

CANADA

PROVINCE OF QUEBEC
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 listed herein

Petitioners

and

ERNST & YOUNG INC.,

Monitor

**AMENDED MOTION FOR THE APPROVAL OF A PROCESS TO SOLICIT,
REVIEW AND DETERMINE APPLICABLE CLAIMS AND FOR THE
ESTABLISHMENT OF A SECOND CLAIMS BAR DATE**

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

A. PREAMBLE

1. On April 17, 2009, this Honourable Court (the "**Canadian Court**") issued an order (as subsequently amended and restated, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**" and the "**CCAA Proceedings**") in respect of (i) Abitibi-Consolidated Inc. ("**ACI**") and subsidiaries thereof (the "**Abitibi Petitioners**")¹; (ii) Bowater Canadian Holdings Inc. and subsidiaries thereof (the "**Bowater Petitioners**"², collectively with the Abitibi Petitioners, the "**Canadian Petitioners**") and (iii) certain partnerships (the "**Partnerships**").³
2. Pursuant to the Initial Order, Ernst & Young Inc. (the "**Monitor**") was appointed as Monitor of the Canadian Petitioners and Partnerships under the CCAA and a stay of proceedings was granted in favour of the Canadian Petitioners and Partnerships which was extended most recently until March 15, 2010.
3. On April 16, 2009, AbitibiBowater Inc. ("**ABH**"), Bowater Inc. and certain of their U.S. and Canadian subsidiaries (excluding the Cross-Border Petitioners as defined below, the "**U.S. Debtors**")⁴ filed voluntary petitions for relief under Chapter 11 of the *U.S. Bankruptcy Code* (the "**Chapter 11 Proceedings**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**"). On April 17, 2009, ABH and certain of its subsidiaries (collectively with ABH, the "**18.6 Petitioners**")⁵ obtained orders under s. 18.6 of the CCAA in respect of the Chapter 11 Proceedings.

¹ The Abitibi Petitioners are Abitibi-Consolidated Inc., Abitibi-Consolidated Company of Canada, 3224112 Nova Scotia Limited, Marketing Donohue Inc., Abitibi-Consolidated Canadian Office Products Holdings Inc., 3834328 Canada Inc., 6169678 Canada Incorporated., 4042140 Canada Inc., Donohue Recycling Inc., 1508756 Ontario Inc., 3217925 Nova Scotia Company, La Tuque Forest Products Inc., Abitibi-Consolidated Nova Scotia Incorporated, Saguenay Forest Products Inc., Terra Nova Explorations Ltd., The Jonquière Pulp Company, The International Bridge and Terminal Company, Scramble Mining Ltd. and 9150-3383 Québec Inc. Abitibi-Consolidated (U.K.) Inc. was added to the Schedule of Abitibi Petitioner on November 10, 2009.

² The Bowater Petitioners are Bowater Canadian Holdings Incorporated., Bowater Canada Finance Corporation, Bowater Canadian Limited, 3231378 Nova Scotia Company, AbitibiBowater Canada Inc., Bowater Canada Treasury Corporation, Bowater Canadian Forest Products Inc., Bowater Shelburne Corporation, Bowater LaHave Corporation, St. Maurice River Drive Company Limited, Bowater Treated Wood Inc., Canexel Hardboard Inc., 9068-9050 Québec Inc., Alliance Forest Products (2001) Inc., Bowater Belledune Sawmill Inc., Bowater Maritimes Inc., Bowater Mitis Inc., Bowater Guérette Inc. and Bowater Couturier Inc.

³ The Partnerships are Bowater Canada Finance Limited Partnership, Bowater Pulp and Paper Canada Holdings Limited Partnership and Abitibi-Consolidated Finance LP.

⁴ The US Debtors are AbitibiBowater Inc., AbitibiBowater US Holding LLC, Donohue Corp., Abitibi Consolidated Sales Corporation, Abitibi-Consolidated Alabama Corporation, Alabama River Newsprint Company, Abitibi-Consolidated Corporation, Augusta Woodlands, LLC, Tenex Data Inc., AbitibiBowater US Holding 1 Corp., Bowater Ventures Inc., Bowater Incorporated, Bowater Nuway Inc., Bowater Nuway Mid-States Inc., Catawba Property Holdings LLC, Bowater Finance Company Inc., Bowater South American Holdings Incorporated, Bowater America Inc., Lake Superior Forest Products Inc., Bowater Newsprint South LLC, Bowater Newsprint South Operations LLC, Bowater Finance II LLC, Bowater Alabama LLC, Coosa Pines Golf Club Holdings LLC and Abitibi-Consolidated Finance LP; provided that "U.S. Debtors" shall not include the Cross-Border Filers;

⁵ The 18.6 Petitioners are AbitibiBowater Inc., AbitibiBowater US Holding 1 Corp., Bowater Ventures Inc., Bowater Incorporated, Bowater Nuway Inc., Bowater Nuway Mid-States Inc., Catawba Property Holdings LLC, Bowater Finance Company Inc., Bowater South American Holdings Incorporated, Bowater America Inc., Lake Superior Forest Products Inc., Bowater Newsprint South LLC, Bowater Newsprint South Operations LLC, Bowater Finance II, LLC, Bowater Alabama LLC and Coosa Pines Golf Club Holdings LLC.

4. In the context of the restructuring of the Petitioners' business, Bowater Canadian Forest Products Inc. and five other Bowater Petitioners filed for court protection in both the CCAA Proceedings and the Chapter 11 Proceedings (the "**Cross-Border Petitioners**").⁶

B. ORDERS SOUGHT

5. The present motion seeks an order from this Court (the "**Third Claims Procedure Order**") establishing the Second Claims Bar Date (as defined herein) for the filing of certain claims against the Canadian Petitioners and the Partnerships excluded from the first claims bar date of November 13, 2009 (each an "**Applicable Claim**"), as well as the manner of notice and applicable procedure for the filing of Applicable Claims with the Monitor.
6. A copy of the English version of the Third Claims Procedure Order is communicated herewith as **Exhibit R-1**, with a French version of said Order to be communicated as **Exhibit R-2** prior to the hearing on the present Motion. All otherwise undefined capitalized terms used herein shall have the meaning attributed to them in the Third Claims Procedure Order.

C. BACKGROUND

7. On August 26, 2009, this Court issued a first order (the "**First Claims Procedure Order**") which, *inter alia*, (i) established November 13, 2009 at 4:00 p.m. Eastern Time as a claims bar date (the "**First Claims Bar Date**") for the filing of creditors' proofs of claim in respect of Claims and Subsequent Claims (said terms as defined in the First Claims Procedure Order) with the Monitor; (ii) outlined a procedure for the filing of Claims and Subsequent Claims against the Canadian Petitioners and Partnerships; and (iii) approved the forms and manners of notice of the First Claims Procedure Order.
8. The First Claims Procedure Order provided that certain excluded claims defined as "Excluded Claims" therein were not required to be filed with the Monitor by the First Claims Bar Date. These Excluded Claims included, *inter alia*, any Claim or Subsequent Claim of any employee of the Canadian Petitioners or Partnerships who was employed by that Canadian Petitioner or Partnership as of April 16, 2009.
9. On September 3, 2009 an Order was issued in the context of the Chapter 11 Proceedings by the U.S. Court approving an order similar to the First Claims Procedure Order (the "**U.S. Claims Procedure Order**"). The U.S. Claims Procedure Order also established November 13, 2009 as a claims bar date for the filing of claims against U.S. Debtors in the Chapter 11 Proceedings, save and except, *inter alia*, for claims by employees who were employed by the U.S. Debtors as of April 16, 2009, which were similarly excluded from the scope of the U.S. Claims Procedure Order.

⁶ The Cross-Border Petitioners are Bowater Canadian Holdings Inc., Bowater Canada Finance Corporation, Bowater Canadian Limited, AbitibiBowater Canada Inc., BCFPI, Bowater LaHave Corporation and Bowater Maritimes Inc.

10. On January 18, 2010, this Court issued an order (the "**Second Claims Procedure Order**") setting out the procedure for the review and determination of Claims, Subsequent Claims and Former Employee Grievances (said terms as defined in the Second Claims Procedure Order).

D. THIRD CLAIMS PROCEDURE ORDER

11. The proposed Third Claims Procedure Order sets out the Second Claims Bar Date (as defined below), the manner of notice and filing procedure as well as the claims review and determination procedure in respect of all Applicable Claims against the Canadian Petitioners and Partnerships.

12. The group of Applicable Claims is comprised of the following:

- (i) any Claim or Subsequent Claim which was not subject to the First Claims Bar Date of November 13, 2009 including, without limiting the generality of the foregoing, Current Employee Claims (as defined in the Third Claims Procedure Order);
- (ii) any "Restructuring Claim" (as defined in the Third Claims Procedure Order).

13. The claims which remain excluded by the Third Claims Procedure Order (each an "**Excluded Claim**") are (i) any Claim, Subsequent Claim or Restructuring Claim secured by the Abitibi Administration Charge, the Bowater Administration Charge, the Abitibi D&O Charge, the Bowater D&O Charge, the ACI DIP Charge or the BI DIP Lenders Charge (as each term as defined in the Second Amended Initial Order); (ii) any Intercompany Claim including those secured by the ACI Inter-Company Advances Charge and the BI Inter-Company Advances Charge (as each term is defined in the Second Amended Initial Order); (iii) any Claim for amounts owed for ordinary course payroll obligations or for the reimbursement of expenses scheduled to be paid in the ordinary course; and (iv) any other Claim, Subsequent Claim, Applicable Claim or Restructuring Claim ordered by the Court to be treated as an Excluded Claim after the issuance of this Order.

14. The Third Claims Procedure Order sets out the following bar date in respect of Applicable Claims (the "**Second Claims Bar Date**"):

- (i) April 7, 2010 in respect of any Applicable Claim other than a Restructuring Claim;
- (ii) since it is conceivable for a Restructuring Claim to arise after April 7, 2010, a "rolling bar date" for any Restructuring Claim which is the later of (a) April 7, 2010 or (b) thirty (30) days after the date of mailing by the Monitor of a notice advising the Creditor to file a Second Canadian Proof of Claim as a result of any event giving rise to a Restructuring Claim.

15. The Third Claims Procedure Order also sets out manners of notice and a procedure for the filing Applicable Claims which are identical to those found in the First Claims Procedure Order in respect of Claims and Subsequent Claims, save for certain adjustments where necessary.
16. The Third Claims Procedure Order finally provides that the procedure for the review and determination of Applicable Claims shall be identical to that set forth in the Second Claims Procedure Order in respect of Claims, Subsequent Claims and Former Employee Grievances.
17. An order similarly setting April 7, 2010 as a claims bar date for the filing of claims by employees of the U.S. Debtors (the "**U.S. Employee Claims Order**") is expected to be entered by the U.S. Court in the context of the Petitioners' Chapter 11 Proceedings on or around February 22, 2010.

E. GROUND FOR THIS MOTION

18. ABH and its subsidiaries' ability to reorganize depends on the comprehensive reorganization of their businesses in Canada and the United States. In light of the fact that their interests are united in an integrated, co-dependent business relationship, the Chapter 11 Debtors as well as the Canadian Petitioners and Partnerships have committed to engage in a joint and harmonious restructuring in both jurisdictions in an effort to maximize value for the benefit of their collective stakeholders.
19. In order for ABH and its subsidiaries to adequately formulate one or more plan(s) of arrangement to be presented to their creditors, it is appropriate and necessary for the claims against all Canadian Petitioners or Partnerships to be reviewed, determined and, in certain cases, adjudicated or compromised.
20. The issuance of the proposed orders will benefit the Petitioners' creditors as a whole.
21. It is respectfully submitted that this Motion should be granted in accordance with its conclusions.
22. The present Motion is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

- [1] **GRANT** this *Amended Motion for the Approval of a Process to Solicit, Review and Determine Applicable Claims and for the Establishment of a Second Claims Bar Date* (the "**Motion**").
- [2] **EXEMPT**, if applicable, the applicants from having to serve this Motion and from any notice or delay of presentation.

- [3] **ENTER** into an order substantially in the form attached as **Exhibit R-1** hereto (with a French version filed as **Exhibit R-2** hereto to be equally of full force and effect).
- [4] **GRANT** such other and further relief as this Court deems just and proper.

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

Montréal, February 10, 2010

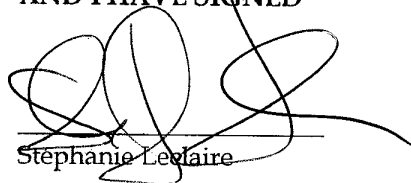

STIKEMAN/ELLIOTT LLP
Attorneys for Petitioners

AFFIDAVIT

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

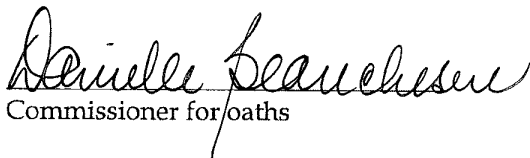
1. I am Vice President, Legal Affairs of AbitibiBowater Inc.
2. All the facts alleged in this *Amended Motion for the Approval of a Process to Solicit, Review and Determine Applicable Claims and for the Establishment of a Second Claims Bar Date* are true.

AND I HAVE SIGNED



Stéphanie Leclaire

Solemnly declared before me at Montréal,
on the 10th day of February, 2010



Commissioner for oaths

Commissioner of Oaths
Districts of Longueuil and Montréal
142 518

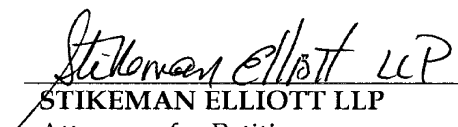
NOTICE OF PRESENTATION

TO: SERVICE LIST

TAKE NOTICE that the Amended Motion for the Approval of a Process to Solicit, Review and Determine Applicable Claims and for the Establishment of a Second Claims Bar Date will be presented for adjudication before the Honourable Judge Clément Gascon of the Superior Court, sitting in practice in and for the District of Montréal, in the Montréal Court House, 1 Notre-Dame St. East, at a date, time and in a Room to be determined by the Court and announced to this Service List.

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, February 10, 2010


STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

Nº. 500-11-036133-094

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBI BOWATER INC. *et al*

Petitioners

- and -

ERNST & YOUNG INC.

Monitor

BS0350 n/dos.: 041053-1170

AMENDED MOTION FOR THE APPROVAL OF A
PROCESS TO SOLICIT, REVIEW AND DETERMINE
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DATE

ORIGINAL

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