CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

SUPERIOR COURT

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

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

ABITIBIBOWATER INC.,

and

ABITIBI-CONSOLIDATED INC.,

and

BOWATER CANADIAN HOLDINGS INC.,

and

the other Petitioners named herein

Petitioners

and

ERNST & YOUNG INC.,

Monitor

LIST OF EXHIBITS

(*Motion for the Issuance of an Order Authorizing Petitioners Abitibi-Consolidated Inc. and Abitibi-Consolidated Company of Canada to Implement Certain Restructuring Steps*)

DESCRIPTION		TAB
R-1:	Copy of the ABH LLC Term Promissory Note	1
R-2:	Repayment Steps – Step Plan	2
R-3:	Draft Support Agreement	3

Montréal, this 17th day of November, 2009

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

EXHIBIT R-1

ABITIBIBOWATER US HOLDING LLC

Term Promissory Note

Due March 31, 2013

New York, New York

April 1, 2008

The undersigned, ABITIBIBOWATER US HOLDING LLC, a limited liability company organized under the laws of Delaware (the "Company"), hereby promises to pay to the order of ABITIBI-CONSOLIDATED COMPANY OF CANADA, a corporation amalgamated under the laws of Quebec ("ACCC" and, together with its successors and assigns, the "Holder"), the sum of two hundred one million, six hundred fourteen thousand, two hundred twenty-two and 50/100 United States Dollars (US$201,614,222.50) (the "Principal Amount") on March 31, 2013 (the "Maturity Date"), together with any Principal Increase (as defined below) and with all accrued and unpaid interest thereon as provided herein.

The Company promises to pay interest on the Outstanding Principal Amount (as defined below) at the rate of 13.75% per annum and interest shall be payable as set forth below. Beginning on October 1, 2008, the Company shall pay accrued interest semi-annually in arrears on October 1 and April 1of each year or, if any such date shall not be a business day, on the next succeeding business day to occur after such date (each date upon which interest shall be so payable, an "Interest Payment Date"). To the extent that the Company does not pay an interest payment in cash on the applicable Interest Payment Date, the amount of such interest payment shall be automatically added to the Principal Amount (the Principal Amount, as so increased, the "Outstanding Principal Amount") on such Interest Payment Date (each such increase, a "Principal Increase"); provided, however, that if the Interest Payment Date falls on the same date as the Maturity Date, the entire amount of interest due on such date shall be paid in cash All interest shall be computed on the basis of a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. For the purposes of the Interest Act (Canada) only, the annual rate of interest equivalent to a rate otherwise calculated under this Note is equal to the rate so calculated multiplied by the actual number of days included in a given year and divided by 360 days.

This Note has been issued pursuant to the Stock Purchase Agreement, dated April 1, 2008, between the Company and ACCC (the "Purchase Agreement"). Upon the determination of the Common Valuation Amount (as defined in the Purchase Agreement) in accordance with Exhibit C to the Purchase Agreement, the Principal Amount shall be increased by the amount (the "Additional Principal Amount") by which the Common Valuation Amount exceeds the Base Valuation Amount (as defined in the Purchase Agreement). Concurrent with such increase, the Outstanding Principal Amount shall be increased by the amount of interest that would be payable under this Note, calculated from the date of issuance of this Note to the date of such increase, on a principal amount equal to the Additional Principal Amount (assuming no cash payments of interest during such period).

This Note has been issued pursuant to the Purchase Agreement in payment for the shares of stock of Donohue Corp., a Delaware corporation ("Donohue") described in the Purchase Agreement. In the event that Donohue or any of its subsidiaries is required to make any Guaranty Payment (as hereinafter defined), then the Outstanding Principal Amount shall be decreased by the amount of any such Guaranty Payment. In the event that the Company, Donohue or any such subsidiary receives any payment as a result of the exercise of any subrogation rights it may have arising out of any Guaranty Payment (the "Subrogation Payments"), the amount of such Subrogation Payments shall be applied (x) first, to offset any Guaranty Payments that have not yet been applied to reduce the Outstanding Principal Amount and (y) second, to increase the Outstanding Principal Amount. To the extent that, at the Maturity Date or such other time as the principal on this Note becomes due and payable, Guaranty Payments shall have been applied to reduced the Outstanding Principal Amount and not as of such time offset by Subrogation Payments, the Company shall cause Donohue or its applicable subsidiary to assign to the holder any subrogation rights arising from such Guaranty Payments. As used here, "Guaranty Payment" shall mean the amount of any cash paid by the Donohue or any of its subsidiaries, or the fair value of any property of Donohue or its subsidiaries which is sold and the proceeds applied to, the obligations of Donohue or any of its subsidiaries under (1) Section 7 of the Credit and Guaranty Agreement dated as of April 1, 2008 among ACCC, Abitibi-Consolidated, Inc., certain subsidiaries and affiliates of Abitibi-Consolidated, Inc., various lenders and Goldman Sachs Credit Partners L.P., as Administrative Agent, (2) under Article 10 of the Indenture, dated as of April 1, 2008 among ACCC, the guarantors party thereto and Wells Fargo Bank, National Association, as trustee, and relating to ACCC's 13.75% Senior Secured Notes Due 2011; or (3) under Article 10 of the Indenture, dated as of April 1, 2008, among ACCC, the guarantors party thereto and Wells Fargo Bank, National Association, as trustee, and relating to ACCC's 15.5% Senior Notes Due 2010, as each of the same may be amended, modified, supplemented, restated, renewed or refinanced

Until all amounts payable hereunder have been paid in full, the Company hereby covenants as follows:

(a) it will not directly or indirectly declare or pay any dividend or make any other payment or distribution on its shares or other equity interests, purchase, redeem or otherwise acquire or retire for value any of its shares or other equity interests, other than any dividend consisting solely of shares of common stock of Donohue;

(b) it will not consummate any sale, lease, conveyance or other disposition of any assets or rights; provided however, that the Company may sell, transfer or otherwise assign the shares of common stock of Donohue to AbitibiBowater Inc. ("Parent");

(c) it will not, and will not permit any of its direct or indirect subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*") any

Indebtedness except that any subsidiary of the Company may incur same if permitted to do so under the ACCC Debt; provided, however, that the Company or its subsidiaries may incur any Indebtedness to (i) permit the Company or any of its subsidiaries to acquire the equity interests in the Augusta Newsprint Company not already owned by them and (ii) acquire the ACCC Debt or to pay the obligations of the subsidiaries of the Company with respect to the ACCC Debt. For the purposes hereof: (a) "Indebtedness" means indebtedness (excluding accrued expenses and trade payables), whether or not contingent, in respect of borrowed money, evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof), in respect of banker's acceptances, representing capital lease obligations or attributable debt in respect of sale and leaseback transactions, representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed but excluding other accrued liabilities being contested in good faith by appropriate proceedings promptly instituted and diligently conducted or representing any hedging obligations; and (b) "ACCC Debt" means US$413 million Senior Secured Notes, US$400 million 364-day Term Loan and/or Senior Notes due 2010 issued or incurred or about April 1, 2008 and any refinancing thereof; and

(d) it will not, and will not permit any of its direct or indirect subsidiaries to, directly or indirectly create, incur, assume or suffer to exist any mortgage, hypothec, lien, pledge, charge, security interest or other encumbrance of any kind in respect of any asset now owned or hereafter acquired, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest therein, except in the case of any subsidiary of the Company if it is permitted to do so under the ACCC Debt as contemplated herein; provided, however, that the Company or its subsidiaries may incur liens to secure any Indebtedness which is incurred to (i) permit the Company or any of its subsidiaries to acquire the equity interests in the Augusta Newsprint Company not already owned by them an (ii) acquire or pay the obligations of the subsidiaries of the Company with respect to the ACCC Debt.

Payments due hereunder are to be made by wire transfer to such bank account of the Holder as the Holder may from time to time designate, in lawful money of the United States of America.

This Note and all amounts outstanding shall immediately and automatically mature and become due and payable, without presentment, demand, protest or notice, all of which are hereby waived, in the event that the Company files a voluntary petition in bankruptcy or an involuntary petition is filed against it and not dismissed within ten days. In the case of an Event of Default, this Note will become due and payable immediately without further action or notice. If an Event of Default occurs and is continuing, the holder hereof may pursue any available remedy to collect the payment of principal, premium and interest on the Note or to enforce the performance of any provision of the Note. For the purposes hereof, an "Event of Default" includes: (1) default in the payment when due (at maturity, upon redemption or otherwise) of the principal or interest on this Note; (2) failure for 30 days after notice to comply with any of the provisions hereof; or (3) the failure of Parent to, directly or indirectly, own a majority of the membership interests in the Company or to otherwise, directly or indirectly, control the management and operations of the Company.

Neither this Note nor any term hereof may be amended or waived orally or in writing, except that any term of this Note may be amended and the observance of any term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively) with (but only with) the written consent of the Company and the Holder. This Note shall inure to the benefit of the Holder of this Note and the Company and their respective successors and assigns and be binding upon the Holder of this Note and the Company and their respective successors and assigns.

Any notice or communication must be given in writing or delivered in person, or overnight courier, or by facsimile addressed as follows:

if to the Company:

c/o AbitibiBowater Inc.
1155 Metcalfe Street
Suite 800
Montreal, Quebec

Telecopy: (514) 394-2267

Attention: Treasury Department

if to the Holder, at the address specified in writing by the Holder, or at such other address and to the attention of such other person as the Company or the Holder may designate by written notice to the other. Any such notice or communication is effective (x) when received, if delivered in person or by facsimile, or (y) on the next business day, if delivered by overnight courier.

The Holder may sell, transfer, assign, encumber or otherwise dispose of this Note in whole or in part, other than as may be prohibited by applicable law.

This Note is governed by and shall be construed and enforced in accordance with the laws of the State of New York for contracts made and wholly performed within that state and shall be construed as if drafted equally by the Company and the Holder. The Company hereby submits to the exclusive personal jurisdiction of the courts of the State of New York and the federal courts of the United States sitting in New York County, and any appellate court from any such state or federal court.

The Company's obligations under this Note are absolute and unconditional and shall not be subject to any defense, setoff or counterclaim that may at any time be available to or be asserted by the Company. The Company hereby waives, and agrees not to assert, any right to offset or interpose as a defense or counterclaim any claim against the Holder against its obligations under this Note.

No failure or delay on the part of the Holder in exercising any power or right hereunder, and no course of dealing between the Company and the Holder of this Note, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or farther exercise thereof or the exercise of any other right or power.

As used in this Note, the term "business day" means any day that is not a Saturday, Sunday or other day on which the commercial banks in New York City, New York are authorized or required by applicable law to remain closed.

Should any provision of this Note be judicially declared to be invalid, unenforceable or void, such decision will not have the effect of invalidating or voiding the remainder of this Note, and the parties hereto agree that the provision of this Note so held to be invalid, unenforceable or void will be deemed to have been stricken herefrom and the remainder will have the same force and effectiveness as if such provision had never been included herein, provided, however the parties hereto shall use their best efforts to replace the provision so deemed to have been stricken herefrom with a provision that the parties reasonably believe to be valid and enforceable and which has a substantially identical economic and legal effect as the provision so deemed to have been stricken herefrom.

IN WITNESS WHEREOF, the Company has caused this Note to be made, executed and delivered by its duly authorized officer as of the day and year first written above.

ABITIBIBOWATER US HOLDING LLC

By: ________________________
Name: Jacques P. Vachon
Title: Vice President and Secretary

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

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. et al

Petitioners

- and –

ERNST & YOUNG INC.

Monitor

BS0350 n/dos.: 041053-1170

EXHIBIT R-1

ORIGINAL

Me Guy P. Martel (514) 397-3163
Fax : (514) 397-3493

STIKEMAN ELLIOTT
Stikeman Elliott S.E.N.C.R.L., s.r.l. AVOCATS
40e Étage
1155, boul. René-Lévesque Ouest
Montréal, Canada H3B 3V2

#10488296 v2

EXHIBIT R-2

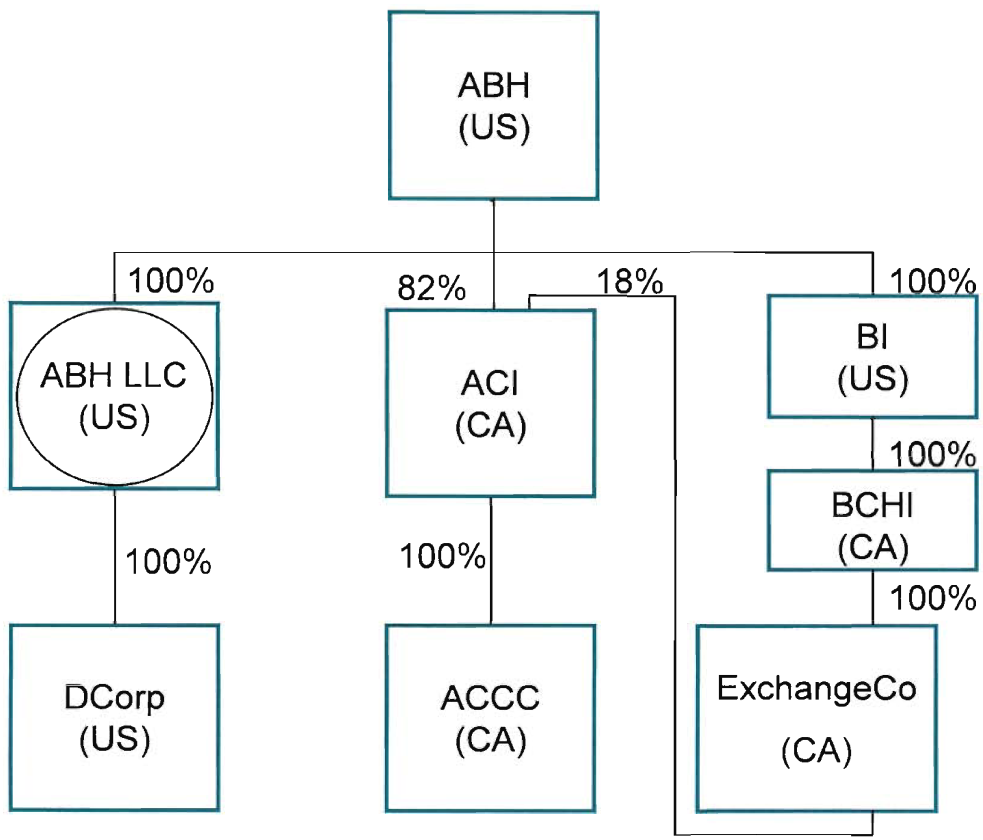
AbitibiBowater Inc.

Repayment Steps
Step Plan

Exhibit R-2

November 16, 2009

Current Structure



LEGEND

AbitibiBowater Inc. (ABH)

AbitibiBowater Canada Inc. (ExchangeCo)

AbitibiBowater U.S. Holding LLC (ABH LLC)

Donohue Corp. (DCorp)

Abitibi-Consolidated Inc. (ACI)

Abitibi-Consolidated Co. of Canada (ACCC)

Bowater Inc. (BI)

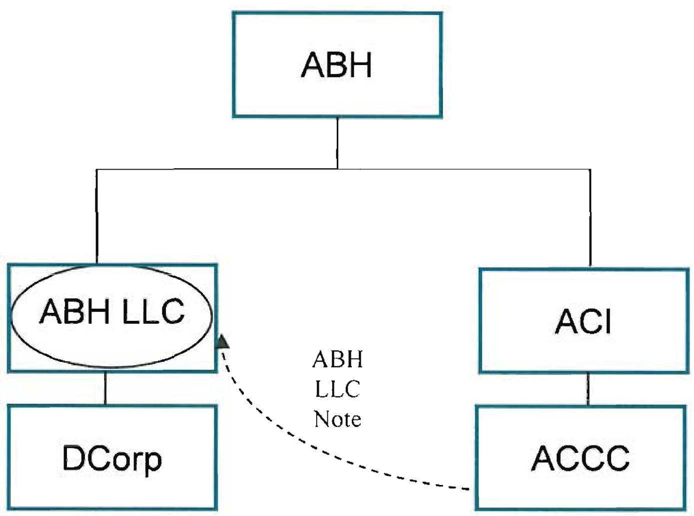
Bowater Canadian Holdings Incorporated (BCHI)

Hybrid Entities

Corporate Entities

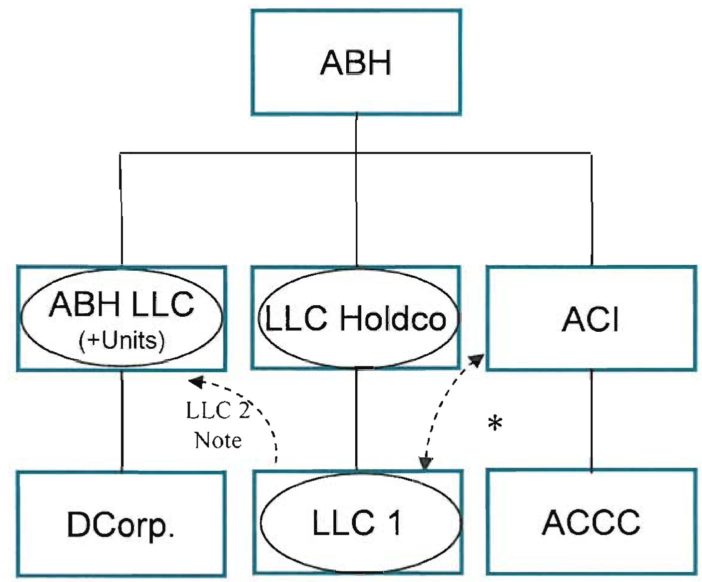
Revised November 16, 2009
#10492835v.2

Current Structure



* Exchange Co, BI and BCHI have been omitted.

Proposed Final Structure



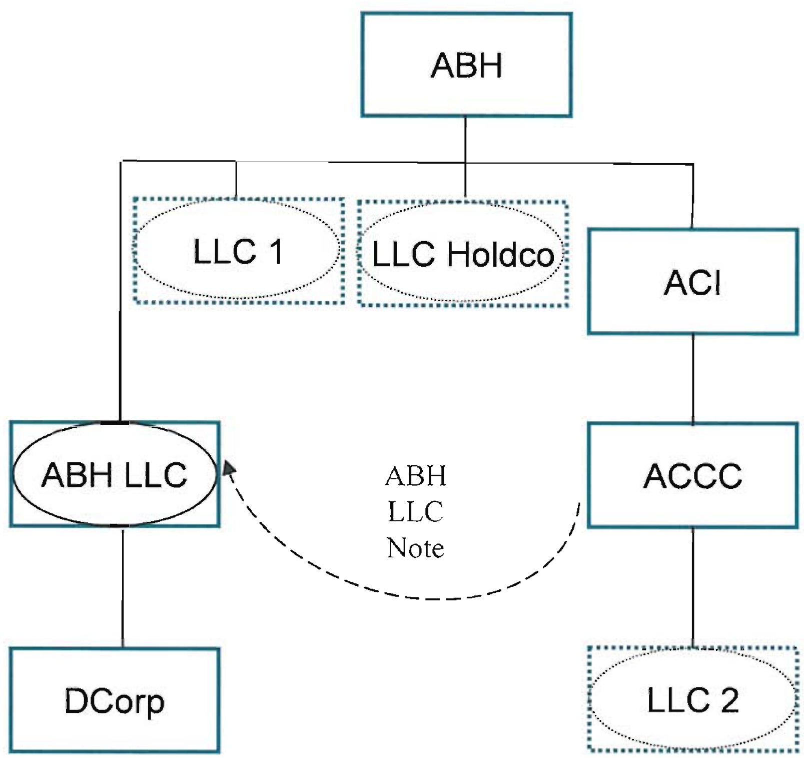
* Support agreement under which LLC Holdco and LLC 1 will, unless otherwise provided in the Plans, be jointly required to transfer either the units of LLC 1, the LLC 2 Note, or assets of an equivalent value to ACCC upon liquidation, effective date of the Plans, default under the LLC 2 Note or the Support Agreement or dismissal or conversion of Chapter 11 proceedings or lifting or expiry of Canadian stay.

<u>NOTES</u>:

Each of the repayment steps would be undertaken pursuant to Court orders in the United States and Canada. The Court orders would provide that all prior steps are to be reversed and undone unless all steps are completed on or before December 31, 2009.

All dollar amounts herein have been rounded.

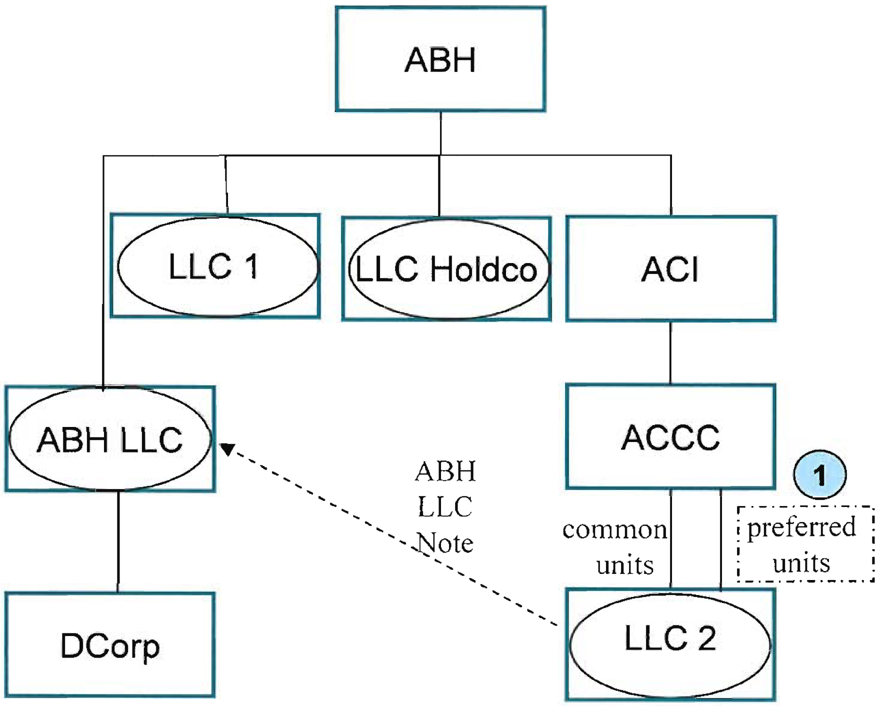
Repayment Steps



Preliminary Steps

1) ABH creates LLC Holdco and LLC 1 and ACCC creates LLC 2, each a Delaware limited liability company. The LLC Holdco, LLC 1 and LLC 2 formation documents will prohibit the LLCs from engaging in any activities other than completing the Repayment Steps, holding the units of LLC 1, the ABH LLC Note, the LLC 2 Note and the LLC 2 Preferred Units (described herein), including prohibitions on indebtedness and other activities.
2) LLC Holdco, LLC 1 and LLC 2 file bankruptcy petitions.
3) LLC 2 acquires $1,000 of units in a publicly listed Canadian partnership.
4) Debtors file motions seeking approval of the transaction, including:
   - related consents under postpetition financing agreements;
   - granting to ACCC Term Lenders of lien on all assets of LLC 1, including a pledge of the LLC 2 Note by any holder thereof, and lien on the units of LLC 1;
   - execution by LLC 1 of guarantees under the ACCC Term Loan, the Secured Notes, and the 15.5% Senior Unsecured Notes;
   - merger/dissolution of LLC 2 (and dismissal of related bankruptcy cases) upon completion of transaction; and
   - granting of lien on the LLC 2 Note and units of LLC 1 to secure ACCC's interest in residual value of LLC 2 Note.

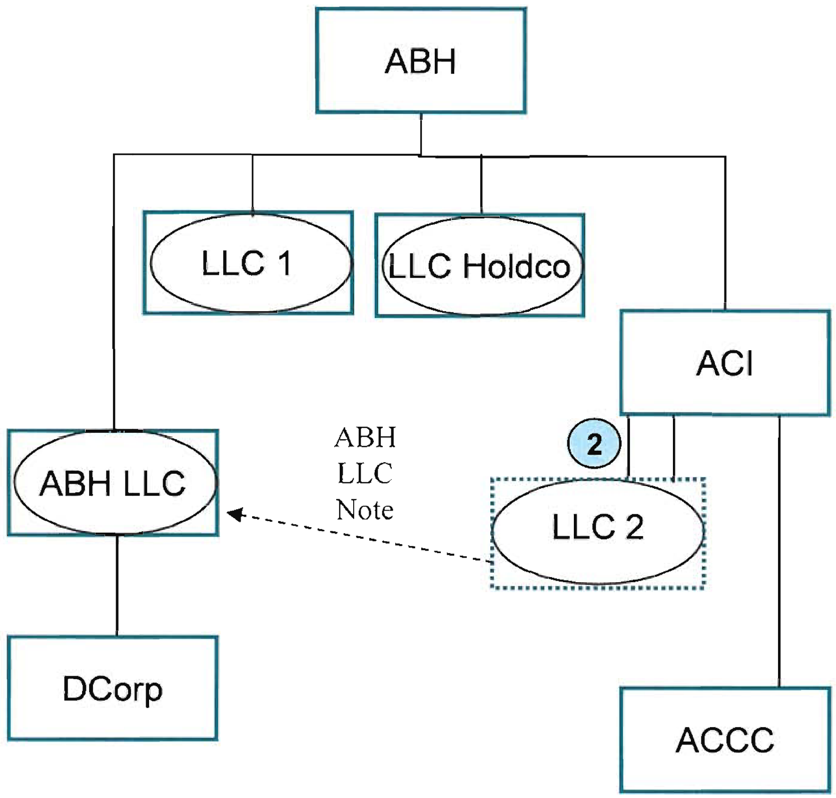
Repayment Steps



Step 1

ACCC transfers, subject to the lien in favour of the ACCC Term Lenders, the ABH LLC Note to LLC 2 in exchange for preferred units (the "LLC 2 Preferred Units") with a redemption and retraction value of U.S. $250 million (the amount of principal and interest outstanding on the ABH LLC Note). The LLC 2 Preferred Units are convertible at the option of the holder into a U.S. $250 million debt treated as a pre-filing debt with terms and conditions identical to the ABH LLC Note. LLC 2 becomes a guarantor under the ACCC Term Loan, the Secured Notes and the 15.5% Senior Unsecured Notes and pledges the ABH LLC Note in favour of the ACCC Term Lenders. ACCC pledges the LLC 2 Preferred Units in favour of the ACCC Term Lenders.

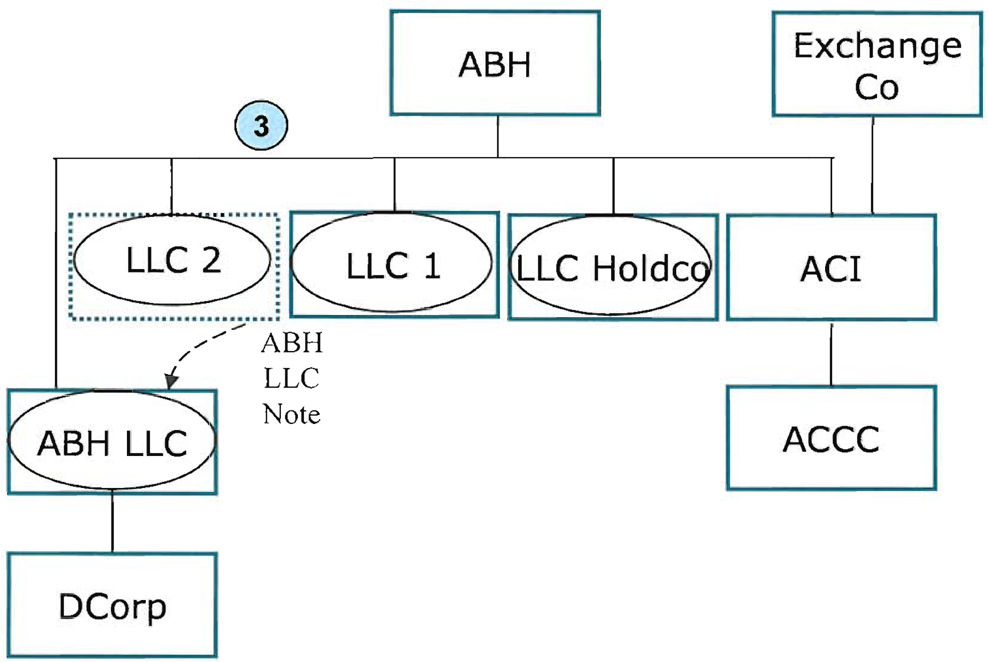
Repayment Steps



Step 2

ACCC reduces the share capital maintained in respect of its common shares by U.S. $250 million and distributes, subject to the lien in favour of the ACCC Term Lenders, to ACI the LLC 2 Preferred Units and other units issued upon its creation.

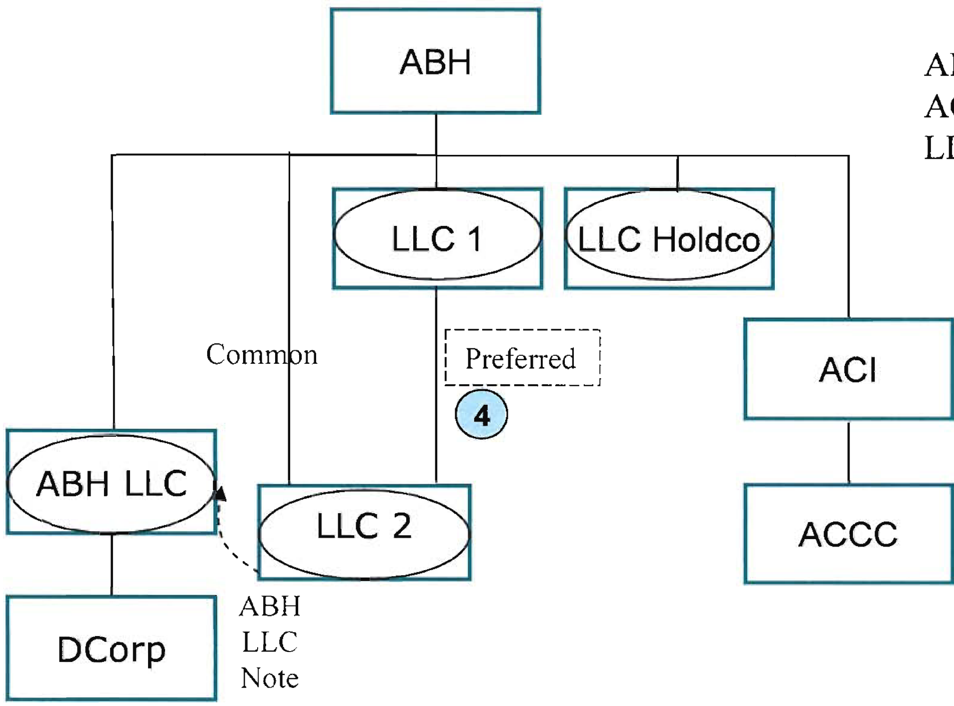
Repayment Steps



Step 3

ACI reduces the stated capital maintained in respect of its common shares by U.S. $305 million and distributes U.S. $250 million, being 82% of U.S. $305 million, to ABH through the transfer, subject to the lien in favour of the ACCC Term Lenders, of the LLC 2 Preferred Units and other units of LLC 2 issued upon its creation. Concurrently, ExchangeCo renounces its share of the distribution, being U.S. $55 million or 18% of U.S. $305 million.

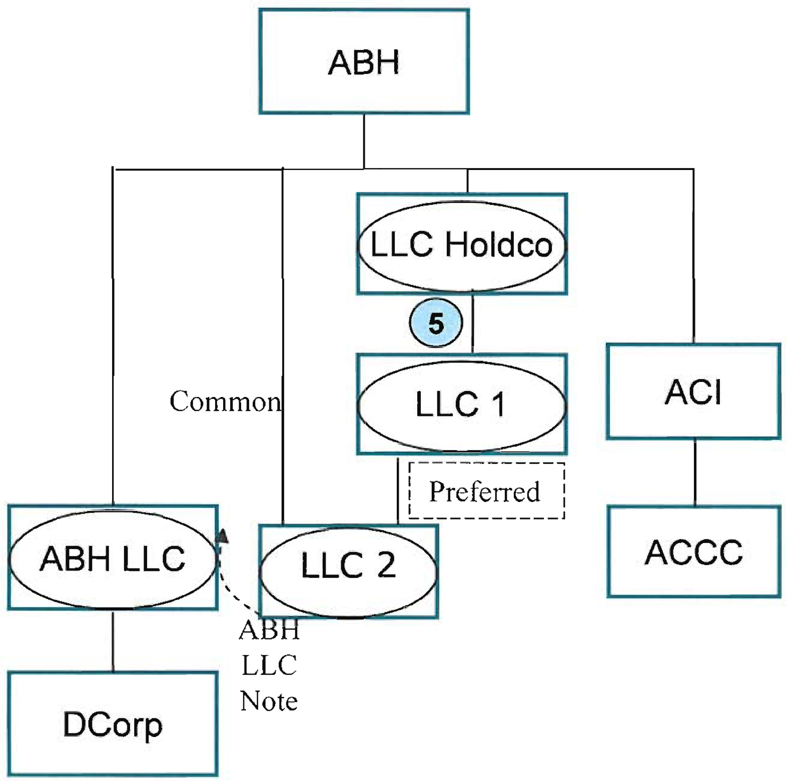
Repayment Steps



Step 4

ABH transfers, subject to the lien in favour of the ACCC Term Lenders, the LLC 2 Preferred Units to LLC 1 in exchange for LLC 1 common units.

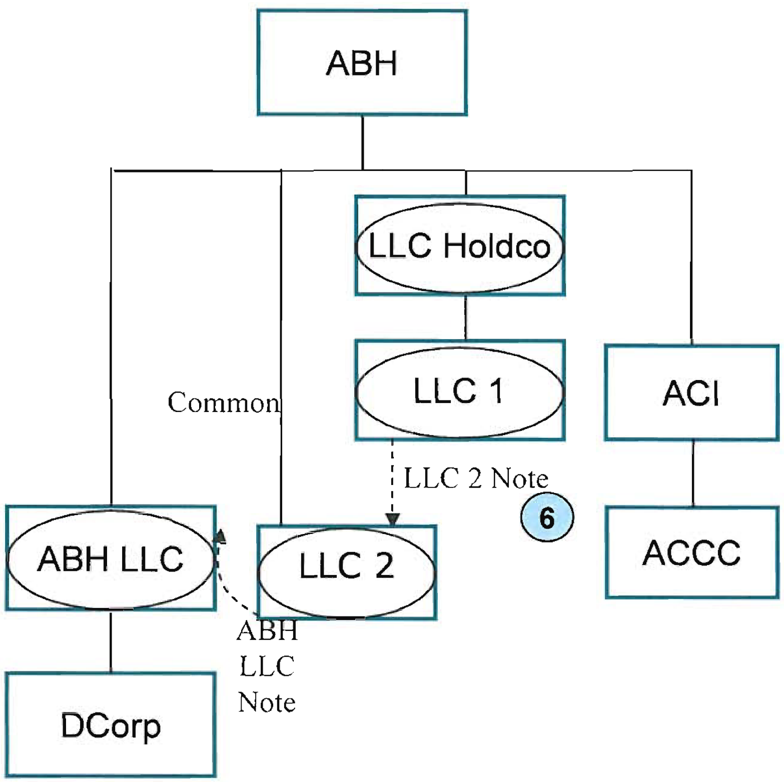
Repayment Steps



Step 5

ABH transfers the LLC 1 common units to LLC Holdco in exchange for LLC Holdco common units.

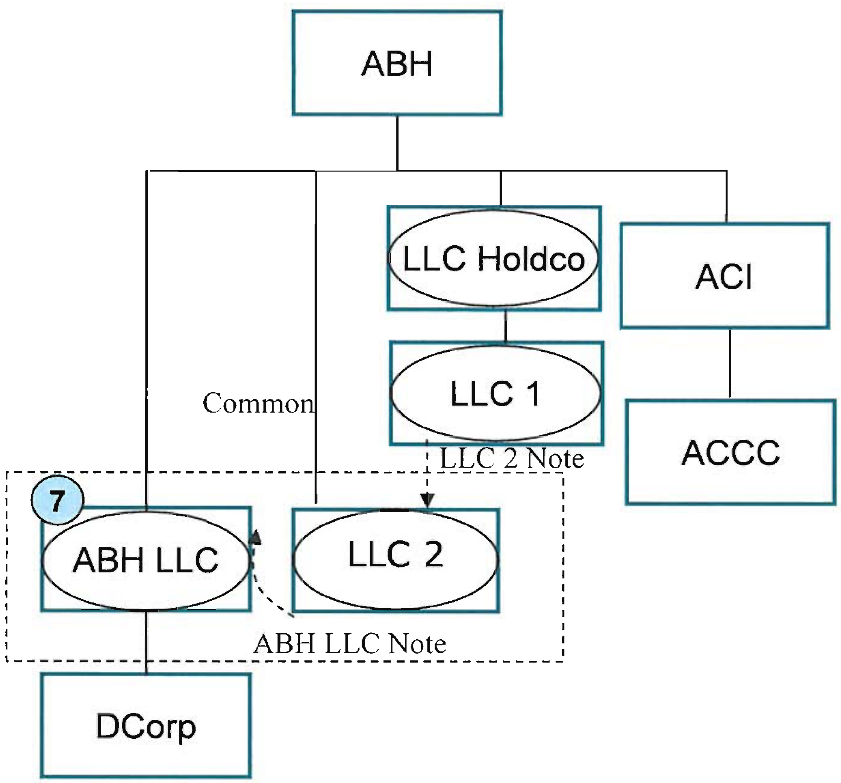
Repayment Steps



Step 6

The LLC 2 Preferred Units are converted into debt (the "LLC 2 Note"). Terms and conditions of the LLC 2 Note are identical to the terms and conditions of the ABH LLC Note, as are the pledge in favour of the ACCC Term Lenders and the guarantees under the ACCC Term Loan, the Secured Notes and the 15.5% Senior Unsecured Notes.

Repayment Steps



Step 7

LLC 2 and ABH LLC merge, ABH LLC being the surviving entity of the merger. LLC 2 bankruptcy case is dismissed. The surviving entity is not a guarantor under the ACCC Term Loan, the Secured Notes and the 15.5% Senior Unsecured Notes.

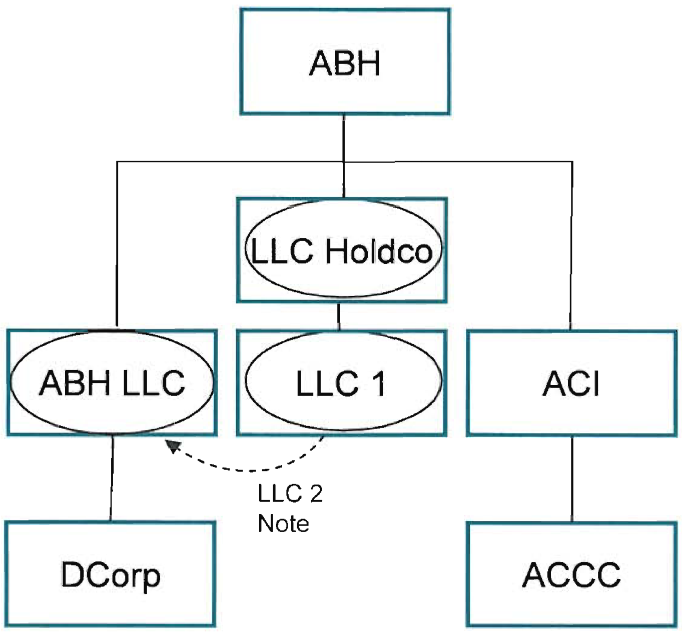
LLC 1 becomes a guarantor under the ACCC Term Loan, the Secured Notes and the 15.5% Senior Unsecured Notes.

LLC 2 Note remains outstanding and is pledged to ACCC Term Lenders.

Support agreement under which LLC Holdco and LLC 1 will, unless otherwise provided in the Plans, be required to transfer either the units of LLC 1, the LLC 2 Note or assets of equivalent value to ACCC upon liquidation, effective date of the Plans, default under the LLC 2 Note or the Support Agreement or dismissal or conversion of Chapter 11 proceedings or lifting or expiry of Canadian stay, is entered into. The Support Agreement will also include a covenant by each of LLC Holdco and LLC 1 not to make any payment or otherwise reduce any amount under the LLC 2 Note without Court orders.

To secure the performance of the support obligations under the Support Agreement, US Court to grant a charge (subordinated to the ACCC Term Lenders) on the units of LLC1 and LLC 2 Note.

LLC 2 Note



Payor	ABH LLC
Payee	LLC 1
Interest rate	13.75%
Outstanding Principal Amount	$250 M

Adjustments:

Outstanding Principal Amount reduced by amount of any Guaranty Payment made by DCorp "Guaranty Payment" refers to the amount of cash paid by DCorp or the FMV of any property sold by DCorp, the proceeds of which are applied to the obligations of DCorp under:

- Senior Term Loan
- 13.75% Senior Secured Notes due 2011
- 15.50% Senior Notes due 2010

(collectively, the "ACCC Debt")

If ABH LLC or DCorp receives as a result of the exercise of any subrogation rights it may have arising out of any Guaranty Payment (the "Subrogation Payments"), the amount of such Subrogation Payments is applied as follows:

(1) to offset any Guaranty Payment not yet applied against the Outstanding Principal Amount

(2) to increase the Outstanding Principal Amount

Restrictive Covenant on LLC 1:

- Not to pay dividends or make distributions
- Not to incur indebtedness or give additional security

Governing Laws:

Laws of the State of New York

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

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

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ABITIBIBOWATER INC. et al

Petitioners

- and –

ERNST & YOUNG INC.

Monitor

BS0350 n/dos.: 041053-1170

EXHIBIT R-2

ORIGINAL

Me Guy P. Martel (514) 397-3163
Fax : (514) 397-3493

STIKEMAN ELLIOTT
Stikeman Elliott S.E.N.C.R.L., s.r.l. AVOCATS
40e Étage
1155, boul. René-Lévesque Ouest
Montréal, Canada H3B 3V2

EXHIBIT R-3

Privileged & Confidential
Attorney Work Product

Draft dated November 17, 2009

SUPPORT AGREEMENT

This Support Agreement (this "**Agreement**") is made as of ●, 2009 among [**LLC Holdco**] ("**LLC Holdco**"), AbitibiBowater U.S. Holding LLC ("**ABH LLC**"), [**LLC1**] ("**LLC1**") and Abitibi-Consolidated Company of Canada (the "**Support Beneficiary**").

RECITALS

WHEREAS on April 1, 2008, as part of a refinancing and restructuring of AbitibiBowater Inc. ("**ABH**") and related entities, ABH LLC issued a note (the "**ABH LLC Note**") whereby it promised to pay the sum of $201,614,222.50 to the Support Beneficiary, together with any Principal Increase (as defined in the ABH LLC Note) and all accrued and unpaid interest thereon as provided therein;

WHEREAS, as of April 16, 2009, an amount of approximately $250 million was outstanding under the ABH LLC Note;

WHEREAS, the ABH LLC Note was subsequently repaid pursuant to a restructuring transaction approved by the Canadian Court by an Order dated November __, 2009 (the "**Canadian Order**") and approved by the U.S. Bankruptcy Court by an order dated November __, 2009 (collectively with the Canadian Order, the "**Orders**" and the restructuring transactions permitted by the Orders, collectively the "**Reorganization**");

WHEREAS, in connection with the Reorganization, ABH LLC issued a new intercompany note (the "**LLC2 Note**"), with terms and conditions substantially identical to the ABH LLC Note;

WHEREAS, the parties hereto have agreed that notwithstanding ABH LLC's issuance of the LLC2 Note payable to LLC1, a newly formed limited liability corporation wholly-owned by LLC Holdco, which in turns is wholly-owned by ABH, the Support Beneficiary shall be entitled to receive the residual value of the LLC2 Note pursuant to the terms set forth in the Orders and this Agreement; and

WHEREAS, pursuant to the terms of the Orders and this Agreement, each Support Provider shall grant to the Support Beneficiary a security interest in, and lien upon, the LLC2 Note and the LLC1 Units, subject and subordinate to the security interest in, and lien upon, the assets of LLC1 granted in favor of the ACCC Term Agent for the benefit of the ACCC Term Loan Creditors (as such terms are defined in the Final Order pursuant to Sections 105, 362(d), 363(b)(1), 363(c)(2), 363(f), 363(l), 363(m), 364(c)(2), 364(e) and 365 of the Bankruptcy Code (1) Authorizing Entry into an Amended and Restated Guaranteed Receivables Purchase Facility, (2) Authorizing the Sale of Receivables and Related Rights Pursuant to an Amended and Restated Securitization Program, (3) Authorizing ACSC to Cause Payment of Certain Fees Pursuant to the Engagement Letters, (4) Modifying the Automatic Stay, (5) Authorizing the Use of Cash Collateral, (6) Granting Superpriority Administrative Expense Claims, (7) Granting Adequate Protection, (8) Scheduling a Hearing and (9) Granting Other Related Relief, as entered by the US Bankruptcy Court on July 1, 2009 (attached hereto as Exhibit "A", the "**Final Securitization Order**")).

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto have agreed as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions

"**ACI**" means Abitibi-Consolidated Inc. or any successor thereof.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or day on which major banks are closed for business in Montreal, Canada or in New York, New York.

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

"**CCAA Plan**" means one or more plans of compromise or arrangement under the CCAA that has been accepted by the requisite majority of creditors and sanctioned by the Canadian Court.

"**Canadian Court**" means the Superior Court for the Province of Québec, District of Montreal, Commercial Division.

"**Canadian Initial Order**" means the order (as subsequently amended and restated) in respect of ACI and subsidiaries thereof, Bowater Canadian Holdings Inc. and subsidiaries thereof and certain partnerships rendered by the Canadian Court pursuant to the CCAA on April 17, 2009.

"**DCorp**" means Donohue Corp. or any successor thereof.

"**Effective Date**" means, in respect of ACI or DCorp, the date on which ACI or DCorp, as applicable, has satisfied the conditions precedent to the effective date of (i) the CCAA Plan; and (ii) the U.S. Bankruptcy Plan.

"**Event of Default**" has the meaning ascribed to it in the LLC2 Note.

"**Liquidation Event**" means, in respect of ABH, ACI or DCorp, (i) the determination to institute voluntary liquidation, dissolution or winding-up proceedings with respect to such Person or to effect any other distribution of assets of such Person among its shareholders for the purpose of winding up its affairs, and (ii) the earlier of (A) receipt by such Person of notice of, and (B) such Person otherwise becoming aware of, any instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding-up of such Person or to effect any other distribution of assets of such Person among its shareholders for the purpose of winding up its affairs, provided, however, that such proceeding shall only be a Liquidation Event if such Person has failed to contest in good faith any such proceeding commenced in its respect within twenty (20) days of becoming aware thereof or if such Person is not successful in any such good faith contestation and all rights of appeal have expired or been exhausted.

"**LLC2 Note Value**" means the dollar amount of the Outstanding Principal Amount of the LLC2 Note plus any accrued and unpaid interest thereon as of the date on which a Triggering Event occurs.

"**LLC1 Units**" means all of the units of LLC1 owned by LLC Holdco.

"**Outstanding Principal Amount**" has the meaning ascribed to it in the LLC2 Note.

"**Person**" means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity (including any governmental entity), and pronouns have a similarly extended meaning.

"**Support Obligations**" means the obligations of the Support Providers set forth in Section 3.1.

"**Support Providers**" is a collective reference to LLC Holdco and LLC1 and a "**Support Provider**" refers to any one of them.

"**Stay or Conversion Event**" means, in respect of ABH or DCorp, the dismissal or conversion of their respective chapter 11 cases or conversion to a case under chapter 7 of the Bankruptcy Code, or the filing of a motion or other pleading seeking the dismissal of their respective cases under section 1112 of the Bankruptcy Code or otherwise, and in respect of ACI the lifting or expiry of the stay of proceedings granted in the Canadian Initial Order, as applicable.

"**Triggering Event**" means (i) any Liquidation Event, (ii) subject to the CCAA Plan and the U.S. Bankruptcy Plan, the Effective Date, (iii) any Event of Default, (iv) any Stay or Conversion Event, and (v) any failure for a period of thirty (30) days after notice to comply with any of the provisions of this Agreement or any agreement, document or instrument as are required hereunder.

"**U.S.**" means the United States of America.

"**U.S. Bankruptcy Code**" means Chapter 11 of Title 11 of the U.S. Code.

"**U.S. Bankruptcy Court**" means the United States Bankruptcy Court for the District of Delaware.

"**U.S. Bankruptcy Plan**" means a plan of reorganization or liquidation that has been confirmed by the U.S. Bankruptcy Court.

1.2 Additional Definitions

In addition to the defined terms in Section 1.1, each of the following capitalized terms shall have the meaning ascribed thereto in the corresponding Sections:

Term	Section
ABH	Recitals

Term	**Section**
LLC Holdco	Preamble
ABH LLC	Preamble
ABH LLC Note	Recitals
Canadian Order	Recitals
Final Securitization Order	Recitals
LLC1	Preamble
LLC2 Note	Recitals
Notice	4.2
Orders	Recitals
Reorganization	Recitals
Support Beneficiary	Preamble

1.3 Interpretation

(a) **Preamble and Recitals**. The preamble and recitals of this Agreement shall form an integral part hereof.

(b) **Gender and Number**. Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and *vice versa.*

(c) **Headings, etc**. The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect its interpretation.

(d) **Currency.** All references in this Agreement to dollars or to "$" are expressed in U.S. currency unless otherwise specifically indicated.

(e) **Certain Phrases, etc.** In this Agreement, (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation", and (ii) the expressions "Article", "Section" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of the Agreement.

(f) **Statutory References.** Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as they may have been or may from time to time be amended, re-enacted or superseded.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

2.1 Representation and Warranties by Support Providers

Each of the Support Providers hereby represents and warrants to and in favor of the Support Beneficiary as follows:

(a) **Existence and Good Standing.** It is a corporation duly and validly incorporated, formed, organized and existing under the laws of its jurisdiction of organization and has the legal capacity and right to own its assets and to carry on its business in each jurisdiction in which its assets are located or it carries on business.

(b) **Authority**. It has the legal capacity and right to enter into this Agreement and do all acts and things and execute and deliver all agreements, documents and instruments as are required hereunder and thereunder to be done, observed, performed, executed or delivered by it in accordance with the terms and conditions hereof and thereof.

(c) **Due Authorization.** It has taken all necessary action to authorize the execution and delivery of this Agreement, the creation and performance of its obligations hereunder and the consummation of the transactions contemplated in this Agreement.

(d) **Due Execution.** It has duly executed and delivered this Agreement.

(e) **Non Conflict.** The execution, delivery and performance of this Agreement does not conflict with any of its constitutive documents and will not result in a violation of applicable laws.

(f) **Enforceability**. The Agreement constitutes a valid and legally binding obligation enforceable against such Support Provider in accordance with its terms.

(g) **Sole Purpose Vehicle.** It was formed on ●, 2009 to be used as a sole purpose vehicle to, in the case of LLC Holdco, hold the LLC1 Units and, in the case of LLC1, hold the LLC2 Note and, other than in connection with the Reorganization, did not engage in any business activities prior to the date of this Agreement.

ARTICLE 3
SUPPORT OBLIGATIONS

3.1 Support Obligations

Unless otherwise provided in the CCAA Plan and the U.S. Bankruptcy Plan, within ten (10) Business Days following a Triggering Event, the Support Providers shall execute the transfer and assignment documents attached hereto as Exhibit "B" and take such other actions as necessary to effectuate an irrevocable transfer and assignment to the Support Beneficiary of the LLC2 Note, the LLC1 Units or such other assets, in each case having a value equal to an amount not greater than the LLC2 Note Value.

3.2 Nature of the Support Provider's Obligations

The Support Providers jointly and severally hereby irrevocably, absolutely and unconditionally guarantee to the Support Beneficiary the due and punctual observance and performance of all of their obligations hereunder in accordance with their respective terms. The obligations of the Support Providers hereunder are primary, joint and several, absolute and unconditional, present and continuing, unlimited, general and irrevocable and constitute a guarantee of performance.

3.3 Consideration

The Support Providers hereby acknowledge that they have entered into this Agreement to induce the Support Beneficiary to undertake, amongst other things, the Reorganization and that the Support Beneficiary has undertaken such transactions in reliance upon this Agreement and would not have done the same without the appropriate execution and delivery of this Agreement.

3.4 No Release of the Support Provider

The obligations of the Support Providers under this Agreement shall not be reduced, limited or terminated, nor shall the Support Providers be discharged from any obligations under this Agreement, for any reason whatsoever, including:

3.4.1 any extension of the time for observance or performance, or any other amendment to, the Support Obligations;

3.4.2 any settlement (whether by way of release, acceptance of a plan of compromise, arrangement, reorganization or otherwise) of the Support Obligations;

3.4.3 any election not or failure to exercise, delay in the exercise of, exercise or waiver of, or forbearance or other indulgence with respect to any rights, remedies or recourses available to the Support Beneficiary hereunder, including:

(a) any failure to perfect or continue the perfection of any security interest in the LLC2 Note and the LLC1 Units now or hereafter securing any or all of the Support Obligations;

(b) any subordination by operation of Law, whether present or future, of any or all of the Support Obligations;

(c) any disallowance, invalidity, illegality, voidness or unenforceability of any or all security interests securing any or all of the Support Obligations; and

(d) any other act or failure to act which varies the risks of the Support Provider hereunder or, but for the provisions hereof, under the terms of any law, would operate to reduce, limit or terminate the Support Obligations.

3.5 Security Interest

The parties hereto acknowledge and agree that the assets of LLC1 (including the LLC2 Note) and the LLC1 Units constitute ACCC Term Loan Collateral, as such term is defined in the Final Securitization Order.

Each Support Provider hereby grants to the Support Beneficiary a continuing security interest in and continuing lien on all of its such right, title and interest in, to and under the LLC2

Note and the LLC1 Units, which security interest in and continuing lien on are subject and subordinate to the ACCC Term Loan Liens, as such term is defined in the Final Securitization Order.

3.6 <u>Support Covenants</u>

3.6.1 LLC Holdco shall cause LLC1 to be, and each of the Support Providers shall only be, at all times, used as a sole purpose vehicle to, in the case of LLC Holdco, hold the LLC1 Units and, in the case of LLC1, hold the LLC2 Note.

3.6.2 Without limiting the generality of the foregoing and without derogating from the Support Obligations, LLC Holdco shall not permit LLC1 to, and each of the Support Providers shall not:

(a) sell, transfer or otherwise dispose of, in the case of LLC Holdco, the LLC1 Units, any benefit thereof or any other assets of LLC Holdco and, in the case of LLC1, the LLC2 Note, any benefit thereof, or any other assets of LLC1, in each case to any Person;

(b) amend or revoke its constitutive document;

(c) issue or distribute any ownership interests in any of the Support Providers to any Person;

(d) discharge any secured or unsecured obligation or liability whatsoever;

(e) create any indebtedness for borrowed money or make any loan or advance or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of any Person;

(f) cancel or waive any claims or rights other than as expressly permitted under the LLC2 Note;

(g) compromise or settle any litigation, proceeding or governmental investigation relating to the LLC1 Units, the LLC2 Note or any other assets of the Support Providers; or

(h) authorize, agree, or otherwise commit, whether or not in writing, to do any of the foregoing.

3.6.3 Without limiting the generality of the foregoing and without derogating from the obligations of the Support Providers, LLC Holdco will cause LLC1 to, and LLC1 shall perform its obligations under the LLC2 Note and take, or cause to be taken, such steps as may be necessary for the purposes of ensuring that the economic value of the LLC2 Note is preserved and that the Support Beneficiary is in no way adversely affected by the Reorganization.

3.6.4 LLC Holdco shall at all times hold all of the ownership interests, legal and beneficial, of LLC1 and shall not transfer, directly or indirectly, any ownership interest, legal and beneficial, in LLC1 to any Person.

3.6.5 Each Support Provider shall not cause or permit to exist a breach of any representations, warranties, covenants and undertakings of the Support Providers contained in this Agreement or, in the case of LLC1, the LLC2 Note and shall conduct its business in such a manner to ensure such representations, warranties, covenants and undertakings shall be true, correct and complete (in the case of representations and warranties) and duly performed and complied with (in the case of covenants and undertakings).

3.6.6 ABH LLC and LLC1 shall not make any payment or otherwise reduce any amount owing under the LLC2 Note without an order of the Canadian Court and the U.S. Bankruptcy Court.

ARTICLE 4
GENERAL PROVISIONS

4.1 Further Assurances

From time to time, each party shall, at the request of any other party, execute and deliver such additional conveyances, transfers and other assurances and do all such other acts or things as may be reasonably required to effectively carry out the purposes and intent of this Agreement, including to perfect the security interest and lien referred to in Section 3.5.

4.2 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a "**Notice**") must be in writing, sent by personal delivery, courier or facsimile (but not by email) and addressed:

to LLC Holdco at:

●

Facsimile: ●
Attention: ●

to ABH LLC at:

●

Facsimile: ●
Attention: ●

to LLC1 at:

●

Facsimile: ●
Attention: ●

to the Support Beneficiary at:

1155 Metcalfe Street, Suite 800
Montreal (Quebec) H3B 5H2

Facsimile: (864) 282-9219 and (514) 394-3644
Attention: Chief Financial Officer & Chief Legal Officer

A Notice is deemed to be given and received (i) if sent by personal delivery or same day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 3:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day, or (iii) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. A party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a Notice will be assumed not to be changed.

4.3 Rights and Recourses Cumulative

The rights and remedies of the Support Beneficiary under this Agreement shall be cumulative and not exclusive of any right or remedy which the Support Beneficiary would otherwise have and no failure or delay by the Support Beneficiary in exercising any right shall operate as a waiver thereof, nor shall any single or partial exercise of any power or right preclude its other or further exercise or the exercise of any other power or right.

4.4 Amendments

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the parties.

4.5 Waiver

No waiver of any provision of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or a future waiver of the same provision, nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

4.6 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties.

4.7 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

4.8 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights or obligations under this Agreement shall be assignable or transferable by any party, without the prior written consent of the non transferring or non assigning parties, and any purported assignment or delegation in violation hereof shall be null and void.

4.9 Governing Law; Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the U.S. Bankruptcy Court.

4.10 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by facsimile or other means of electronic communication) and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have signed this Agreement.

ABITIBIBOWATER HOLDING LLC

Per: ______________________________

Per: ______________________________

ABITIBIBOWATER U.S. HOLDING LLC

Per: ______________________________

Per: ______________________________

[LLC1]

Per: ______________________________

Per: ______________________________

ABITIBI-CONSOLIDATED COMPANY OF CANADA

Per: ______________________

Per: ______________________

<u>Exhibit A</u>
Final Securitization Order

See attached.

Exhibit A
Transfer and Assignment Documents

See attached.

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

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. et al

Petitioners

- and –

ERNST & YOUNG INC.

Monitor

BS0350 n/dos.: 041053-1170

EXHIBIT R-3

ORIGINAL

Me Guy P. Martel (514) 397-3163
Fax : (514) 397-3493

STIKEMAN ELLIOTT
Stikeman Elliott S.E.N.C.R.L., s.r.l. AVOCATS
40e Étage
1155, boul. René-Lévesque Ouest
Montréal, Canada H3B 3V2

SUPERIOR COURT
Commercial Division
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LIST OF EXHIBITS AND EXHIBITS R-1 TO R-3

ORIGINAL

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