AMENDED AND RESTATED INDEMNITY AGREEMENT

THIS AMENDED AND RESTATED INDEMNITY AGREEMENT is entered into this _______ day of August, 2009,

BETWEEN:	SMURFIT-STONE CONTAINER CANADA INC., a corporation duly incorporated pursuant to the laws of Nova Scotia, (hereinafter referred to as "SSCCI")
AND:	BOWATER CANADIAN FOREST PRODUCTS INC., a corporation duly incorporated pursuant to the laws of Nova Scotia, (hereinafter referred to as "BCFPI")

(Hereinafter collectively referred to as the "**Parties**")

WHEREAS SSCCI has entered into an asset purchase agreement dated April 30, 2009 (the "APA") with the Société Générale de Financement du Québec (the "Purchaser") for the sale of, among others assets, the Freehold Immoveables (as such expressiôn is defined in that certain Asset Acquisition Agreement made on the 15th of June 1994 by and between Avenor Inc. ("Avenor") and St. Laurent Paperboard Inc./Cartons St-Laurent Inc. ("St-Laurent"), the "1994 Agreement");

WHEREAS BCFPI is the successor in right, title and interest of Avenor and SSCCI is the successor in right, title and interest of St-Laurent;

WHEREAS BCFPI holds certain rights in respect of the Freehold Immoveables under the 1994 Agreement;

WHEREAS BCFPI has executed a Waiver and Release dated as of • ___, 2009 among other things waiving all its rights, title and interest in respect of the Freehold Immoveables in order to permit the sale by SSCCI of the Freehold Immoveables to the Purchaser pursuant to the APA;

WHEREAS BCFPI and SSCCI wish to share the risk and cost of any (i) indemnity amount which may become payable to the Purchaser pursuant to the APA, and (ii) expenses incurred to defend against and/or settle any such claim, in each case to the extent provided in the APA and this Indemnity Agreement;

WHEREAS the Parties intend to amend, restate and replace the indemnity agreement dated July 22, 2009 entered into between AbitibiBowater Inc. and its subsidiaries, and SSCCI (the "Initial Agreement");

WHEREAS the Parties agree that their interests are best served by entering into this Indemnity Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration, the Parties agree to the following terms and conditions:

1. PREAMBLE

The preamble of this Indemnity Agreement shall form an integral part hereof, as if recited at length herein.

2. DEFINITIONS AND INTERPRETATION

The Parties agree on the following definitions for the purposes of this Indemnity Agreement between them:

"**Action**" refers to any proceedings in a judicial or arbitral tribunal undertaken by the Purchaser, its successors and assigns, against SSCCI, its successors and assigns under, related to, or in connection with the indemnity provisions in Section VII of the APA and to the extent provided for in the APA, and to all proceedings in appeal of any interlocutory or final judgment rendered in the course, or to dispose, of such proceedings, in each case to the extent provided in the APA;

"**Defence**" includes, without limitation, any action or procedure taken by SSCCI in response to an Action;

"**Effective Time**" means the time of closing of the transactions set forth in the APA;

"**Evidence**" includes any and all documents and information inscribed on any medium, including, without limitation, paper and electronic media, as well as all material things;

"**Share of Fees**" means fifty percent (50%) of any and all costs incurred by SSCCI in connection with its exercise and enforcement of its indemnity rights to the extent provided in the APA and this Indemnity Agreement, including without limitation, reasonable expenses, lawyers fees and disbursements;

"**Share of Losses**" means fifty percent (50%) of the amount of any and all obligations of SSCCI that arise from (i) a decision including, without limitation, any interlocutory or final decision rendered by a judicial or arbitral tribunal in the course of an Action, and (ii) a settlement agreement entered into between SSCCI and an indemnified person under the APA, in each case to the extent provided in the APA and which in any event shall not in the aggregate exceed CDN $4.5 million dollars.

3. RESTATEMENT AND REPLACEMENT

From the date of the Initial Agreement, the Initial Agreement is hereby amended, restated and replaced in its entirety, without novation of the Initial Agreement. From the date of this Agreement, this Agreement will evidence the agreement of the Parties from the date of the Initial Agreement with respect to the matters which are the subject of the Initial Agreement and this Agreement.

4. UNDERTAKINGS BY BCFPI AND SSCCI

SSCCI shall be responsible for and take up the Defence of any Action with counsel of its choosing.

BCFPI shall indemnify and hold harmless SSCCI from and against and in respect of the Share of Fees, subject to BCFPI having the right to obtain, and being satisfied with a copy of the invoices relating to such fees and the reasonable backup material justifying the Share of Fees.

BCFPI shall assume and be responsible for the Share of Losses and shall indemnify and hold harmless SSCCI from and against same.

SSCCI shall provide BCFPI (i) with copies of any procedures related to an Action, and (ii) upon request, with copies of all correspondence in connection with an Action to the extent that such correspondence is not deemed privileged between SSCCI and its counsel.

BCFPI shall pay the Share of Fees and Share of Losses to SSCCI, forthwith upon demand.

5. UNDERTAKINGS BY BCFPI

BCFPI shall cooperate as may reasonably be requested by SSCCI and its designated counsel in any manner required for a Defence.

6. CONFIDENTIALITY

To the extent permitted by law, documents or information, including without limitation any Evidence, exchanged in the performance of the Parties' obligations hereunder, shall not be disclosed to a third party by the receiving party without the consent of the other Party.

The Parties' obligations of confidentiality shall be unlimited in time or geographical scope and shall survive the termination of this Indemnity Agreement.

7. GENERAL PROVISIONS

Duration. This Indemnity Agreement shall become effective at the Effective Time, and shall remain valid, enforceable and in effect until the later of (i) SGF's rights and recourses having terminated or otherwise having expired under the APA, (ii) an Action having been settled by a valid and binding transaction or having been the object of a final judgment with the effect of *res judicata* on all Parties involved in such proceedings and any and all rights of appeal of such Parties having been exhausted and finally disposed of by a court of competent jurisdiction.

Transaction. This Indemnity Agreement is a transaction pursuant to articles 2631 and following of the *Civil Code of Québec*.

Non Waiver. Should either party hereof fail at any time to insist upon performance by the other party of any of its obligations under this Indemnity Agreement, such failure shall not constitute a waiver of any subsequent default. In addition, should either party not exercise a remedy in the event of a breach of obligations under this Indemnity Agreement, such failure to exercise a remedy shall not be interpreted as a waiver of any rights in the event of any subsequent breach by the other party.

Severability. The provisions of this Indemnity Agreement are separate and severable. If any provision is declared to be void or unenforceable by any court of competent jurisdiction, the other provisions of this Indemnity Agreement shall not be affected unless they become of no effect or unenforceable as a result of such a declaration by such court.

Amendment. No amendment to this Indemnity Agreement shall be valid unless it is expressly described as an amendment to the Indemnity Agreement and is approved in writing by the Parties.

Successors and Assigns. This Indemnity Agreement may not be assigned by either party. This Indemnity Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

Applicable Laws. This Indemnity Agreement shall in all respects be governed by, and construed in accordance with, the laws in force in the Province of Quebec, to the exclusion of its conflict of laws rules, and federal laws of Canada applicable therein.

Entire Agreement. This Indemnity Agreement constitutes the entire agreement among the Parties hereto with respect to the matters set forth herein and supersedes all other verbal or oral agreements, understandings and undertakings between the Parties hereto relating to the subject matter hereof.

IN WITNESS WHEREOF the Parties have executed this Indemnity Agreement as of the date specified above.

SMURFIT-STONE CONTAINER CANADA INC.

By: ______________________

Title: ______________________

I/WE have authority to bind the Corporation.

BOWATER CANADIAN FOREST PRODUCTS INC.

By: ______________________

Title: ______________________

I/WE have authority to bind the Corporation.