may materially adversely affect the ability of the Servicer or the Subservicer to collect Pool Receivables or otherwise perform its obligations under this Agreement and the other Transaction Documents, other than the filing of the Bankruptcy Case and the Canadian Bankruptcy Case; or"

(d) Section 4.01(e) of the RPA is hereby amended in its entirety to read as follows:

"(e) Since December 31, 2008 there has been no material adverse change in the business, operations or financial condition of the Seller other than, upon the filing of the Bankruptcy Case and the Canadian Bankruptcy Case, (i) the commencement of the Bankruptcy Case and the Canadian Bankruptcy Case and (ii) the continuation of the circumstances giving rise to the filing thereof or which customarily occur as a result thereof."

(e) Section 4.01(f) of the RPA is hereby amended in its entirety to read as follows:

"(f) Except for the Bankruptcy Case and the Canadian Bankruptcy Case and matters directly related thereto, there are no pending or, to the Seller's knowledge, threatened actions, investigations or proceedings affecting the Seller before any court, governmental agency or arbitrator which may have a Material Adverse Effect."

(f) Section 4.02(e)(ii) of the RPA is hereby amended in its entirety to read as follows:

"(e)(ii) since December 31, 2007 there has been no material adverse change in the business, operations or financial condition of ACI and its Subsidiaries taken as a whole (except as publicly disclosed by the Parent, ACI or any of their Affiliates prior to April 16, 2009) other than, upon the filing of the Bankruptcy Case and the Canadian Bankruptcy Case, (i) the commencement of the Bankruptcy Case and the Canadian Bankruptcy Case and (ii) the continuation of the circumstances giving rise to the filing thereof or which customarily occur as a result thereof."

(g) Section 4.02(f) of the RPA is hereby amended in its entirety to read as follows:

"(f) Except for the Bankruptcy Case and the Canadian Bankruptcy Case and matters directly related thereto and the Motion to Appeal, there are no pending or, to the Servicer's knowledge, threatened actions, investigations or proceedings affecting the Servicer or any of its Affiliates before any court, governmental agency or arbitrator which may have a Material Adverse Effect."

(h) Section 6.02(g) of the RPA is hereby amended by adding new clauses (v) and (vi) that read as follows:

"(v) Prior to 10:00 A.M. (New York City time) on the first Business Day of each calendar week, the Servicer shall deliver to the Agent a description of such week's daily operating expenses, which description shall be in form and substance satisfactory to the Agent.

(vi) To the extent that the Parent or any Originator is required to deliver to holder of any Debt incurred after the Petition

Date or the Filing Date a 13-week rolling forecast (or similar financial report), the Servicer shall concurrently deliver a copy of such rolling forecast (or similar report) to the Agent."

(i) Section 7.01(j) of the RPA is hereby amended in its entirety to read as follows:

"(j) There shall have occurred any material adverse change (as determined by the Agent) in the collectibility of the Receivables Pool or the ability of ACI, any Originator, the Seller or the Servicer to collect Pool Receivables or otherwise perform its obligations under this Agreement and the other Transaction Documents, other than the filing of the Bankruptcy Case and the Canadian Bankruptcy Case; or"

(j) Section 7.01 of the RPA is hereby amended by (i) adding the word "or" at the end of clause (s) thereof and (ii) adding the following new clauses after clause (s):

"(t) The ratio (expressed as a percentage) computed as of each Reporting Date by dividing (i) the outstanding Capital as of such date by (ii) the Net Receivables Pool Balance on such date shall be greater than 80%, unless the Seller reduces the outstanding Capital on the Business Day immediately following such Reporting Date, bringing such recalculated ratio to less than or equal to 80%; or

(u) The Insurance Policy shall, for any reason, be terminated or otherwise no longer be in full force and effect; or

(v) The Bankruptcy Court fails to enter the US Interim Order within two Business Days following the Petition Date (or such later date as may be agreed in writing by the Agent) or the Canadian Bankruptcy Court fails to enter the Initial Order within two Business Days following the Filing Date (or such later date as may be agreed in writing by the Agent); or

(w) The Bankruptcy Court fails to enter the Final Order within 30 days of the US Interim Order (or such later date as may be agreed to in writing by the Agent), or the US Interim Order, the Initial Order or the Final Order is reversed, vacated or stayed; or

(x) An order with respect to the Bankruptcy Case shall be entered by the Bankruptcy Court (or any Originator shall file an application or motion for entry of an order) (i) appointing a trustee under Section 1104, (ii) appointing an examiner with enlarged powers (beyond those set forth in Section 1106(a)(3) and (4) of the Bankruptcy Code) relating to the operation of the business under Section 1106(b) of the Bankruptcy Code, or (iii) dismissing or converting the Bankruptcy Case to a Chapter 7 case; or an order shall be entered by the Canadian Bankruptcy Court appointing a trustee in bankruptcy, a receiver, and interim receiver, a receiver and manager or an official with similar powers over ACI or its assets; or

(y) Any Originator or Affiliated Debtor fails or neglects to comply with any provision of the US Interim Order (prior to entry of the Final Order), the Final Order (after entry of same) or the Securitization Provisions of the Initial Order, as applicable; or

(z) (i) An order shall be entered by the Bankruptcy Court confirming a plan of reorganization in the Bankruptcy Case or an order shall be entered by the Canadian Bankruptcy Court confirming a plan of compromise or arrangement in the Canadian Bankruptcy Case which, in either case, does not (x) permit the Seller to repay in full in cash all Capital of all Receivable Interests and all other amounts owing hereunder and under the other Transaction Documents on the date of effectiveness of such plan and in each case in a manner satisfactory to the Agent on or before the effective date of such plan, (y) with respect to a plan of reorganization in the Bankruptcy Case, contain a provision for the payment in full in cash of all superpriority claims granted in favor of the Seller, the Agent, Citibank and Eureka pursuant to the Final Order and the US Interim Order, as applicable, and in each case in a manner satisfactory to the Agent on or before the effective date of such plan, and (z) provide for the continuation of the superpriority claims in favor of the Agent until such effective date; or (ii) any Originator or Affiliated Debtor (or any party with the support of any of the Originators or Affiliated Debtors) shall have filed a plan of reorganization that either violates or contains provisions that would prevent the realization of clause (i) of this subparagraph in the Bankruptcy Case or the Canadian Bankruptcy Case; or

(aa) An order with respect to either the Bankruptcy Case or the Canadian Bankruptcy Case shall be entered by the Bankruptcy Court or the Canadian Bankruptcy Court, as applicable, or any appellate court (i) to revoke, reverse, stay, vacate or rescind any provision of the US Interim Order (prior to the entry of the Final Order), the Final Order (after the entry of same) or the Securitization Provisions of the Initial Order, (ii) to modify, supplement or amend any provision of the US Interim Order (prior to the entry of the Final Order), the Final Order (after the entry of same) or the Securitization Provisions of the Initial Order without the consent of the Agent, (iii) to permit any administrative expense or any claim (now existing or hereafter arising, of any kind or nature whatsoever) to have administrative priority as to any of the Originators, equal or superior to the priority of the Seller, the Agent, the Bank or the Investors pursuant to the US Interim Order (prior to the entry of the Final Order), the Final Order (after the entry of same) or the Securitization Provisions of the Initial Order, in each case, as applicable, or to permit any court ordered priority charge to have priority as to any of the Originators, equal or superior to the priority of the Seller, the Agent, the Bank or the Investors pursuant to the US Interim Order (prior to the entry of the Final Order), the Final Order (after the entry of same) or the Securitization Provisions of the Initial Order, in each case, as applicable, or (iv) to grant or permit the grant of an Adverse Claim on the Receivables; or

(bb) Any provision of the US Interim Order (prior to the entry of the Final Order), the Final Order (after the entry of same) or the Securitization Provisions of the Initial Order, this Agreement or any other Transaction Document, in each case, as applicable, shall for any reason cease to be valid or binding or enforceable against any of the Originators, or any of the Originators shall so state in writing; or any of the Originators shall commence or join in any legal proceeding to contest in any manner that the US Interim Order (prior to the entry of the Final Order), the Final Order (after entry of same), the Securitization Provisions of the Initial Order, this Agreement or any other Transaction Document constitutes a valid and enforceable agreement or any of the Originators shall commence or join in any legal proceeding to assert that it has no further obligation or liability under the US Interim Order (prior to the entry of the Final Order), the Final Order (after entry of same), the Securitization Provisions of the Initial Order, this Agreement or any other Transaction Document; or

(cc) Any of the Originators shall seek to, or shall support (whether by way of motion or other pleadings filed with the Bankruptcy Court or any other writing executed by any Originator or by oral argument) any other Person's motion to, (1) disallow in whole or in part any of the obligations arising under this Agreement or any other Transaction Document, (2) challenge the validity and enforceability of the liens or security interests granted or confirmed herein or the claims granted in the US Interim Order (prior to the entry of the Final Order), the Final Order (after the entry of same) or the Securitization Provisions of the Initial Order, in each case, as applicable, in favor of the Agent or (3) challenge the validity, perfection or the true sale/contribution nature of the transfers of the Originator Receivables from the Originators to the Seller; or (dd) An order shall have been entered by the Bankruptcy Court or the Canadian Bankruptcy Court avoiding or requiring disgorgement by the Agent, the Investors or the Banks of any amounts received in respect of the Receivable Interests or otherwise; or

(ee) If any Originator is enjoined, restrained or in any way prevented by court order (other than an order of the Bankruptcy Court or the Canadian Bankruptcy Case approved by the Agent) from continuing to conduct all or any material part of its business affairs; or

(ff) The earlier of (i) 45 days following the earlier of the Petition Date and the Filing Date and (ii) the effective date of a debtor-in-possession financing facility for the Originators providing for the payment in full in cash of all Capital of all Receivable Interests and all other amounts owing hereunder and under the other Transaction Documents;"

SECTION 3. Amendments to the PCA. Effective as of the date hereof in accordance with Section 5 of this Amendment Agreement,

(a) The definition of "Eligible Receivable" set forth in Section 1.01 of the PCA is hereby amended by (i) deleting the "and" at the end of clause (xviii) thereof, (ii) deleting the "." at the end of clause (xix) thereof and substituting "; and" therefor and (iii) adding a new clause (xx) that reads as follows:

"(xx) which is not excluded from the Insurance Policy by virtue of the provisions of Section 8(6) of the Insurance Policy."

(b) Section 4.01(g) of the PCA is hereby amended in its entirety to read as follows:

"(g) Except for the Bankruptcy Case and the Canadian Bankruptcy Case and matters directly related thereto and the Motion to Appeal, there are no pending or, to such Seller's knowledge, threatened actions, investigations or proceedings affecting such Seller before any court, governmental agency or arbitrator which may have a Material Adverse Effect."

SECTION 4. Amendment to Waiver and Amendment No. 4 to RPA. Effective as of the date hereof in accordance with Section 5 of this Amendment Agreement, Section 5(a) of Waiver and Amendment No. 4 to the RPA is amended to (i) delete the last three provisos at the end of the second sentence thereof and (ii) add the following sentence at the end thereof:

"Notwithstanding anything to the contrary contained herein, the Servicer may in a daily request for release of Collections for the purpose of financing daily operating expenses, request amounts necessary to fund daily operating expenses for such day and the next two Business Days, provided, (i) such request may only be made once and (ii) that the Agent may not, in its discretion, honor such request if the release of such Collections would result in the ratio (expressed as a percentage) computed on such day by dividing (x) the outstanding Capital as of such date by (y) the Net Receivables Pool Balance on such date being greater than 75%."

In addition, it is as agreed that the filing of the Motion to Appeal does not constitute a "Cash Release Trigger Event" (as such term is defined in Section 5(a) of Waiver and Amendment No. 4 to the RPA); provided, however, for the avoidance of doubt, it is understood and agreed that any relief that may be granted to the petitioning creditors in connection with such Motion to Appeal may constitute an Event of Termination if such relief is of the type described in clause (iii) of Section 1(a) of Waiver and Amendment No. 4 to the RPA.

SECTION 5. Effectiveness. This Amendment Agreement shall become effective as of the date hereof at such time as (a) executed counterparts of this Amendment Agreement have been delivered by each party hereto to the other parties hereto and (b) the Agent shall have received an executed counterpart of the Confirmation of Undertakings, in the form attached hereto.

SECTION 6. Fees. Funding hereby agrees that the fees set forth in the Structuring Fee Letter (as defined in Waiver and Amendment No. 4 to RPA) shall be due and payable on the dates set forth therein, notwithstanding (and without giving effect to) the waivers of the Bankruptcy Event of Termination set forth in this Amendment Agreement.

SECTION 7. Representations and Warranties.

(a) Each of the Seller and the Servicer represents and warrants that each of the representations and warranties contained in Section 4.01 and Section 4.02, respectively, of the RPA (after giving effect to this Amendment Agreement) are correct in all material respects on and as of the date of this Amendment Agreement as though made on and as of such date.

(b) Each of ACI and ACSC represents and warrants as to itself that each of its representations and warranties contained in Section 4.01 of the PCA (after giving effect to this Amendment Agreement) are correct in all material respects on and as of the date of this Amendment Agreement as though made on and as of such date.

SECTION 8. Confirmation of Agreements. Each reference in the RPA and the PCA (each an "Agreement") to "this Agreement" or "the Agreement" shall mean such Agreement as amended by this Amendment Agreement, and as hereafter amended or restated. Except as herein expressly amended, each Agreement is ratified and confirmed in all respects and shall remain in full force and effect in accordance with its terms. Except as expressly set forth herein, this Amendment Agreement shall not be deemed to be a waiver of any Event of Termination, Incipient Event of Termination, Servicer Default or Insurance Policy Event which may now or hereafter exist under either Agreement. Nothing herein shall prejudice the rights of Agent, the Investors or the Banks to exercise any rights, remedies, powers, claims or causes of action now or hereafter available under the RPA or any other Transaction Document as a result of any past, present or future Event of Termination, Incipient Event of Termination, Servicer

Default or Insurance Policy Event. Each of the Agent and the Banks hereby reserve all of their respective rights, remedies, powers, claims and causes of action under the RPA and under applicable law, all of which rights, remedies, powers, claims and causes of action are cumulative to such party.

SECTION 9. Costs and Expenses. The Seller agrees to pay on demand all reasonable costs and expenses in connection with the preparation, execution and delivery of this Amendment Agreement, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Agent and the Banks with respect thereto.

SECTION 10. GOVERNING LAW. THIS AMENDMENT AGREEMENT SHALL, IN ACCORDANCE WITH SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD CALL FOR THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION.

SECTION 11. Execution in Counterparts. This Amendment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment Agreement by facsimile or by electronic mail attachment in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart of this Amendment Agreement.

SECTION 12. Execution by ACI. This Amendment Agreement shall be considered to be executed and delivered by ACI at a location in the United States of America and once an authorized director or officer of ACI resident in the United States of America has executed the same.

SECTION 13. Language. This Amendment Agreement and all related documents have been written in the English language at the express request of the parties. Le présent contrat ainsi que tous les documents s'y rattachant ont été rédigés en anglais à la demande expresse des parties.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Amendment Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ABITIBI-CONSOLIDATED U.S. FUNDING CORP., as Seller

By: ______________________
Title: TREASURER
Name: ALLEN DEA

By: ______________________
Title: SECRETARY
Name: JACQUES P. VACHON

ABITIBI-CONSOLIDATED INC., as Subservicer and an Originator

By: ______________________
Title: VP & SECRETARY
Name: ALLEN DEA

By: ______________________
Title: SENIOR VP, CORPORATE AFFAIRS, CLO, ASI
Name: JACQUES P. VACHON

ABITIBI CONSOLIDATED SALES CORPORATION, as Servicer and an Originator

By: ______________________
Title: ASSISTANT TREASURER
Name: ALLEN DEA

By: ______________________
Title: SECRETARY
Name: JACQUES P. VACHON

CITIBANK, N.A., London Branch, as Agent

By: ______________________

Title: Vice President

Name: Steffen Lund

CITIBANK, N.A., as a Bank

By: ______________________

Title: Vice President

Name: Steffen Lund

CONFIRMATION OF UNDERTAKINGS

April 16, 2009

The undersigned, as undertaking party under (a) the Undertaking Agreement (Originator), dated as of October 27, 2005 in favor of Abitibi-Consolidated U.S. Funding Corp. (as heretofore amended, the "Undertaking (Originator)") and assigned to Citicorp North America, Inc., as Agent (the "Agent") and (b) the Undertaking Agreement (Servicer) dated as of October 27, 2005 in favor of the Agent and certain investors and banks (as heretofore amended, the "Undertaking (Servicer)"), and together with the Undertaking (Originator), the "Undertakings"), hereby consents to the Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Waiver Agreement, dated as of April 16, 2009 (the "Amendment"), and hereby confirms and agrees that, notwithstanding the effectiveness of such Amendment, each of the Undertakings heretofore executed and delivered by it is, and shall continue to be, in full force and effect and shall apply to the Agreements (as defined below) as amended by the Amendments, and each of the Undertakings is hereby ratified and confirmed. As used herein, "Agreements" means the Receivables Purchase Agreement and the Purchase and Contribution Agreement referred to in the Preliminary Statements of the Undertakings.

ABITIBI-CONSOLIDATED INC.

By: [signature]
Name: ALLEN DEA
Title: VP & SECRETARY

31813616.DOC

Exhibit A-1

SUPERIOR COURT

(*Commercial Division*)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

No: ____________________

MONTREAL, this 17th day of April, 2009

IN THE PRESENCE OF THE HONOURABLE CLÉMENT GASCON, J.C.S.

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

INITIAL ORDER

CONSIDERING the Petition for the Issuance of an Initial Order of Abitibi-Consolidated Inc., Bowater Canadian Holdings Inc. and the Petitioners on Schedules "A" and "B" hereof under sections 4, 5 and 11 of the *Companies' Creditors Arrangement Act* (**"CCAA"**) and sections 191 and ss. of the *Canada Business Corporations Act* R.S.C. 1985, c. C-44 (**"CBCA"**);

CONSIDERING the Petition for the Issuance of a Recognition Order of AbitibiBowater Inc. and the Petitioners on Schedule "D" hereof under section 18.6 of the CCAA;

CONSIDERING the affidavit of Mr. William Harvey dated April 17, 2009, and the Exhibits produced in support of the Petition;

THE COURT MAKES THE FOLLOWING INTERIM ORDERS:

[1] **GRANTS** the Petition for the Issuance of an Initial Order and the Petition for the Issuance of a Recognition Order.

[2] **ISSUE** an order pursuant to Sections 4, 5, 11 and 18.6 of the CCAA (the **"Order"**), divided under the following headings:

(a) Service

(b) Application of the CCAA

(c) Effective Time

(d) Plan of Arrangement

(e) Recognition of U.S. Proceedings

(f) Procedural Consolidation

(g) Stay of Proceedings against the Petitioners, the Partnerships, the Property, the Directors or others

(h) Possession of Property and Carrying on Business

(i) Securitization Program

(j) Restructuring

(k) Directors Indemnification and Charge

(l) BCFPI DIP Financing

(m) Payment of Abitibi Trade Creditors

(n) Inter-Company Advances

(o) Powers of the Monitor

(p) Appointment of Information Officer in Respect of U.S. Proceedings

(q) Approval and Appointment of Financial Advisor

(r) Priorities and General Provisions Relating to CCAA Charges

(s) General

(t) Effect, Recognition and Assistance

Service

[3] **EXEMPT** AbitibiBowater Inc. ("**ABH**"), Abitibi-Consolidated Inc. ("**ACI**"), the Petitioners listed on Schedule "A" hereto (collectively with ACI, the "**Abitibi Petitioners**"), Bowater Canadian Holdings Inc. ("**BCHI**") and the Petitioners listed on Schedule "B" hereto (collectively with BCHI, the "**Bowater Petitioners**") from having to serve the Petition and from any notice of presentation.

Application of the CCAA

[4] **DECLARE** that the Abitibi Petitioners and the Bowater Petitioners (collectively the "**Petitioners**") are debtor companies to which the CCAA applies.

Effective time

[5] **DECLARE** that from immediately after midnight (Montréal time) on the day prior to the Order (the "**Effective Time**") to the time of the granting of the Order, any act or action taken or notice given by any Person in respect of the Petitioners, the 18.6 Petitioners, the Directors or the Property (as those terms are defined hereinafter), are deemed not to have been taken or given, as the case may be, to the extent such act, action or notice would otherwise be stayed after the granting of the Order.

Plan of Arrangement

[6] **ORDER** that the Petitioners shall file with this Court and submit to their creditors one or more plans of compromise or arrangement under the CCAA (collectively, the "**Plan**") between, among others, the Petitioners and one or more classes of their creditors as the Petitioners may deem appropriate, on or before the Stay Termination Date (as defined hereinafter) or such other time or times as may be allowed by this Court.

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Recognition of U.S. Proceedings

[7] **ORDER AND DECLARE** that the proceedings (the "**US Proceedings**") commenced by ABH and the Petitioners listed on Schedule "C" hereto (collectively, the "**18.6 Petitioners**") under Chapter 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "**US Court**") be and are hereby recognized as "foreign proceedings" for purposes of Section 18.6 of the CCAA.

[8] **DECLARE** that the 18.6 Petitioners are debtor companies within the meaning of the CCAA and, as such, are entitled to relief under Section 18.6 of the CCAA.

Procedural Consolidation

[9] **ORDER** that the consolidation of these CCAA proceedings in respect of the Abitibi Petitioners, the Bowater Petitioners and the 18.6 Petitioners (collectively, the "**Petitioners**") shall be for administrative purposes only and shall not effect a consolidation of the assets and property of the Petitioners including, without limitation, for the purposes of any Plan or Plans that may be hereafter proposed.

Stay of Proceedings against the Petitioners, the Partnerships, the Property, the Directors or others

[10] **ORDER** that, until and including ●, or such later date as the Court may order (the "**Stay Termination Date**", the period from the date of the Order to the Stay Termination Date being referred to as the "**Stay Period**"), no right, legal or conventional, may be exercised and no proceeding, at law or under a contract, by reason of this Order or otherwise, however and wherever taken (collectively the "**Proceedings**") may be commenced or proceeded with by anyone, whether a person, firm, partnership, corporation, stock exchange, government, administration or entity exercising executive, legislative, judicial, regulatory or administrative functions (collectively, "**Persons**" and, individually, a "**Person**") against or in respect of the Petitioners, the 18.6 Petitioners and the entities listed on Schedule "D" hereto (the "**Partnerships**"), or any of the present or future property, assets, rights and undertakings of the Petitioners, the 18.6 Petitioners or the Partnerships, of any nature and in any location, whether held directly or indirectly by the Petitioners, the 18.6 Petitioners or the Partnerships, in any capacity whatsoever, or held by others for the Petitioners, the 18.6 Petitioners or the Partnerships (collectively, the "**Property**"), and all Proceedings already commenced against the Petitioners, the 18.6 Petitioners, the Partnerships or any of the Property, are stayed and suspended until the Court authorizes the continuation thereof, the whole subject to the provisions of the CCAA.

[11] **ORDER** that, without limiting the generality of the foregoing, during the Stay Period, all Persons having agreements, contracts or arrangements with the

Petitioners, the 18.6 Petitioners, the Partnerships or in connection with any of the Property, whether written or oral, for any subject or purpose:

(a) are restrained from accelerating, terminating, cancelling, suspending, refusing to modify or extend on reasonable terms such agreements, contracts or arrangements or the rights of the Petitioners, the 18.6 Petitioners, the Partnerships or any other Person thereunder;

(b) are restrained from modifying, suspending or otherwise interfering with the supply of any goods, services, or other benefits by or to such Person thereunder (including, without limitation, any directors' and officers' insurance, any telephone numbers, any form of telecommunications service, any oil, gas, electricity or other utility supply); and

(c) shall continue to perform and observe the terms and conditions contained in such agreements, contracts or arrangements, so long as the Petitioners, the 18.6 Petitioners or the Partnerships pay the prices or charges for such goods and services received after the date of the Order as such prices or charges become due in accordance with the law or as may be hereafter negotiated (other than deposits whether by way of cash, letter of credit or guarantee, stand-by fees or similar items which the Petitioners, the 18.6 Petitioners or the Partnerships shall not be required to pay or grant);

Unless the prior written consent of the Petitioners, the 18.6 Petitioners or the Partnerships, as well as that of the Monitor, is obtained and is in accordance with the BI DIP Documents (as hereinafter defined), or leave is granted by this Court.

[12] **ORDER** that, without limiting the generality of the foregoing and subject to Section 18.1 of the CCAA, if applicable, cash or cash equivalents placed on deposit by the Petitioners, the 18.6 Petitioners or the Partnerships with any Person during the Stay Period, whether in an operating account or otherwise for itself or for another entity, shall not be applied by such Person in reduction or repayment of amounts owing to such Person as of the date of the Order or due on or before the expiry of the Stay Period or in satisfaction of any interest or charges accruing in respect thereof; however, this provision shall not prevent any financial institution from: (i) reimbursing itself for the amount of any cheques drawn by the Petitioners, the 18.6 Petitioners or the Partnerships and properly honoured by such institution, or (ii) holding the amount of any cheques or other instruments deposited into the Petitioners', the 18.6 Petitioners' or the Partnerships' account until those cheques or other instruments have been honoured by the financial institution on which they have been drawn.

[13] **ORDER** that, notwithstanding the foregoing, any Person who provided any kind of letter of credit, bond or guarantee (the "**Issuing Party**") at the request of the Petitioners, the 18.6 Petitioners or the Partnerships shall be required to continue honouring any and all such letters, bonds and guarantees, issued on or before the date of the Order; however, the Issuing Party shall be entitled, where applicable,

to retain the bills of lading or shipping or other documents relating thereto until paid therefore.

[14] **ORDER** that, without limiting the provisions contained in paragraph ● herein, the Toronto Stock Exchange (the "**TSX**") shall not suspend trading in the shares of ABH, shall not delist ABH, shall not refuse to accept for filing any notice given to the TSX by ABH under the requirements of the TSX, shall not require shareholder approval of any notice or transaction occurring either with respect to any Plan proposed by ABH or where such Plan is approved by this Court and shall not refuse to accept the issuance of any securities without restriction on sale or transfer in ABH the issuance of which occurs as a result of the approval by this Court of the Plan.

[15] **DECLARE** that, to the extent any rights, obligations, or time or limitation periods, including, without limitation, to file grievances, relating to the Petitioners, the 18.6 Petitioners or Partnerships or any of the Property may expire, other than the term of any lease of real property, the term of such rights or obligations, or time or limitation periods shall hereby be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that the Petitioners, the 18.6 Petitioners or the Partnerships become bankrupt or a receiver within the meaning of paragraph 243(2) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") is appointed in respect of the Petitioners, the 18.6 Petitioners or the Partnerships, the period between the date of the Order and the day on which the Stay Period ends shall not be calculated in respect of the Petitioners, the 18.6 Petitioners or the Partnerships in determining the 30-day periods referred to in Sections 81.1 and 81.2 of the BIA.

[16] **ORDER** that no Person may commence, proceed with or enforce any Proceedings against any former, present or future director or officer of the Petitioners, the 18.6 Petitioners, the Partnerships or any person that, by applicable legislation, is treated as a director of the Petitioners, the 18.6 Petitioners or the Partnerships, or that will manage in the future the business and affairs of the Petitioners, the 18.6 Petitioners or the Partnerships (each, a "**Director**", and collectively the "**Directors**") in respect of any claim against such Director that arose before this Order was issued and that relates to obligations of the Petitioners, the 18.6 Petitioners or the Partnerships for which such Director is or is alleged to be liable (as provided under Section 5.1 of the CCAA) until further order of this Court or until the Plan, if one is filed, is refused by the creditors or is not sanctioned by the Court.

[17] **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against any of the Directors, officers, employees, legal counsel or financial advisers of the Petitioners, the 18.6 Petitioners, the Partnerships, the Monitor, the Interim Lenders (as defined hereinafter) or the legal counsel or financial advisers to the Monitor or to the Interim Lender, for or in respect of the

Restructuring (as defined hereinafter) or the formulation and implementation of the Plan without first obtaining leave of this Court, upon seven days written notice to the Petitioners' and the Partnerships' *ad litem* counsel and to all those referred to in this paragraph whom it is proposed be named in such Proceedings.

Possession of Property and Carrying on Business

[18] **ORDER** that, subject to the terms of the Order, the Petitioners shall remain in possession of their Property until further order in these proceedings.

[19] **ORDER** that the Petitioners and the Partnerships shall continue to carry on their business and financial affairs, including the business and affairs of any person, firm, joint venture or corporation owned by a Petitioner or in which a Petitioner owns an interest, in a manner consistent with the commercially reasonable preservation thereof.

[20] **ORDER** that the Petitioners and Partnerships shall be authorized and empowered to continue to retain and employ the employees, consultants, individual self-employed contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

[21] **ORDER** that the Petitioners and the Partnerships shall be entitled to continue to utilize the existing centralized cash management systems currently in place as described in this Petition or, subject to the terms of the BI DIP Documents, replace them with other substantially similar central cash management system(s) (together, the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Petitioners or the Partnerships of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Petitioners and the Partnerships, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System. The Monitor shall review and monitor the Cash Management System and report to this Court from time to time.

[22] **ORDER** that, subject to the terms of the BI DIP Documents, the Petitioners and the Partnerships shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, commissions, vacation pay, current pension contributions and other benefits, reimbursement of expenses (including, without limitation, amounts charged by employees to credit cards) and other amounts payable to former, current or future employees, officers or directors on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) all outstanding and future amounts owing to or in respect of individuals working as independent contractors in connection with the Petitioners' business;

(c) all outstanding amounts payable to third party customer brokers or agents on or after the date of the Order;

(d) all outstanding amounts payable on or after the date of the Order in respect of (i) customer programs including, inter alia, rebates, adjustments, performance and volume discounts and (ii) billing errors, including duplicative invoicing, improper invoicing, duplicative payment, mispricing and various other billing and payment errors; and

(e) the fees and disbursements of any Assistants retained or employed by the Petitioners or the Partnerships in respect of these proceedings, at their standard rates and charges.

[23] **ORDER** that notwithstanding any other provision of the Amended and Restated Order, the Petitioners and the Partnerships shall not make any past service contributions or special payments to funded pension plans maintained by the Petitioners or the Partnerships (the "**Pension Plans**") during the Stay Period, pending further order of this Court.

[24] **ORDER** that none of the Petitioners or the Partnerships, or their respective officers or directors shall incur any obligation, whether by way of debt, damages for breach of any duty, whether statutory, fiduciary, common law or otherwise, or for breach of trust, nor shall any trust be recognized, whether express, implied, constructive, resulting, deemed or otherwise, as a result of the failure of any person to make any contribution or payments other than current cost contribution obligations ("**Current Contributions**") during the Stay Period that they might otherwise have become required to make to any pension plans maintained by a Petitioner or by a Partnership. Notwithstanding the foregoing and any other provision of the Order, the payment of Current Contributions shall be subject to the terms of the BI DIP Documents.

[25] **ORDER** that if any claim, lien, charge or trust arises as a result of the failure of any Person to make any contribution or payment (other than Current Contributions) during the Stay Period that such Person might otherwise have become required to make to any Pension Plans but for the stay provided for herein, no such claim lien, charge or trust shall be recognized in this proceeding or in any subsequent receivership, interim receivership or bankruptcy of any of the Petitioners or the Partnerships as having priority over the claims of the CCAA Charges as set out in this Order.

[26] **ORDER** that, except as otherwise provided to the contrary herein, the Petitioners and the Partnerships shall be entitled but not required to pay all reasonable expenses incurred by them in carrying on the business in the ordinary course from and after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of their Property or the business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Petitioners or the Partnerships following the date of this Order.

[27] **ORDER** that the Petitioners and the Partnerships shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Québec Pension Plan, and (iv) income taxes;

(b) amounts accruing and payable by a Petitioner in respect of employment insurance, Canada Pension Plan, workers compensation, employer health taxes and similar obligations of any jurisdiction with respect to employees;

(c) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Petitioners or the Partnerships in connection with the sale of goods and services by the Petitioners or the Partnerships, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

(d) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Petitioners or the Partnerships.

[28] **ORDER** that, except as specifically permitted herein, the Petitioners and the Partnerships are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioners or Partnerships to any of their creditors as of this date unless such amounts have been approved by the Monitor; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the business.

[29] **ORDER** that the Petitioners are authorized to pay any pre-filing amounts outstanding and to complete any outstanding transactions and engage in new transactions with each other and with any of their respective affiliates and other entities, partnerships and joint ventures within and among the ABH Group (defined below) in which they have a direct or indirect ownership interest (the Petitioners collectively with Abitibi-Bowater US Holding LLC, Bowater Newsprint South LLC and Bowater Incorporated and their respective subsidiaries are referred to herein as the "**ABH Group**") and the Petitioners may, *inter alia*, continue on and after the date hereof to buy and sell goods and services and allocate, collect and pay costs, including without limitation head office expenses and shared goods and services, from and to each other and from and to the other members of the ABH Group in the ordinary course of business on terms consistent with existing arrangements or past practice (including without limitation, pursuant to the Securitization Program Agreements (as defined hereinafter) and sales of inventory by ACI to ACSC.

Securitization Program

[30] **ORDER** that the execution and delivery by ACI of the "Omnibus Amendment No. 5 to Amended and Restated Receivables Purchase Agreement and Amendment No. 3 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement", Exhibit R-19 in support of the Petition, (the "**Waiver Agreement**") to:

(a) a certain Amended and Restated Receivables Purchase Agreement, dated as of January 31, 2008 (as heretofore amended, the "**RPA**"), **Exhibit R-17** in support of the Petition, among Abitibi-Consolidated U.S. Funding Corp. ("**ACUSFC**" - a wholly-owned subsidiary of ACSC that is not a Debtor in the United States Chapter 11 proceedings), Eureka Securitisation, plc ("**Eureka**"), Citibank, N.A. ("**Citibank**"), Citibank, N.A. London Branch (the "**Securitization Agent**"), ACI, in its capacity as Subservicer and an Originator, and Abitibi-Consolidated Sales

Corporation ("**ACSC**" - a U.S. debtor), in its capacity as Servicer and an Originator; and

(b) a certain Amended and Restated Purchase and Contribution Agreement, dated as of January 31, 2008 (as heretofore amended, the "**PCA**"), **Exhibit R-16** in support of the Petition, among ACI and ACSC as Sellers and ACUSFC as Purchaser (the terms "**Receivables**" and "**Related Security**" shall have the meanings attributed thereto in the PCA),

as well as all related documents and instruments executed or to be executed and delivered in connection therewith (as amended by the Waiver Agreement, collectively referred to as the "**Receivables Agreements**") are hereby ratified and approved.

[31] **ORDER** that ACI is hereby authorized and empowered to perform or continue to perform its obligations, including the sale and servicing of Receivables and all Related Security, under the Receivables Agreements and under the following agreements to which it is a party, communicated, en liasse, as **Exhibit R-18** in support of the Petition:

(a) the Undertaking Agreement (Servicer) dated as of October 27, 2005 by ACI in favour of Eureka, Citibank and the other Banks (as defined in the RPA) that are party to the RPA, as amended;

(b) the Undertaking Agreement (Originator) dated as of October 27, 2005 by ACI in favour of ACI Funding, as amended;

(c) the Deposit Account Control Agreement dated as of January 31, 2008 among ACUSFC, ACI, ACSC, Citibank and the Securitization Agent;

(d) the Blocked Accounts Agreement dated as of October 27, 2005 among ACI, ACSC, the Securitization Agent, Royal Bank of Canada and ACUSFC;

(e) the Agreement Re: Pledged Deposit Accounts dated as of October 27, 2005 among ACSC, ACI, ACUSFC, the Securitization Agent and LaSalle Bank National Association;

(f) the Second Amended and Restated Four Party Agreement for Sold Accounts (General) dated as of January 31, 2008 among Export Development Canada and Compagnie Française d'Assurance pour le Commerce Extérieur - Canada Branch, ACI, ACUSFC, the Securitization Agent and Citibank;

(g) the Intercompany Agreement dated as of December 20, 2007 between ACI and ACSC; and

(h) the Accounts Receivable Policy (Shipments) General Terms and Conditions, plus the Coverage Certificate effective September 1, 2008 (together with all schedules and endorsements thereto) issued by Export

Development Canada and Compagnie Française d'Assurance pour le Commerce Extérieur - Canada Branch to ACI,

(collectively with the Receivables Agreements, the "**Securitization Program Agreements**").

[32] **ORDER** that ACI is hereby authorized and empowered to sell the relevant Receivables and Related Security to ACUSFC pursuant to and in accordance with the Securitization Program Agreements, and such sale shall be free and clear of any lien, claims, charges or encumbrances and other interests of any of ACI, ACSC the Petitioners or their respective creditors, including any charges created pursuant to this Order.

[33] **DECLARE** that the transfers by ACI of its Receivables and Related Security to ACUSFC under the PCA shall constitute true sales under applicable non-bankruptcy law and are hereby deemed true sales and were or will be for fair consideration. Upon the transfer of the Receivables to ACUSFC, the Receivables and Related Security did (with respect to transfers occurring prior to the Effective Time as defined in the RPA) and will (with respect to transfers occurring on or after the hereof date) become the sole property of ACUSFC, and none of the Petitioners, nor any creditors of the Petitioners, shall retain any ownership rights, claims, liens or interests in or to the Receivables and Related Security, or any proceeds therefrom including, without limitation, pursuant to any theory of substantive consolidation or otherwise.

[34] **DECLARE** that each Securitization Program Agreement constitutes a valid and binding obligation of ACI, enforceable against ACI in accordance with its terms and that the terms and conditions of the Securitization Program Agreements have been negotiated in good faith and at arm's length and the transfers made or to be made and the obligations incurred or to be incurred shall be deemed to have been made for fair or reasonably equivalent value and in good faith.

[35] **DECLARE** that upon the transfer by ACI pursuant to the Securitization Program Agreements neither the Receivables nor the Related Security, nor the proceeds thereof, shall constitute property of the patrimonies of any of the Petitioners or their affiliates, including notwithstanding any intentional or inadvertent deposit of any proceeds of the Receivables in bank accounts owned or controlled by any of the Petitioners or their affiliates.

[36] **DECLARE** that notwithstanding: (i) these proceedings and any declaration of insolvency made herein, (ii) any bankruptcy application or bankruptcy motion filed pursuant to the BIA in respect of the Petitioners and any bankruptcy order or any assignment in bankruptcy made or deemed to be made in respect of the Petitioners; (iii) proceedings taken by ACI under Chapter 15 of Title11 of The United States Code; or (iv) the provisions of any federal or provincial statute, the

transfers of Receivables and Related Security made by ACI pursuant to the Securitization Program Agreements and this Order do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

[37] **DECLARE** that the performance by ACI, ACSC and ACUSFC of their respective obligations under the Securitization Program Agreements, and the consummation of the transactions contemplated by the Securitization Program Agreements, and the conduct by ACI, ACSC and ACUSFC of their respective businesses, whether occurring prior to or subsequent to the Effective Time, do not, and shall not, provide a basis for a substantive consolidation of the assets and liabilities of ACI and ACSC, or any of them, with the assets and liabilities of ACUSFC or a finding that the separate corporate identities of ACI, ACSC and ACUSFC may be ignored. Notwithstanding any other provision of this Order, the Agent, Citibank, Eureka and the other parties thereto have agreed to enter into the Securitization Agreements in express reliance on ACUSFC being a separate and distinct legal entity, with assets and liabilities separate and distinct from those of any of the Petitioners.

[38] **DECLARE** that the transfers of Receivables by ACI pursuant to the Securitization Program Agreements and the Order shall be valid and enforceable as against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the Petitioners, for all purposes.

[39] **DECLARE,** for greater certainty, that the Facility Termination Date and the Commitment Termination Date (as each is defined in the Receivables Agreements) have not occurred as a consequence of the commencement of these, the US Proedings (as defined in the Petition herein), ACI's Chapter 15 proceedings or the taking of corporate actions by ACI or ACSC to approve such proceedings, or the failure of ACI or ACSC to pay dry debts that we otherwise stayed by ● of the foregoing or the ● ● by ACI or ACSF of its inability to pay such debts.

[40] **ORDER AND DECLARE** that collections of Receivables and other funds which are subject to the Deposit Account Control Agreement dated as of January 31, 2008, the Agreement Re: Pledged Deposit Accounts dated as of October 27, 2005 and the Second Amended and Restated Four Party Agreement for Sold Accounts (General), dated as of January 31, 2008 referred to above, shall be processed and transferred pursuant to such deposit account agreements and each deposit bank party thereto is directed to comply therewith.

[41] **ORDER** that ACI is hereby authorized and empowered to make, execute and deliver all instruments and documents and perform all other acts (including, without limitation, the perfection of ACUSFC's ownership interest in the

Receivables) that may be required in connection with the Securitization Program Agreements and the transactions contemplated thereby; it being expressly contemplated that pursuant to the terms of the Securitization Program Agreements, ACI and ACSC shall be expressly authorized and empowered to service, administer and collect the Receivables on behalf of ACUSFC pursuant to the Securitization Program Agreements, and with respect to ACI, ACSC and ACUSFC, each shall be expressly authorized and empowered to make, execute and deliver all instruments and documents and perform all other acts that may be required in connection with the Securitization Program Agreements and the transactions contemplated thereby.

[42] **ORDER** that ACI is hereby authorized and empowered to use the proceeds of the arrangements contemplated by the Securitization Program Agreements in the operation of the Petitioners' businesses, provided however, that the use of the proceeds are consistent with the terms of the Securitization Program Agreements, this Order or as may otherwise be agreed in writing by the Securitization Agent.

[43] **ORDER AND DECLARE** that without limiting ACI's duty to comply with and fulfill any obligations under the Securitization Program Agreements, ACI shall perform and pay all indemnification and other obligations to the Securitization Agent, Eureka, Citibank and any other Indemnified Parties (as defined in the RPA) under the Securitization Program Agreements, all obligations to ACUFSC under the Securitization Program Agreements, and all of its obligations in respect of the Insurance Policy (as defined in the RPA).

[44] **ORDER AND DECLARE** that, notwithstanding the terms of the Order, the parties to the Securitization Program Agreements other than ACI shall in that capacity be unaffected in this proceeding and by any plan of compromise or arrangement proposed by any of the Petitioners under the CCAA or by any proposal filed by any of the Petitioners under the Bankruptcy and Insolvency Act, and for greater certainty, paragraph **[45(f)]** of this Order shall not apply to the Securitization Program Agreements.

[45] **DECLARE** that the Order shall not stay or otherwise apply to restrict in any way the exercise of any rights of any Person under any of the Securitization Program Agreements.

[46] **ORDER AND DECLARE** that subject to further order of this Court, no order shall be made varying, rescinding, or otherwise affecting paragraphs **[27(a)]** in respect of the Securitization Program, or inventory sales by ACI and the safe of inventory by ACI to ACSC and paragraphs **[28 to 44]** hereof or any other reference to the Securitization Program or the Securitization Program Agreements herein, unless either (a) notice of a motion for such order is served on the Securitization Agent and ACI by the moving party within seven (7) days

after that party was served with this Order or (b) the Securitization Agent and ACI apply for or consent to such order.

Restructuring

[47] **DECLARE** that, to facilitate the orderly restructuring of its business and financial affairs (the "**Restructuring**"), the Petitioners shall have the right, subject to approval of the Monitor or further order of the Court, to:

(a) permanently or temporarily cease, downsize or shut down any of their operations or locations as they deem appropriate and make provisions for the consequences thereof in the Plan;

(b) pursue all avenues to market and sell, subject to subparagraph (c), their Property, in whole or part;

(c) convey, transfer, assign, lease, or in any other manner dispose of their Property, in whole or in part, provided that the price in each case does not exceed $10 million or $50 million in the aggregate, and provided that Petitioners apply any proceeds thereof in accordance with the Interim Financing Documents (as defined hereinafter) and the Securitization Program Agreements;

(d) terminate the employment of such of their employees or temporarily or permanently lay off such of their employees as they deem appropriate and, to the extent any amounts in lieu of notice, termination or severance pay or other amounts in respect thereof are not paid in the ordinary course, make provision for any consequences thereof in the Plan, as the Petitioners may determine;

(e) subject to paragraphs ● and ● hereof, vacate or abandon any leased real property or repudiate any lease and ancillary agreements related to any leased premises as they deem appropriate, provided that the Petitioners give the relevant landlord at least seven days prior written notice, on such terms as may be agreed between the Petitioners and such landlord, or failing such agreement, to make provision for any consequences thereof in the Plan; and

(f) repudiate such of their agreements, contracts or arrangements of any nature whatsoever, whether oral or written, as they deem appropriate, on such terms as may be agreed between the Petitioners and the relevant party, or failing such agreement, to make provision for the consequences thereof in the Plan and to negotiate any amended or new agreements or arrangements.

[48] **DECLARE** that, in order to facilitate the Restructuring, the Petitioners may, subject to approval of the Monitor and subject to the terms of the BI DIP Documents:

(a) settle claims of customers and suppliers that are in dispute; and

(b) subject to further orders from this Court, establish a plan for the retention of key employees and the making of retention payments or bonuses in connection therewith.

[49] **DECLARE** that, if leased premises are vacated or abandoned by the Petitioners pursuant to subparagraph ●(e), the landlord may take possession of any such leased premises without waiver of, or prejudice to, any claims or rights of the landlord against the Petitioners, provided the landlord mitigates its damages, if any, and re-leases any such leased premises to third parties on such terms as any such landlord may determine.

[50] **ORDER** that the Petitioners shall provide to any relevant landlord notice of the Petitioners' intention to remove any fixtures or leasehold improvements at least seven days in advance. If the Petitioners have already vacated the leased premises, they shall not be considered to be in occupation of such location pending the resolution of any dispute.

[51] **DECLARE** that, pursuant to sub-paragraph 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, the Petitioners are permitted, in the course of these proceedings, to disclose personal information of identifiable individuals in their possession or control to stakeholders or prospective investors, financiers, buyers or strategic partners and to their advisers (individually, a "**Third Party**"), but only to the extent desirable or required to negotiate and complete the Restructuring or the preparation and implementation of the Plan or a transaction for that purpose, provided that the Persons to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the transaction or Restructuring then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall be returned to the Petitioners or destroyed. In the event that a Third Party acquires personal information as part of the Restructuring or the preparation and implementation of the Plan or a transaction in furtherance thereof, such Third Party may continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

Directors' Indemnification and Charge

[52] **ORDER** that, in addition to any existing indemnities, the Petitioners shall indemnify each of the Directors from and against the following (collectively, "**D&O Claims**"):

(a) all costs (including, without limitation, full defence costs), charges, expenses, claims, liabilities and obligations, of any nature whatsoever, which may arise on or after the date of the Order (including, without limitation, an amount paid to settle an action or a judgment in a civil, criminal, administrative or investigative action or proceeding to which a Director may be made a party), provided that any such liability relates to such Director in that capacity, and, provided that such Director (i) acted honestly and in good faith in the best interests of the Petitioners and (ii) in the case of a criminal or administrative action or proceeding in which such Director would be liable to a monetary penalty, such Director had reasonable grounds for believing his or her conduct was lawful, except if such Director has actively breached any fiduciary duties or has been grossly negligent or guilty of willful misconduct; and

(b) all costs, charges, expenses, claims, liabilities and obligations relating to the failure of the Petitioners to make any payments or to pay amounts in respect of employee or former employee entitlements to wages, vacation pay, termination pay, severance pay, pension or other benefits, or any other amount for services performed prior to or after the date of the Order and that such Directors sustain, by reason of their association with the Petitioners as a Director, except to the extent that they have actively breached any fiduciary duties or have been grossly negligent or guilty of willful misconduct.

The foregoing shall not constitute a contract of insurance or other valid and collectible insurance, as such term may be used in any existing policy of insurance issued in favour of the Petitioners or any of the Directors.

[53] **DECLARE** that, as security for the obligation of the Abitibi Petitioners to indemnify the Directors pursuant to paragraph [52] hereof, the Directors of the Abitibi Petitioners are hereby granted a hypothec on, mortgage of, lien on and security interest in the Property of the Abitibi Petitioners (other than the Property subject to the Securitization Program Agreements) to the extent of the aggregate amount of $75 million (the "**Abitibi D&O Charge**"), having the priority established by paragraphs ● and ● hereof. Such Abitibi D&O Charge shall not constitute or form a trust. Such Abitibi D&O Charge, notwithstanding any language in any applicable policy of insurance to the contrary, shall only apply to the extent that the Directors of the Abitibi Petitioners do not have coverage under any directors' and officers' insurance, which shall not be excess insurance to the Abitibi D&O Charge. In respect of any D&O Claim against any of the Directors of the Abitibi Petitioners (collectively, the "**Abitibi Respondent Directors**"), if such Abitibi Respondent Directors do not receive confirmation from the applicable insurer within 21 days of delivery of notice of the D&O Claim to the applicable insurer, confirming that the applicable insurer will provide coverage for and indemnify the Abitibi Respondent Directors, then, without prejudice to the subrogation rights hereinafter referred to, the Abitibi Petitioners shall pay the amount of the D&O Claim upon expiry. Failing such payment, the Abitibi Respondent Directors may enforce the D&O Charge provided that the Abitibi Respondent Directors shall reimburse the Abitibi

Petitioners to the extent that they subsequently receive insurance benefits for the D&O Claim paid by the Abitibi Petitioners, and provided further that the Abitibi Petitioners shall, upon payment, be subrogated to the rights of the Abitibi Respondent Directors to recover payment from the applicable insurer as if no such payment had been made.

[54] **DECLARE** that, as security for the obligation of the Bowater Petitioners to indemnify the Directors pursuant to paragraph [52] hereof, the Directors of the Bowater Petitioners are hereby granted a hypothec on, mortgage of, lien on and security interest in the Property of the Bowater Petitioners to the extent of the aggregate amount of $25 million (the "**Bowater D&O Charge**"), having the priority established by paragraphs ● and ● hereof. Such Bowater D&O Charge shall not constitute or form a trust. Such Bowater D&O Charge, notwithstanding any language in any applicable policy of insurance to the contrary, shall only apply to the extent that the Directors of the Bowater Petitioners do not have coverage under any directors' and officers' insurance, which shall not be excess insurance to the Bowater D&O Charge. In respect of any D&O Claim against any of the Directors of the Bowater Petitioners (collectively, the "**Bowater Respondent Directors**"), if such Bowater Respondent Directors do not receive confirmation from the applicable insurer within 21 days of delivery of notice of the D&O Claim to the applicable insurer, confirming that the applicable insurer will provide coverage for and indemnify the Bowater Respondent Directors, then, without prejudice to the subrogation rights hereinafter referred to, and subject to the terms of the BI DIP Documents (as defined below), the Bowater Petitioners shall pay the amount of the D&O Claim upon expiry. Failing such payment, the Bowater Respondent Directors may enforce the D&O Charge provided that the Bowater Respondent Directors shall reimburse the Bowater Petitioners to the extent that they subsequently receive insurance benefits for the D&O Claim paid by the Bowater Petitioners, and provided further that the Bowater Petitioners shall, upon payment, be subrogated to the rights of the Bowater Respondent Directors to recover payment from the applicable insurer as if no such payment had been made.

BCFPI DIP Financing

[55] **ORDER** that the Bowater Petitioners 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 ●, the other "Credit Parties" thereto, the "Lenders" party thereto (collectively, the "**BI DIP Lenders**"), ● 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-● in support of this 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$● million unless permitted by further Order of this Court, and the BI DIP Credit Agreement is hereby approved.

[56] **ORDER** that the Bowater Petitioners and hereby authorized and empowered to execute and deliver the BI DIP Credit Agreement and such commitment letters, fee letters, credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, with the BI DIP Credit Agreement, the "**BI DIP Documents**"), as are contemplated by the BI DIP Credit Agreement or as may be reasonably required by the BI DIP Lenders or the BI DIP Agent pursuant to the terms thereof, and the Bowater Petitioners are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the BI DIP Lenders and the BI DIP Agent under and pursuant to the BI DIP Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

[57] **ORDER** that all of the Property of the Bowater Petitioners, including the immovable and real properties listed in Exhibit R-● attached to the Petition, is hereby charged by a movable or immovable hypothec, mortgage, lien and security interest to the extent of the aggregate amount of ● United States dollars (US$●) (such hypothec, mortgage, lien and security interest, together with any other hypothec, mortgage, lien or security interest created or contemplated by the DIP Documents, the "**BI DIP Lenders Charge**") in favour of the BI DIP Agent, in its capacity as Collateral Agent, for and on behalf of the Secured Parties (as defined in the BI DIP Credit Agreement) (collectively, the "**BI DIP Secured Parties**") as security for all obligations of the Bowater Petitioners to the DIP Secured Parties with respect to all amounts owing, including principal, interest and the DIP Lenders Expenses (as hereinafter defined) and all obligations required to be performed under or in connection with the BI DIP Documents. The BI DIP Lenders Charge shall have the priority established by paragraphs ● and ● hereof.

[58] **ORDER** that, notwithstanding any other provision of the Order, ● shall pay to the BI DIP Agent and the BI DIP Lenders when due all amounts owing (including principal, interest, fees and expenses, including without limitation, all fees and disbursements of counsel and all other advisers to or agents of the BI DIP Agent and the BI DIP Lenders on a full indemnity basis (the "**DIP Lenders Expenses**") under the BI DIP Documents and shall perform all of its other obligations to the BI DIP Agent and to the BI DIP Lenders pursuant to the DIP Documents and this Order.

[59] **ORDER** that the claims of the BI DIP Agent and the BI DIP Lenders pursuant to the BI DIP Documents shall not be compromised or arranged pursuant to the Plan or these proceedings and the BI DIP Agent and the BI DIP Lenders, in that capacity, shall be treated as an unaffected creditor in these proceedings and in any Plan or any proposal filed by a Bowater Petitioner under the BIA.

[60] **ORDER** that the BI DIP Agent and the BI DIP Lenders may:

(a) notwithstanding any other provision of the Order, take such steps from time to time as they may deem necessary or appropriate to register, record or perfect the BI DIP Lenders Charge and the BI DIP Documents in all jurisdictions where they deem it is appropriate; and

(b) notwithstanding the terms of paragraph 58 hereof, upon the occurrence of an Event of Default (as defined in the BI DIP Documents), refuse to make any advance to the Bowater Petitioners and terminate, reduce or restrict any further commitment to the Bowater Petitioners to the extent any such commitment remains, set off or consolidate any amounts owing by the BI DIP Lenders to the Bowater Petitioners against the obligations of the Bowater Petitioners to the BI DIP Agent and the BI DIP Lenders under the BI DIP Documents or the BI DIP Lenders Charge, make demand, accelerate payment or give other similar notices, and the foregoing rights and remedies of the BI DIP Lenders under this paragraph shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Bowater Petitioners or the Property of the Bowater Petitioners, the whole in accordance with and to the extent provided in the BI DIP Documents.

[61] **ORDER** that the BI DIP Lenders shall not take any enforcement steps under the BI DIP Documents or the BI DIP Lenders Charge without providing a **[five (5)]** business days (the "**Notice Period**") written enforcement notice of a default thereunder to the Bowater Petitioners, the Monitor and to creditors requesting a copy of such notice. Upon expiry of such Notice Period, and notwithstanding any stay of proceedings provide herein, the BI DIP Agent and the BI DIP Lenders shall be entitled to take any and all steps and exercise all rights and remedies provided for under the BI DIP Documents and the BI DIP Lenders Charge and otherwise permitted at law, the whole in accordance with applicable provincial laws, but without having to send any notices under Section 244 of the BIA.

[62] **ORDER** that, subject to further order of this Court, no order shall be made varying, rescinding, or otherwise affecting paragraphs ● to ● hereof, the approval of the BI DIP Documents or the BI DIP Lenders Charge unless either (a) notice of a motion for such order is served on the Petitioners, the Monitor, the BI DIP Agent and the BI DIP Lenders by the moving party and returnable by no later than ●, 2009; [NTD: provide for 10 days] or (b) the BI DIP Agent and the BI DIP Lenders apply for or consent to such order.

Payment of Abitibi Trade Creditors

[63] **ORDER** that the obligations incurred by Abitibi Petitioners to trade creditors for the supply of goods services and/or services after the date of the making of the Order ("**Post-Petition Trade Creditors**") shall be paid in accordance with the terms of credit granted to or other arrangements with the Abitibi Petitioners. For greater clarity:

(a) if a trade creditor had a claim in respect of goods and/or services supplied over a period beginning before ●, 2009 and continuing to or after the date of the Order, such creditor is a Post-Petition Trade Creditor only for the portion of such claim which relates to goods and/or services supplied on or after ●, 2009; and

(b) no trade creditor is a Post-Petition Trade Creditor for goods and/or services supplied before ●, 2009 solely because payment for such goods and/or services was due on or after ●, 2009 as a result of any pre-existing agreement, contract, lease or other arrangement of whatever kind, between such creditor and the Abitibi Petitioners.

[64] **ORDER** that all of the Property of each of the Abitibi Petitioners other than the Property subject to the Securitization Program Agreements is hereby charged by a lien, mortgage, hypothec and security interest to the extent of the aggregate amount of ● million dollars ($●) (the "**Abitibi PPTC Charge**") in favour of the Post Petition Trade Creditors as security for the obligations of the Abitibi Petitioners (as the case may be) to Post Petition Trade Creditors in respect of goods sold and/or services rendered after the Effective Time. The Abitibi PPTC Charge shall have the priority established by paragraphs ● and ● hereof.

[65] **ORDER** that the Abitibi PPTC Charge shall be discharged 60 days following the entry of an Order approving a DIP financing arrangement in respect of the Abitibi Petitioners by this Court save and except in respect of those claims of Post Petition Trade Creditors for goods provided or services rendered after the Effective Time which are identified to the Monitor by notice in writing on or before the expiry of such 60 day period. Upon the entry of such an order commencing the 60 day period, the Abitibi Petitioners shall send a notice to the Service List indicating that the 60 day period contemplated by this paragraph has commenced.

Inter-Company Advances

[66] **ORDER** that any Abitibi Petitioner is authorized to borrow, repay and reborrow (such party being an "**ACI Inter-Company Borrower**") from any member of the ABH Group (such party being a "**ACI Inter-Company Lender**"), such amounts from time to time as it may consider necessary or desirable on a revolving basis (the "**ACI Inter-Company Advances**") pursuant to a promissory note issued in favour of the New Inter-Company Lender as evidence thereof, to fund its ongoing expenditures and to pay such other amounts as are permitted by the terms of the Order.

[67] **ORDER** that all of the Property of an ACI Inter-Company Borrower (other that the Property Subject to the Securitization Program Agreements) is hereby charged by a lien, mortgage and security interest the ("**ACI Inter-Company Advances Charge**") in favour of the ACI Inter-Company Lender as security for

the obligations of the ACI Inter-Company Borrower to the ACI Inter-Company Lender with respect to the ACI Inter-Company Advances made to it. The ACI Inter-Company Advances Charge shall have the priority established by paragraphs ● and ●.

[68] **ORDER** that the claims of the ACI Inter-Company Lender pursuant to the ACI Inter-Company Advances shall not be compromised or arranged pursuant to the Plan or these proceedings, but unless otherwise ordered, the exercise of any remedies by the ACI Inter-Company Lender in respect thereof under the ACI Inter-Company Advances Charge shall be subject to the stay provided for in this Order.

[69] **ORDER** that, subject to the terms of the BI DIP Documents, any Bowater Petitioner is authorized to borrow, repay and reborrow (such party being an "**BI Inter-Company Borrower**") from any member of the ABH Group (such party being a "**BI Inter-Company Lender**"), such amounts from time to time as it may consider necessary or desirable on a revolving basis (the "**BI Inter-Company Advances**") pursuant to a promissory note issued in favour of the New Inter-Company Lender as evidence thereof, to fund its ongoing expenditures and to pay such other amounts as are permitted by the terms of the Order.

[70] **ORDER** that all of the Property of an BI Inter-Company Borrower is hereby charged by a lien, mortgage and security interest the ("**BI Inter-Company Advances Charge**") in favour of the BI Inter-Company Lender as security for the obligations of the BI Inter-Company Borrower to the BI Inter-Company Lender with respect to the BI Inter-Company Advances made to it. The BI Inter-Company Advances Charge shall have the priority established by paragraphs ● and ●.

[71] **ORDER** that the claims of the BI Inter-Company Lender pursuant to the BI Inter-Company Advances shall not be compromised or arranged pursuant to the Plan or these proceedings, but unless otherwise ordered, the exercise of any remedies by the BI Inter-Company Lender in respect thereof under the BI Inter-Company Advances Charge shall be subject to the stay provided for in this Order.

Powers of the Monitor

[72] **ORDER** that Ernst & Young Inc. is hereby appointed to monitor the business and financial affairs of the Petitioners as an officer of this Court (the "**Monitor**") and that the Monitor shall, in addition to the duties and functions referred to in Section 11.7 of the CCAA:

(a) give notice of the Order, within 10 days, to every known creditor of the Petitioners having a claim of more than $5,000.00 against it, advising that such creditor may obtain a copy of the Order on the internet at the website of the Monitor (the "**Website**") or, failing that, from the Monitor and the Monitor shall, upon request, so provide it. Such notice shall be deemed sufficient in accordance with Subsection 11(5) of the CCAA;

(b) review and monitor the receipts and disbursements of the Petitioners including without limitation the intercompany transactions referred to in paragraph ● of the Order

(c) assist the Petitioners, to the extent required by the Petitioners, in dealing with their creditors and other interested Persons during the Stay Period;

(d) assist the Petitioners, to the extent required by the Petitioners, with the preparation of their cash flow projections and any other projections or reports and the development, negotiation and implementation of the Plan;

(e) advise and assist the Petitioners, to the extent required by the Petitioners, to review the Petitioners' business and assess opportunities for cost reduction, revenue enhancement and operating efficiencies;

(f) assist the Petitioners, to the extent required by the Petitioners, with the Restructuring and in their negotiations with their creditors and other interested Persons and with the holding and administering of any meetings held to consider the Plan;

(g) report to the Court on the state of the business and financial affairs of the Petitioners or developments in these proceedings or any related proceedings within the time limits set forth in the CCAA and at such time as considered appropriate by the Monitor or as the Court may order;

(h) report to this Court and interested parties, including but not limited to creditors affected by the Plan, with respect to the Monitor's assessment of, and recommendations with respect to, the Plan;

(i) retain and employ such agents, advisers and other assistants as are reasonably necessary for the purpose of carrying out the terms of the Order, including, without limitation, one or more entities related to or affiliated with the Monitor;

(j) engage legal counsel to the extent the Monitor considers necessary in connection with the exercise of its powers or the discharge of its obligations in these proceedings and any related proceeding, under the Order or under the CCAA;

(k) may act as a "foreign representative" of the Petitioners in any proceedings outside of Canada;

(l) may give any consents or approvals as are contemplated by the Order; and

(m) perform such other duties as are required by the Order, the CCAA or this Court from time to time.

The Monitor shall not otherwise interfere with the business and financial affairs carried on by the Petitioners, and the Monitor is not empowered to take possession of the Property nor to manage any of the business and financial affairs of the Petitioners.

[73] **ORDER** that the Petitioners and their directors, officers, employees and agents, accountants, auditors and all other Persons having notice of the Order shall forthwith provide the Monitor with unrestricted access to all of the Property, including, without limitation, the premises, books, records, data, including data in electronic form, and all other documents of the Petitioners in connection with the Monitor's duties and responsibilities hereunder.

[74] **DECLARE** that the Monitor may provide creditors and other relevant stakeholders of the Petitioners with information in response to requests made by them in writing addressed to the Monitor and copied to the Petitioners' counsel. The Monitor shall not have any duties or liabilities in respect of such information disseminated by it pursuant to the provisions of the Order or the CCAA, other than as provided in paragraph [76] hereof. In the case of information that the Monitor has been advised by the Petitioners, the BI DIP Agent or the BI DIP Lenders is confidential, proprietary or competitive, the Monitor shall not provide such information to any Person without the consent of the Petitioners, the BI DIP Agent and the BI DIP Lenders unless otherwise directed by this Court.

[75] **DECLARE** that the Monitor shall not be, nor be deemed to be, an employer or a successor employer of the employees of the Petitioners or a related employer in respect of the Petitioners within the meaning of any federal, provincial or municipal legislation governing employment, labour relations, pay equity, employment equity, human rights, health and safety or pensions or any other statute, regulation or rule of law or equity for any similar purpose and, further, that the Monitor shall not be, nor be deemed to be, in occupation, possession, charge, management or control of the Property or business and financial affairs of the Petitioners pursuant to any federal, provincial or municipal legislation, statute, regulation or rule of law or equity which imposes liability on the basis of such status, including, without limitation, the *Environment Quality Act* (Québec), the *Canadian Environmental Protection Act*, 1999 or the *Act Respecting Occupational Health and Safety* (Québec) or similar other federal or provincial legislation.

[76] **DECLARE** that, in addition to the rights and protections afforded to the Monitor by the CCAA, the Order or its status as an officer of the Court, the Monitor shall not incur any liability or obligation as a result of its appointment and the fulfilment of its duties or the provisions of the Order, save and except any liability or obligation arising from the gross negligence or wilful misconduct, and no action or other proceedings shall be commenced against the Monitor relating

to its appointment, its conduct as Monitor or the carrying out the provisions of any order of this Court, except with prior leave of this Court, on at least seven days notice to the Monitor and its counsel. The entities related to or affiliated with the Monitor referred to in subparagraph ● hereof shall also be entitled to the protection, benefits and privileges afforded to the Monitor pursuant to this paragraph.

[77] **ORDER** that the Petitioners shall pay the fees and disbursements of the Monitor, the Monitor's legal counsel, the Petitioners' legal counsel and other advisers, incurred in connection with or with respect to the Restructuring, whether incurred before or after the Order, and shall provide each with a reasonable retainer in advance on account of such fees and disbursements, if so requested.

[78] **DECLARE** that the Monitor, the Monitor's legal counsel, the Petitioners' legal counsel and other advisers, as security for the professional fees and disbursements incurred both before and after the making of the Order by the Abitibi Petitioners in respect of these proceedings, the Plan and the Restructuring, in addition to the retainers referred to paragraph ● hereof, be entitled to the benefit of and are hereby granted a hypothec on, mortgage of, lien on, and security interest in the Abitibi Petitioners' Property (other than the Property subject to the Securitization Program Agreements) to the extent of the aggregate amount of $6 million (the "**Abitibi Administration Charge**"), having the priority established by paragraphs ● and ● hereof.

[79] **DECLARE** that the Monitor, the Monitor's legal counsel, the Petitioners' legal counsel and other advisers, as security for the professional fees and disbursements incurred both before and after the making of the Order by the Bowater Petitioners in respect of these proceedings, the Plan and the Restructuring, in addition to the retainers referred to paragraph ● hereof, be entitled to the benefit of and are hereby granted a hypothec on, mortgage of, lien on, and security interest in the Bowater Petitioners' Property to the extent of the aggregate amount of $2 million (the "**Bowater Administration Charge**"), having the priority established by paragraphs ● and ● hereof.

Appointment of Information Officer in Respect of U.S. Proceedings

[80] **ORDER** in respect of the U.S. Proceedings that ● is hereby appointed as an Information Officer with the powers and obligations set out herein.

[81] **ORDER** that the Information Officer shall report to this Court at such times and intervals as the Information Officer deems appropriate and, in any event, shall deliver a report to this Court at least once every two months outlining the status of the U.S. Proceedings, and such other information as the Information Officer believes to be material with copies of such reports provided to the DIP Lenders

and report to the DIP Lenders on such additional issues related thereto upon the request of the DIP Lenders or DIP Lenders' counsel.

[82] **ORDER** that, in addition to the rights and protections afforded to the Information Officer as an officer of this Court, the Information Officer shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except from a failure to act in good faith and to take reasonable care. Nothing in this Order shall derogate from the protections afforded to the Information Officer by the CCAA or any applicable legislation.

[83] **ORDER** that that the Information Officer shall provide any creditor of the Petitioners located in Canada with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Information Officer. The Information Officer shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Information Officer has been advised by the Petitioners is confidential, the Information Officer shall not provide such information to creditors unless as otherwise directed by this Court or on such terms as the Information Officer and the Petitioners may agree upon.

[84] **ORDER** that the Information Officer shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the business of ABH and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the business or Property, or any part thereof. For greater certainty, the Information Officer shall not employ any employee of ABH;

[85] **ORDER** that nothing herein contained shall require the Information Officer to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Environment Quality Act* (Quebec), the *Canadian Environmental Protection Act, 1999* or similar other federal or provincial legislation and regulations under such legislation (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Information Officer from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Information Officer shall not, as a result of this Order or anything done in pursuance of the Information Officer's duties and powers under this Order, be deemed to be in possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

Approval of Appointment of Financial Advisor

[86] **AUTHORIZE** the appointment of BMO Nesbitt Burns Inc. ("**BMO Capital Markets**") as financial advisor pursuant to the terms of the engagement letter dated March 31, 2009 (the "**Engagement Letter**") entered into by ACI. ACI is authorized to enter into the Engagement Letter and to carry out and perform their rights and obligations thereunder (including payment of amounts due to be paid pursuant to the terms of the Engagement Letter) and the Engagement Letter shall be binding upon ACI.

[87] **ORDER** that, without limiting the provisions of paragraph ● above, the Petitioners shall pay, from time to time, certain fees to BMO Capital Markets, including a retention fee of $350,000.00 (the "**Retention Fee**"), a work fee of $200,000.00 per month until the termination of the Engagement Letter (the "**Work Fee**"), a financing fee based on the commitment amount of any DIP financing (the "**DIP Financing Fee**") and the reimbursement of disbursements (and including any taxes on any of the foregoing) pursuant to the Engagement Letter (collectively, the "**BMO Obligations**").

[88] **DECLARE** that BMO Capital Markets, as security for the BMO Obligations, shall be entitled to and is hereby granted the benefit of the Administration Charge on a *pari passu* basis with all other beneficiaries of the Administration Charge.

[89] **DECLARE** that all claims of BMO Capital Markets pursuant to the Engagement Letter are not claims that may be compromised pursuant to any plan of compromise or arrangement under the CCAA or proposal under the BIA and no such plan or proposal shall be approved that does not provide for the payment of the BMO Obligations pursuant to the terms of the Engagement Letter.

[90] **ORDER** that notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the ACI Petitioner and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the ACI Petitioners;

the terms of the Engagement Letter and any payments made or actions taken pursuant thereto shall be binding on any trustee in bankruptcy that may be appointed in respect of the applicable ACI Petitioners and shall not be void or voidable by creditors of the applicable ACI Petitioner, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it or they constitute oppressive or unfairly prejudicial conduct pursuant to nay applicable federal or provincial legislation.

Priorities and General Provisions Relating to CCAA Charges

[91] **DECLARE** that the priorities of the Abitibi Administration Charge, Abitibi D&O Charge, Abitibi PPTC Charge, ACI Inter-Company Advances Charge, and any charge granted by this court to secure a DIP financing of the Abitibi Petitioners (collectively, the "**Abitibi CCAA Charges**"), as between them with respect to any Property of the Abitibi Petitioners to which they apply, shall be as follows:

(a) first, the Abitibi Administration Charge;

(b) second, the Abitibi D&O Charge, up to a maximum of $22.5 million (the "**Abitibi D&O First Tranche**");

(c) third, any charge securing a DIP financing of the Abitibi Petitioners authorized by further order of this Court ;

(d) fourth, the Abitibi PPTC Charge or;

(e) sixth, the ACI Inter-Company Advances Charge; and

(f) seventh, the Abitibi D&O Charge in respect of the balance of amounts, if any, secured thereby (the "**Abitibi D&O Second Tranche**").

[92] **DECLARE** that the priorities of the Bowater Administration Charge, Bowater D&O Charge, Bowater PPTC Charge, BI DIP Lender's Charge and Bowater Inter-Company Advances Charge (collectively, the "**Bowater CCAA Charges**"), as between them with respect to any Property of the Bowater Petitioners to which they apply, shall be as follows:

(a) first, the Bowater Administration Charge;

(b) second, the Bowater D&O Charge, up to a maximum of $7.5 million (the "**Bowater D&O First Tranche**");

(c) third, the BI DIP Lender's Charge ;

(d) fourth, the Bowater Inter-Company Advances Charge; and

(e) fifth, the Bowater D&O Charge in respect of the balance of amounts, if any, secured thereby (the " **Bowater Second Tranche**").

[93] **DECLARE** that the Abitibi CCAA Charge and the Bowater CCAA Charge (collectively, the "**CCAA Charges**") shall rank in priority to any and all other hypothecs, mortgagees, liens, trusts, security, priorities, conditional sale agreements, financial leases, charges, encumbrances or security of whatever

nature or kind (collectively, "**Encumbrances**") affecting the Property of the Petitioners, other than:

(a) in the case of the BI DIP Lenders Charge, the Bowater PPTC Charge, the BI Inter-Company Advances Charge and the D&O Second Tranche, valid and perfected Encumbrances in respect of principal and interest, affecting the Property of the Bowater Petitioners and currently held pursuant to the Credit Agreement dated as of May 31, 2006, as amended and restated or supplemented, among BCFPI, as borrower, the lenders named thereto and the Bank of Nova Scotia, as administrative agent (the "**BI Bank Syndicate Security**"), which BI Bank Syndicate Security shall rank in priority to the BI DIP Lenders Charge, the BI Inter-Company Advances Charge, D&O Second Tranche; and

(b) in the case of the ACI Inter-Company Advances Charge, the Abitibi PPTC Charge and the D&O Second Tranche above:

- valid and perfected Encumbrances in respect of principal and interest affecting the Property of the Abitibi Petitioners and currently held pursuant to the Credit and Guaranty Agreement dated as of April 1, 2008 among, *inter alia*, ACI, as borrower, Abitibi-Consolidated Company of Canada ("**ACCC**") as guarantor, the Lenders party thereto and Goldman Sachs Credit Partners L.P. as administrative agent (the "**ACI Bank Security**"); and

- valid and perfected Encumbrances in respect of principal and interest, affecting the Property of the Abitibi Petitioners and currently held pursuant to the US$413 million, 13.75% Senior Secured Notes due April 1, 2011 (the "**Senior Notes Security**");

which ACI Term Loan Security, Senior Notes Security, CIBC LC Facility and Second CIBC LC Facility shall rank in priority to the ACI Inter-Company Advances Charge and the D&O Second Tranche.

[94] **ORDER** that nothing in the Order shall affect any determination of (i) the validity or perfection of the BI Bank Security, the ACI Bank Security or the Senior Note Security, (ii) whether such security is opposable to third parties, or (iii) whether such security is avoidable under applicable Canadian or United States laws.

[95] **ORDER** that, except as otherwise expressly provided for herein, the Petitioners shall not grant any Encumbrances in or against any Property that rank in priority to, or *pari passu* with, any of the CCAA Charges unless the Petitioners obtain the prior written consent of the Monitor, the BI DIP Agent, the BI DIP Lenders and the prior approval of the Court.

[96] **DECLARE** that each of the CCAA Charges shall attach, as of the Effective Time of the Order, to all present and future Property of the Petitioners (other than the Property subject to the Securitization Program Agreements), notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.

[97] **DECLARE** that the CCAA Charges and the rights and remedies of the beneficiaries of such Charges, as applicable, shall be valid and enforceable and shall not otherwise be limited or impaired in any way by: (i) these proceedings and the declaration of insolvency made herein; (ii) any application for a bankruptcy order filed pursuant to the BIA in respect of the Petitioners or any bankruptcy order made pursuant to any such petition or any assignment in bankruptcy made or deemed to be made in respect of the Petitioners; (iii) proceedings taken by any of the Petitioners under Chapter 11 of Title 11 of The United States Code; or (iv) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sub-lease, offer to lease or other arrangement which binds the Petitioners (a "**Third Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:

(a) the creation of any of the CCAA Charges shall not create or be deemed to constitute a breach, by the Petitioners, of any Third Party Agreement to which they are a party; and

(b) any beneficiary of the CCAA Charges shall not be held liable against any Person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the CCAA Charges.

[98] **DECLARE** that notwithstanding: (i) these proceedings and any declaration of insolvency made herein, (ii) any petition for a bankruptcy order filed pursuant to the BIA in respect of the Petitioners and any bankruptcy order allowing such petition or any assignment in bankruptcy made or deemed to be made in respect of the Petitioners; (iii) proceedings taken by any of the Petitioners under Chapter 11 of Title11 of The United States Code; or (iv) the provisions of any federal or provincial statute, the payments or disposition of Property made by the Petitioners pursuant to the Order and the granting of the CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

[99] **DECLARE** that the CCAA Charges shall be valid and enforceable as against all Property (other that the Property subject to the Securitization Program Agreements) of the Petitioners and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the Petitioners, for all purposes and without any filing registration, publication, recording or perfecting of the CCAA Charges.

General

[100] **DECLARE** that the Order and any proceeding or affidavit leading to the Order, shall not, in and of themselves, constitute a default or failure to comply, by the Petitioners, under any statute, regulation, license, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.

[101] **DECLARE** that, except as otherwise specified herein, the Petitioners are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective given addresses as last shown on the records of the Petitioners and that any such service shall be deemed to be received on the date of delivery (if by personal delivery or electronic transmission), on the following business day (if delivered by courier), or three business days after mailing (if by ordinary mail).

[102] **DECLARE** that the Petitioners may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Petitioners shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter.

[103] **DECLARE** that any party in these proceedings, other than the Petitioners, may serve any court materials electronically, by emailing a PDF or other electronic copy of all materials to counsels' email addresses, provided that such party shall deliver both PDF or other electronic copies and "hard copies" of all materials to counsel to the Petitioners and the Monitor and to any other party requesting same.

[104] **DECLARE** that, unless otherwise provided herein or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings, unless such Person has served a Notice of Appearance on the solicitors for the Petitioners and the Monitor and has filed such notice with this Court.

[105] **DECLARE** that the Petitioners or the Monitor may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of the Order on notice only to each other.

[106] **DECLARE** that any interested Person may apply to this Court to vary or rescind the Order or seek other relief upon seven days notice to the Petitioners, the Monitor, the BI DIP Agent, the BI DIP Lender and to any other party likely to be

affected by the order sought or upon such other notice, if any, as this Court may order.

Effect, Recognition and Assistance

[107] **DECLARE** that the Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.

[108] **REQUEST** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America including, without limitation, the U.S. Bankruptcy Court, and other nations and states to give effect to the Order and to assist the Petitioners, the Monitor and their respective agents in carrying out the terms of the Order and any other Order in this proceeding. All Courts or administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to the Order, to grant representative status to ACI and/or the Monitor in any foreign proceedings and to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of the Order and any other Order in this proceeding, including, without limitation, recognizing the Petitioners' CCAA proceedings as a foreign main proceeding under applicable law.

[109] **DECLARE** that each of the Petitioners and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of the Order and any other Order granted by this Court including, without limitation, applications under Chapter 15 of the U.S. Bankruptcy Code in respect of ACI and ACCC, and to recognize or give effect to or otherwise further the Restructuring.

[110] **DECLARE** that for the purposes of seeking the aid and recognition of any court or any judicial, regulatory or administrative body outside of Canada and in particular in the U.S. Bankruptcy Court in respect of proceedings commenced under Chapter 15 of the U.S. Bankruptcy Code and any ancillary relief in respect thereto, ACI shall be appointed as and is hereby authorized and directed to act as the foreign representative of the Petitioners and to seek such aid and recognition.

[111] **DECLARE** that for the purposes of seeking the aid and recognition of any court or any judicial, regulatory or administrative body outside of Canada, the Petitioners' centre of main interest (COMI) is ACI's principal executive offices situated at 1155 Metcalfe Street, in the city and district of Montréal, Province of Québec.

[112] **ORDER** the provisional execution of the Order notwithstanding any appeal and without the necessity of furnishing any security.

THE WHOLE WITHOUT COSTS.

____

CLÉMENT GASCON, S.C.J.

SCHEDULE "A"

ABITIBI PETITIONERS

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

SCHEDULE "B"

BOWATER PETITIONERS

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

SCHEDULE "C"

18.6 CCAA Petitioners

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

Exhibit A-2

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
ABITIBIBOWATER INC., *et al.*,[1]	)	Case No. 09-11296 (KJC)
Debtors.	)	(Joint Administration Pending)

INTERIM ORDER PURSUANT TO SECTIONS 105, 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) AND 365 OF THE BANKRUPTCY CODE (1) AUTHORIZING CERTAIN DEBTORS TO CONTINUE SELLING RECEIVABLES AND RELATED RIGHTS PURSUANT TO AN AMENDED SECURITIZATION FACILITY, (2) MODIFYING THE AUTOMATIC STAY AND (3) GRANTING OTHER RELATED RELIEF

Upon the motion dated April 16, 2009 (the "**Motion**")[2] of the above-captioned Debtors seeking an order of this Court, pursuant to sections 362(d), 363(b)(l), 363(f), 363(m), 364(c)(l), 364(e) and 365 of title 11 of the United States Code (the "**Bankruptcy Code**"):

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[1] The Debtors in these cases, along with the last four digits of each Debtor's federal or Canadian tax identification number, are: AbitibiBowater Inc. (6415), AbitibiBowater US Holding 1 Corp. (6050), AbitibiBowater US Holding LLC (N/A), AbitibiBowater Canada Inc. (3225), Abitibi-Consolidated Alabama Corporation (4396), Abitibi-Consolidated Corporation (9050), Abitibi-Consolidated Finance LP (4528), Abitibi Consolidated Sales Corporation (7144), Alabama River Newsprint Company (7247), Augusta Woodlands, LLC (0999), Bowater Alabama LLC (7106), Bowater America Inc. (8645), Bowater Canada Finance Corporation (8810), Bowater Canadian Forest Products Inc. (2010), Bowater Canadian Holdings Incorporated (6828), Bowater Canadian Limited (7373), Bowater Finance Company Inc. (1715), Bowater Finance II LLC (7886), Bowater Incorporated (1803), Bowater LaHave Corporation (5722), Bowater Maritimes Inc. (5684), Bowater Newsprint South LLC (1947), Bowater Newsprint South Operations LLC (0186), Bowater Nuway Inc. (8073), Bowater Nuway Mid-States Inc. (8290), Bowater South American Holdings Incorporated (N/A), Bowater Ventures Inc. (8343), Catawba Property Holdings, LLC (N/A), Coosa Pines Golf Club Holdings LLC (8702), Donohue Corp. (9051), Lake Superior Forest Products Inc. (9305) and Tenex Data Inc. (5913). The Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 1155 Metcalfe Street, Suite 800, Montreal, Quebec H3B 5H2, Canada.

[2] Capitalized terms used but not otherwise defined herein shall have the same meanings assigned thereto in the Motion.

(i) authorizing Abitibi Consolidated Sales Corporation ("**ACSC**") and Abitibi-Consolidated Inc., a Chapter 15 debtor[3] ("**ACI**" and together with ACSC the "**Originators**") to enter into, and authorizing ACSC to cause Abitibi-Consolidated U.S. Funding Corp., a wholly-owned subsidiary of ACSC that is not a Debtor ("**ACI Funding**") to enter into an Omnibus Amendment, substantially in the form attached to the Motion (the "**Amendment**"), to (a) that certain Amended and Restated Receivables Purchase Agreement, dated as of January 31, 2008 (as heretofore amended the "**RPA**") among ACI Funding, Eureka Securitisation, plc ("**Eureka**"), Citibank, N.A. ("**Citibank**"), Citibank, N.A., London Branch (the "**Agent**"), ACI, in its capacity as Subservicer and an Originator, and ACSC, in its capacity as Servicer and an Originator and (b) that certain Amended and Restated Purchase and Contribution Agreement, dated as of January 31, 2008 (as heretofore amended the "**PCA**", the RPA and PCA, each as amended by the Amendment, are collectively hereinafter referred to as the "**Receivables Agreements**") among ACI and ACSC as Sellers and ACI Funding as Purchaser,

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[3] Notwithstanding anything in this Order to the contrary, this Order does not grant authority to ACI and nothing in this Order limits the jurisdiction of the Quebec Superior Court of Justice (Commercial Division) (the "**Canadian Court**") over ACI or limits oversight of the monitor appointed in the proceeding of Abitibi-Consolidated Inc. under *Canada's Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**Canadian Proceeding**"). References in this Order to ACI describe the Chapter 15 relief granted to ACI pursuant to this Court's recognition of paragraphs __ through ___ of the initial order of the Canadian Court entered in the Canadian Proceeding and grant of other Chapter 15 relief pursuant to the "Order Granting Provisional Relief" and the "Order Granting Recognition and Relief in Aid of Foreign Proceeding Pursuant to 11 U.S.C. §§1517, 1520, and 1520", in each case, upon entry by this Court in the Chapter 15 case of <u>In re Abitibi-Consolidated Inc.</u>, *et al.*, Case No. 09-_____ (___).

which Amendment shall, among other things, waive certain defaults under the Receivables Agreements;

(ii) authorizing the Originators to continue selling and/or contributing Receivables (as defined in the PCA) to ACI Funding in accordance with the terms of the PCA (Receivables sold or contributed to ACI Funding, whether before or after the Filing Date (as defined below), together with the Related Security (as defined in the PCA) being referred to herein as **"Transferred Receivables"**);

(iii) authorizing ACI, ACSC and the other Debtors, as applicable, to otherwise perform or continue to perform, and authorizing ACSC to cause ACI Funding, as a wholly owned subsidiary of ACSC, to perform or continue to perform their respective obligations under each of the Receivables Agreements (including without limitation servicing obligations) and each of the other instruments and agreements related to the securitization facility contemplated by the Receivables Agreements, whether currently effective or hereafter entered into (such other instruments and agreements together with the Receivables Agreements and the Amendment, the **"Financing Agreements"**), including notably, but without limiting the generality of the foregoing: (a) the Undertaking Agreement (Servicer) dated as of October 27, 2005 by ACI in favor of Eureka, Citibank and the other Banks (as defined in the RPA) that are party to the RPA (as heretofore amended, including, without limitation, by Second Amendment of Undertaking Agreement (Servicer) dated as of January 31, 2008); (b) the Undertaking Agreement (Originator) dated as of October 27, 2005 by ACI in favor of ACI Funding (as heretofore amended, including, without limitation, by Second Amendment of Undertaking Agreement (Originator) dated as of January 31, 2008); (c) the Deposit Account Control Agreement dated as of January 31, 2008 among ACI Funding, ACI, ACSC, Citibank and the Agent, as amended (the "**Deposit Account Control Agreement**"); (d) the Blocked Accounts Agreement dated as of October 27, 2005 among ACI, ACSC, the Agent, Royal Bank of Canada and ACI Funding, as amended (the "**Blocked Accounts Agreement**"); (e) the Agreement Re: Pledged Deposit Accounts dated as of October 27, 2005 among ACSC, ACI, ACI Funding, the Agent and LaSalle Bank National Association, as amended (the "**Pledged Deposit Accounts Agreement**"); (f) the Second Amended and Restated Four Party Agreement for Sold Accounts (General) dated as of January 31, 2008 among Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur – Canada Branch, ACI, ACI Funding, the Agent and Citibank, as amended; (g) the Intercompany Agreement dated as of December 20, 2007 between ACI and ACSC, as amended; (h) the Accounts Receivable Policy (Shipments) General Terms and Conditions, plus the Coverage Certificate effective September 1, 2008 (together with all schedules and endorsements thereto) issued by Export Development Canada and Compagnie Francaise d'Assurance pour le Commerce Exterieur - Canada Branch to ACI, as amended; and (i) the fee letters dated April 1, 2009 between ACI Funding and the Agent;

(iv) pursuant to section 364(c)(1) of the Bankruptcy Code, granting ACI Funding, the Agent, Eureka and Citibank priority in payment with respect to the obligations of the Originators under the Financing Agreements over any and all administrative expenses of the kinds specified in sections 503(b) and 507(b) of the Bankruptcy Code, other than in respect of the Carve-Out (as defined below);

(v) scheduling an interim hearing (the "**Interim Hearing**") on the Motion to consider entry of an interim order (this "**Order**") pursuant to Rule 4001 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"); and

(vi) requesting that a final hearing (the "**Final Hearing**") be scheduled, and that notice procedures in respect of the Final Hearing be established, by this Court to consider entry of a final order (the "**Final Order**") authorizing on a final basis, among other things, the Amendment and continued performance of the Debtors' respective obligations under the Financing Agreements, and granting other related relief;

and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties-in-interest; and the Court having considered the Motion and the documents related thereto, and after due deliberation and sufficient cause appearing therefor; due and appropriate notice of the Motion, the relief requested therein having been served by the Debtors on the following parties, or, in lieu thereof, their counsel: (i) the Office of the United States Trustee; (ii) the United States Securities and Exchange Commission; (iii) the Internal Revenue Service; (iv) counsel to the agents for the Debtors' prepetition secured bank facilities; (v) counsel to the agent for the Debtors' proposed postpetition lenders; (vi) the indenture trustees for each series of the Debtors' prepetition notes; (vii) the Agent; (viii) the monitor appointed in the Canadian Proceeding; (ix) the parties identified on the Debtors' consolidated list of thirty-five (35) largest unsecured creditors; (x) the Debtors' primary cash management banks; (xi) the Debtors' primary lockbox banks and (xii) the Environmental Protection Agency; the Interim Hearing having been held on April [17], 2009; and all objections or responses, if any, to the Motion having been withdrawn or overruled either prior to the Interim Hearing, or at the Interim Hearing; and upon the record made by the Debtors at the Interim Hearing and after due deliberation and consideration and sufficient cause appearing therefor;

THE COURT MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

1. On April 16, 2009 (the "**Filing Date**"), the Debtors filed voluntary petitions for relief with this Court under Chapter 11 of the Bankruptcy Code (the "**Chapter 11 Cases**"). The Debtors are continuing in possession of their property, and operating and managing their businesses, as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. This Court has jurisdiction over these proceedings and the parties and the property of the Debtors affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. Subject to Paragraph 24, the Debtors hereby forever waive and release any and all "claims" (as such term is defined in the Bankruptcy Code), counterclaims, causes

of action, defenses or setoff rights, in each case arising from or related to any acts or transactions occurring prior to the Filing Date against ACI Funding, the Agent, Citibank, Eureka and each of their respective affiliates, agents, officers, directors, employees and attorneys (collectively, the "**Released Parties**"), whether arising at law or in equity, including any recharacterization, subordination, avoidance or other claim arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law (collectively, the "**Released Claims**"); provided, however, that nothing in this Order releases any party thereto from their contractual obligations under the Financing Agreements or in any way affects their property interests, as provided in the Financing Agreements, in the Transferred Receivables or the proceeds thereof; provided further, however, that nothing in this Order releases any of the Released Parties from any claims, counterclaims or causes of action assertable by any Debtor in connection with any termination, default or failure to perform under that certain Master Agreement dated as of July 2, 2003, as amended, supplemented or otherwise modified from time-to-time (including, but not limited to, the confirmations dated June 17, 2004 and June 28, 2004), between Citibank Canada and Abitibi-Consolidated Company of Canada. The Debtors further covenant not to sue the Released Parties on account of any Released Claims.

4. The Debtors admit, stipulate and agree that transfers of the Transferred Receivables by the Originators pursuant to the provisions of the Receivables Agreements whether occurring prior to or subsequent to the Filing Date, constitute true sales or true contributions under applicable non-bankruptcy law and are hereby deemed true sales or

true contributions, and were or will be for fair consideration and are not otherwise voidable or avoidable. The Debtors admit, stipulate and agree that upon the transfer of the Receivables to ACI Funding, the Receivables did (with respect to transfers occurring prior to the Filing Date) and will (with respect to the transfers occurring on or after the Filing Date) become the sole property of ACI Funding, and none of the Debtors, nor any creditors of the Debtors, shall retain any ownership rights, claims, liens or interests in or to the Transferred Receivables, or any proceeds thereof pursuant to section 541 of the Bankruptcy Code, pursuant to any theory of substantive consolidation or otherwise. The Debtors admit, stipulate and agree that upon the transfer by each of the Originators pursuant to the provisions of the Financing Agreements, neither the Transferred Receivables, nor the proceeds thereof, shall constitute property of the bankruptcy estates of any of the Debtors, notwithstanding any intentional or inadvertent deposit of any proceeds of the Transferred Receivables in bank accounts owned or controlled by any of the Debtors.

5. The Debtors seek access to the funding proposed to be provided by the Financing Agreements in order to assure sufficient available sources of working capital and financing to carry on the operation of their businesses. Specifically, continued performance of the Financing Agreements will permit the Originators to continue transferring the Receivables to ACI Funding, allowing the Debtors to continue their prepetition practice of converting Receivables to cash as soon as possible to provide cash flow necessary for various business purposes. The Debtors' ability to maintain business relationships with their vendors, suppliers and customers, to pay their employees, to

purchase and supply new inventory and otherwise finance their operations, is essential to the Debtors' continued viability. In addition, the Debtors' need for financing is immediate. In the absence of the proposed financing, serious and irreparable harm to the Debtors' business operations and their estates could occur, which may include third parties declining to conduct business dealings with the Debtors. The preservation, maintenance and enhancement of the going concern value of the Debtors are of the utmost significance and importance to a successful reorganization of the Debtors under chapter 11 of the Bankruptcy Code.

6. Given their current financial condition, financing arrangements and capital structure, the Debtors cannot obtain unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. Financing on a postpetition basis is not otherwise available without certain Debtors granting, pursuant to section 364(c)(1) of the Bankruptcy Code, claims having priority over any and all administrative expenses of the kinds specified in sections 503(b) and 507(b) of the Bankruptcy Code, other than as described below in respect of the Carve-Out.

7. No creditors' committee has been appointed in any of the Chapter 11 Cases. Under the circumstances, the notice given by the Debtors of the Motion, the relief requested therein and the Interim Hearing constitutes appropriate, due and sufficient notice thereof and complies with Bankruptcy Rule 4001(b) and (c) and the Local Bankruptcy Rules, and no further notice of the relief sought at the Interim Hearing and the relief granted herein is necessary or required.

8. Entry into the Amendment and continued performance of the Debtors' respective obligations under the Financing Agreements is in the best interests of the Debtors and their estates, and the Debtors are expressly authorized and empowered to enter into the Amendment and to perform and do or continue to perform and do, as applicable, all acts that may be required in connection with the Financing Agreements. Each currently effective Financing Agreement constitutes, and upon execution and delivery thereof, each newly executed Financing Agreement shall constitute, a valid and binding obligation of each Debtor party thereto, enforceable against each such Debtor in accordance with its terms. The terms and conditions of the Financing Agreements have been negotiated in good faith and at arm's length and the transfers made or to be made and the obligations incurred or to be incurred shall be deemed to have been made for fair or reasonably equivalent value and in good faith (and without intent to "hinder, delay or defraud any creditor" of the Debtors) as those terms are used in the Bankruptcy Code and the transactions contemplated thereunder shall be deemed to have been made in "good faith," as that term is used in sections 363(m) and 364(e) of the Bankruptcy Code and in express reliance upon the protections offered by sections 363(m) and 364(e) of the Bankruptcy Code. The Agent shall be entitled, derivatively, to assert any and all of the rights of ACI Funding, including, without limitation, those arising under section 363(m) of the Bankruptcy Code, arising as a result thereof.

Based upon the foregoing findings and conclusions, and upon the record made at the Interim Hearing, and good and sufficient cause appearing therefore;

IT IS HEREBY ORDERED that:

9. The Motion is granted on an interim basis in accordance with the terms of this Order. Any objections to the Motion with respect to the entry of this Order that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby denied and overruled.

10. ACI, ACSC and the other Debtors, as applicable, are expressly authorized and empowered (i) to execute and deliver, and ACSC is authorized to cause ACI Funding, as a wholly owned subsidiary of ACSC, to execute and deliver the Amendment and all related documents and instruments to be executed and delivered in connection therewith, and the Facility Termination Date (as defined in the RPA and in the PCA) and the Commitment Termination Date (as defined in the RPA) shall be deemed not to have occurred as a consequence of the filing of the Chapter 11 Cases, ACI's Chapter 15 case or the Canadian Proceeding or the taking of corporate action by AbitibiBowater Inc. ("**ABI**"), ACI or ACSC to authorize any of the foregoing or the failure of ABI, ACI or ACSC to pay any debts that are otherwise stayed by any of the foregoing or the written admission by ABI, ACI or ACSC of its inability to pay such debts; (ii) to transfer, and shall be deemed to have transferred, free and clear of all liens, claims, encumbrances and other interests of any of the Originators, or their respective creditors pursuant to sections 363(b)(1) and (f) of the Bankruptcy Code, the Receivables to ACI Funding, without recourse (except to the limited extent provided in the Financing Agreements); (iii) to otherwise perform or continue to perform, and ACSC is authorized to cause ACI Funding, as a wholly owned subsidiary of ACSC, to otherwise perform or continue to perform, as applicable, their respective obligations under the Financing Agreements and

(iv) to make, execute and deliver, and ACSC is authorized to cause ACI Funding, as a wholly owned subsidiary of ACSC, to make, execute and deliver all instruments and documents and perform all other acts (including, without limitation, the perfection of ACI Funding's ownership interest in the Transferred Receivables) that may be required in connection with the Financing Agreements and the transactions contemplated thereby; it being expressly contemplated that pursuant to the terms of the Financing Agreements, ACI and ACSC shall be expressly authorized and empowered pursuant to section 363(b)(1) of the Bankruptcy Code to service, administer and collect the Transferred Receivables on behalf of ACI Funding pursuant to the Financing Agreements, and with respect to the Originators and ACI Funding, each shall be expressly authorized and empowered pursuant to section 363(b)(l) of the Bankruptcy Code to make, execute and deliver all instruments and documents and perform all other acts (including, without limitation, the perfection of ACI Funding's ownership interest in the Transferred Receivables) that may be required in connection with the Financing Agreements and the transactions contemplated thereby. Moreover, ACI Funding shall be entitled to the full benefits of section 363(m) of the Bankruptcy Code in connection with any transfers made pursuant to the provisions of the Financing Agreements, with the Agent being entitled to assert ACI Funding's rights thereunder derivatively. All indemnification and other obligations of the Originators and any other Debtors owing to the Agent, Eureka and Citibank under the Financing Agreements and this Order are hereinafter referred to as the "**Agent Obligations.**" All obligations of the Originators and any other Debtors owing to ACI Funding under the Financing Agreements and this Order are hereinafter referred to as the "**Receivables Obligations.**" For the avoidance of doubt, the Agent Obligations and the Receivables Obligations do not include any amounts owing to the Agent or Citibank or their respective affiliates under or in connection with (i) any swap claims, (ii) any credit agreement in existence prior to the Filing Date not related to the Financing Agreements or (iii) any other indebtedness not related to the Financing Agreements. Notwithstanding the foregoing, the Agent and Citibank shall be entitled to all of the rights and remedies accorded to them pursuant to the "safe harbor" provisions of the Bankruptcy Code.

11. The Originators and the other Debtors are authorized to use the proceeds of the arrangements contemplated by the Financing Agreements in the operation of the Debtors' businesses, provided, that the use of the proceeds is consistent with the terms of the Financing Agreements and this Order or as may otherwise be agreed in writing by the Agent.

12. In accordance with section 364(c)(1) of the Bankruptcy Code, the Agent Obligations and the Receivables Obligations shall constitute allowed senior administrative expense claims against each of the Originators (the "**Superpriority Claims**") with priority over any and all administrative expenses, adequate protection claims, diminution claims and all other claims against the Originators, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under sections 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code,

whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or attachment, which allowed claims shall for purposes of section 1129(a)(9)(A) of the Bankruptcy Code be considered administrative expenses allowed under section 503(b) of the Bankruptcy Code, and which shall be payable from and have recourse to all pre- and post-petition property of the Originators and all proceeds thereof, subject only to the payment of the Carve-Out to the extent specifically provided for herein. Subject only to the Carve-Out, no cost or expense of administration asserted against any Debtor with obligations arising under the Financing Agreements under sections 105, 364(c)(1), 503(b), 507(b) of the Bankruptcy Code, or otherwise, including those resulting from the conversion of any of the Chapter 11 Cases pursuant to section 1112 of the Bankruptcy Code, shall be senior to, or pari passu with, the Superpriority Claims of the Agent, Citibank, Eureka or ACI Funding arising out of the Agent Obligations and the Receivables Obligations, as applicable. The Agent shall be permitted to enforce the Superpriority Claims in respect of the Receivables Obligations on a derivative basis on behalf of ACI Funding. The Superpriority Claims shall be entitled to the full protection of section 364(e) of the Bankruptcy Code in the event that this Order or any provision hereof is vacated, reversed or modified, on appeal or otherwise.

13. Any provision of this Order or the Financing Agreements to the contrary notwithstanding, the Superpriority Claims shall be subject and subordinate to a carve-out (the "**Carve-Out**") for (a) the payment of allowed professional fees and disbursements incurred by the professionals retained, pursuant to sections 327, 328 or 1103(a) of the

Bankruptcy Code, by the Debtors and any statutory committee appointed in the Chapter 11 Cases and any disbursements of any member of such committee in an aggregate amount not to exceed (i) $7,500,000 *minus* any payments made pursuant to any carve-out under any other postpetition credit facility of the Debtors in respect of professional fees and disbursements incurred following the occurrence and during the pendency of an Event of Termination (as such term is defined in the Receivables Agreements) or an event of termination or event of default under such other postpetition credit facility of the Debtors (each a "**Carve-Out Event**") *plus* (ii) professional fees and disbursements incurred prior to the occurrence of a Carve-Out Event to the extent subsequently allowed *plus* (iii) professional fees and disbursements incurred from and after the date on which the Carve-Out Event is no longer continuing to the extent subsequently allowed and (b) quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the Clerk of the Bankruptcy Court; provided, however, that no portion of the Carve-Out or proceeds of the Financing Agreements shall be used to pay professional fees and disbursements incurred in connection with (i) asserting any claims or causes of action against the Agent, Citibank, Eureka or ACI Funding and/or challenging or raising any defense to the Agent Obligations or Receivables Obligations or other obligations under the Financing Agreements, (ii) asserting or prosecuting any action for preferences, fraudulent conveyances, or other avoidance power claims against the Agent, Citibank, Eureka or ACI Funding or (iii) objecting to or contesting the true sale nature of the sale and/or contribution of the Transferred Receivables, provided, further, however, that the Carve-Out may include professional fees and disbursements for investigation of such claims, causes of action or defenses in an aggregate amount not to exceed $50,000. As long as no Carve-Out Event shall have occurred and be continuing, the Debtors shall be permitted to pay compensation and reimbursement of expenses, to the extent permitted by the Bankruptcy Court payable under sections 330 and 331 of the Bankruptcy Code, as the same may be payable, and the amounts so paid, or accrued but unpaid, shall not reduce the Carve-Out; provided, however, that, upon the occurrence and during the continuance of a Carve-Out Event, the foregoing permission to pay allowed compensation and to reimburse expenses shall be limited to the professional fees and disbursements incurred prior to the occurrence of the Carve-Out Event plus the Carve-Out.

14. If the amount of the Carve-Out satisfied with the assets of any Originator exceeds the product of (x) the Carve-Out and (y) such Originator's net asset value expressed as a percentage of the net asset value of the Debtors taken as a whole, such Originator shall have a right of contribution against the Debtors that are not Originators in an amount equal to such excess (or in such other amount as the Bankruptcy Court may deem appropriate under the circumstances) and with the same relative priority as the Carve-Out, and shall be subrogated to the rights of any claimant under the Carve-Out in respect of such right of contribution.

15. Pursuant to the Financing Agreements, ACI Funding may deduct from the purchase price of Transferred Receivables amounts which are payable by the Originators to ACI Funding in respect of violations of certain representations and warranties and dilution items (all of such amounts, collectively, the "**Repayment Amounts**"), and the

automatic stay provisions of section 362 of the Bankruptcy Code are hereby modified to the extent necessary so as to permit the deduction of such amounts by ACI Funding. The payment by ACI Funding of the purchase price for Receivables which are subsequently reduced by such Repayment Amounts constitutes an extension of credit to the applicable Originators.

16. The performance by the Originators and ACI Funding of their respective obligations under the Financing Agreements, and the consummation of the transactions contemplated by the Financing Agreements, and the conduct by the Originators and ACI Funding of their respective businesses, whether occurring prior to or subsequent to the Filing Date, do not, and shall not, provide a basis for a substantive consolidation of the assets and liabilities of the Originators, or any of them, with the assets and liabilities of ACI Funding or a finding that the separate corporate identities of the Originators and ACI Funding may be ignored. Notwithstanding any other provision of this Order, the Agent, Citibank, Eureka and the other parties thereto have agreed to enter into the Financing Agreements in express reliance on ACI Funding being a separate and distinct legal entity, with assets and liabilities separate and distinct from those of any of the Debtors.

17. Pursuant to the Financing Agreements and as described in the Motion, ACI Funding has agreed to pay, and ACSC is hereby authorized and directed (without the necessity of any further application being made to, or order being obtained from, this Court) to cause ACI Funding, as a wholly owned subsidiary of ACSC, to pay certain fees in consideration of the Agent's and Citibank's services in structuring and negotiating Amendment No. 4 to Amended and Restated Receivables Purchase Agreement and

Waiver Agreement dated as of April 1, 2009, Amendment No. 2 to Amended and Restated Purchase and Contribution Agreement and Waiver Agreement dated as of April 1, 2009, and the Financing Agreements.

18. Collections of Transferred Receivables and other funds that are subject to the Deposit Account Control Agreement, the Blocked Accounts Agreement or the Pledged Deposit Accounts Agreement shall be processed and transferred pursuant to such agreements, and such agreements are hereby approved in all respects and each deposit bank party thereto is authorized and directed to comply therewith.

19. The Financing Agreements and the provisions of this Order shall be binding upon all parties in interest in these Cases, including, without limitation, the Debtors, ACI Funding, Eureka, Citibank, the Agent, ACSC and ACI and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for the estate of any of the Originators, an examiner appointed pursuant to section 1104 of the Bankruptcy Code or any other fiduciary appointed as a legal representative of any of the Originators or with respect to the property of the estate of any of the Originators) and shall inure to the benefit of the Debtors, ACI Funding, Eureka, Citibank, the Agent, ACSC and ACI.

20. ACI Funding, Citibank and the Agent shall not (i) be deemed to be in control of the operations of the Debtors, (ii) owe any fiduciary duty to the Debtors, their respective creditors, shareholders or estates or (iii) subject only to the right of the Environmental Protection Agency to be heard at the Final Hearing, and effective upon entry of the Final Order, be deemed to be acting as a "responsible person" or "owner or

operator" with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601, *et seq.*, as amended, or any similar federal or state statute).

21. No rights of any entity in connection with a contract or transaction of the kind listed in sections 555, 556, 559, 560 or 561 of the Bankruptcy Code, whatever they might or might not be, are affected by the provisions of this Order.

22. If any or all of the provisions of this Order are hereafter reversed, modified, vacated or stayed, such reversal, stay, modification or vacation shall not affect (x) the validity of any transfer of the Receivables made pursuant to the provisions of the Financing Agreements prior to written notice to the Agent and ACI Funding of the effective date of such reversal, stay, modification or vacation, (y) the validity of any obligation or liability incurred by each of the Originators prior to written notice to the Agent and ACI Funding of the effective date of such reversal, stay, modification or vacation or (z) the validity and enforceability of any priority authorized or created hereby or pursuant to the Financing Agreements. Notwithstanding any such reversal, stay, modification or vacation, any indebtedness, obligations or liabilities incurred, or payment made, by any of the Originators, prior to written notice to the Agent and ACI Funding of the effective date of such reversal, stay, modification or vacation, shall be governed in all respects by the original provisions of this Order, and the Agent, Citibank, Eureka and ACI Funding shall be entitled to all the rights, remedies, privileges and benefits, granted herein and pursuant to the Financing Agreements with respect to all such indebtedness,

obligations or liabilities (including, without limitation, with respect to the manner in which the proceeds of the Transferred Receivables are applied) and to the full benefits of sections 363(m) and 364(e) of the Bankruptcy Code in connection therewith.

23. Upon transfer to ACI Funding, the Transferred Receivables are and shall be the property of ACI Funding and not property of the estates of any of the Debtors and accordingly no expenses of administration of the Chapter 11 Cases or any future proceeding or case which may result from the Chapter 11 Cases, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against the Transferred Receivables, or the proceeds thereof pursuant to section 506(c) of the Bankruptcy Code or otherwise, without the prior written consent of the Agent and no such consent shall be implied from any other action, inaction, or acquiescence by the Agent. To the extent the Agent seeks to exercise, upon an Event of Termination (as such term is defined in the Receivables Agreements), any rights and remedies to the extent provided for in the Receivables Agreements against any Debtor, prior to seeking to lift the automatic stay to exercise such enforcement rights or remedies against such Debtor, the Agent shall provide five (5) business days' written notice (by facsimile, telecopy, electronic mail or otherwise) to (a) counsel for the Debtors: (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Attention: Kelley A. Cornish; (ii) Stikeman Elliott LLP, 1155 René-Lévesque Blvd. West, Suite 4000, Montréal, QC H3B 3V2, Canada, Attention: Guy Martel; and (iii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attention: Pauline K. Morgan; (b)

counsel for the official committee of unsecured creditors in the Chapter 11 Cases (the **"Creditors' Committee"**) (if retained); and (c) counsel for the United States Trustee. For the avoidance of doubt, the foregoing notice requirement shall in no event apply to any exercise by the Agent of any rights and remedies to the extent provided for in the Receivables Agreements against ACI Funding or the assets of ACI Funding.

24. The stipulations, admissions and releases contained in Paragraph 3 and Paragraph 4 of this Order, shall be binding on the Debtors and any successor thereto under all circumstances and for all purposes and the Debtors are deemed to have irrevocably waived and relinquished all rights to contest any such stipulation, admission or release as of the date of entry of this Order. The stipulations, admissions and releases contained in Paragraph 3 and Paragraph 4 of this Order, shall be binding on all other parties in interest, including, without limitation, any official committee that may be appointed in these chapter 11 cases, under all circumstances and for all purposes unless, and solely to the extent that, (a) any party in interest commences a contested matter or adversary proceeding challenging such stipulation, admission or release or asserting any claims or causes of action on behalf of the Debtors' estates against the Released Parties, in each case no later than the later of (1) sixty (60) days after the formation of the Creditors' Committee, or (2) seventy-five (75) days after the Filing Date. If no such contested matter or adversary proceeding is timely commenced then, without further order of the Court, all of the stipulations, admissions and releases contained in Paragraph 3 and Paragraph 4 of this Order, shall be binding on all parties in interest in these chapter 11 cases and shall not be subject to challenge or modification in any respect. If any such

contested matter or adversary proceeding is timely commenced, the stipulations, admissions and releases shall nonetheless remain binding on all parties in interest and shall be preclusive except to the extent that such stipulation, admission or release is expressly challenged pursuant to such timely commenced contested matter or adversary proceeding.

25. Nothing in this Order vests or confers on any person (as defined in the Bankruptcy Code), including the Creditors' Committee, standing or authority to pursue any cause of action belonging to the Debtors or their estates.

26. This Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable nunc pro tunc to the Petition Date immediately upon entry hereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062 or 9024 or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Order. Specifically, pursuant to this Order, the ten day automatic stay periods of Bankruptcy Rules 6004(g) and 6006(d) are expressly inapplicable to this Order and the transactions including, without limitation, transfers contemplated hereby, and accordingly, this Order shall become operative immediately upon entry on the docket.

27. To the extent that any of the provisions of this Order may be inconsistent with the terms and conditions of the Financing Agreements, the provisions of this Order shall govern.

28. On or before the third business day following entry of this Order, the Debtors shall mail copies of a notice of the entry of this Order, together with a copy of this Order and a copy of the Motion (which shall constitute adequate notice of the Final Hearing), to the parties having been given notice of the Interim Hearing, and to any other party that has filed a request for notices with this Court and to any Creditors' Committee after the same has been appointed, or Creditors' Committee counsel, if the same shall have been appointed. The notice of entry of this Order shall state that any party in interest objecting to the relief sought at the Final Hearing shall serve and file written objections with the Clerk, United States Bankruptcy Court for the District of Delaware no later than 4:00 p.m. on __________, 2009. Objections shall be served so that the same are actually received on or before such date by: (a) counsel for the Debtors: (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Attention: Kelley A. Cornish; (ii) Stikeman Elliott LLP, 1155 René-Lévesque Blvd. West, Suite 4000, Montréal, QC H3B 3V2, Canada, Attention: Guy Martel; and (iii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attention: Pauline K. Morgan; (b) counsel for the Creditors' Committee (if retained); (c) counsel for the Agent and Citibank, (i) Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attention: Michael J. Crames and Bradley Y. Smith; (ii) Kaye Scholer LLP, 425 Park Avenue, New York, New York 10022, Attention: Eric Marcus and Benjamin Mintz and (iii) Richards Layton & Finger, One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attention: Mark D. Collins and John H. Knight; (d)

counsel for the United States Trustee, 844 King Street, Room 2207, Attention: David Klauder; and (e) Office of the Clerk of the Court, 824 Market Street, Third Floor, Wilmington, Delaware 19801.

29. The Final Hearing is scheduled for __________, 2009 at _______ __.m. before this Court.

Dated: Wilmington, Delaware
____________ __, 2009

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UNITED STATES BANKRUPTCY JUDGE