EXHIBIT R-15

June 2005 Confidential

Supplemental Retirement Benefit Plans of Bowater Canadian Forest Products Inc.

Report on the Actuarial Valuation for the Purpose of Establishing the Face Amount of the Letter of Credit as at June 1, 2005

MERCER
Human Resource Consulting

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Table Of Contents

Introduction

Report On The Actuarial Valuation

To Bowater Canadian Forest Products Inc.

At your request, we have conducted an actuarial valuation of the liabilities as at June 1, 2005 in respect of certain Supplemental Retirement Plans of Bowater Canadian Forest Products Inc. The purpose of this valuation is to determine the face amount of the letter of credit as of such date. We are pleased to present the results of the valuation.

The Supplemental Retirement Plans covered by the letter of credit are:

1. Supplemental Retirement Benefit Plan for Grade 27 and under Employees of Bowater Canadian Forest Products Inc.
2. Supplemental Retirement Benefit Plan for Grade 28 and over Employees of Bowater Canadian Forest Products Inc.
3. The new Supplemental plan for Employees of BCFP and Mersey covering service from 2003.
4. Senior Executive Retirement Plan (SERP) of Bowater Canadian Forest Products.

The first two plans above cover service up to December 31, 2002 only. The third plan covers service from January 1, 2003 for the members of these two plans. The fourth plan (SERP) continues to apply to service from January 1, 2003. The letter of credit only applies to members of the registered pension plans of the former Bowater Pulp and Paper Canada Inc. and excludes members of the 1995 plan and the Mersey salaried plan.

For tax reasons U.S. residents and U.S. citizens are not covered by the letter of credit.

The Supplemental Retirement Plans as they apply to benefits covered by the letter of credit automatically provide benefits to members of the following registered plans:

- Employees' Retirement Plan (1988) of Bowater Canadian Forest Products Inc.

Introduction *(continued)*

- Executive Staff Retirement Plan (1976) of Bowater Canadian Forest Products Inc.
- Supervisory Employees' Retirement Plan (1976) of Bowater Canadian Forest Products Inc.

who are impacted by the limits of the Income Tax Act. The terms of the Supplemental Retirement Plans require that certain benefits as described above be secured through a trust which is deemed to be a Retirement Compensation Arrangement ("RCA") for the purpose of the Income Tax Act. The benefits to be secured are described in notices provided to affected members.

Based on the terms of the Supplemental Retirement Plans and on notices provided to active and vested terminated members, the letter of credit covers pensions in payment relative to benefits for service up to December 31, 2003 based on earnings up to December 31, 2003 taking into account the early retirement reductions that would have applied if termination or retirement had occurred on December 31, 2003 and also taking into account the maximum pension applicable at pension commencement.

In accordance with the RCA Trust Agreement between Avenor Inc. and Montreal Trust Company, the amount of the letter of credit shall be equivalent to the company's determination of its liabilities to beneficiaries. Such determination shall be based on actuarial valuations which the Trustee shall be under no obligation to review or assess.

In our opinion, the actuarial valuations of the plan should be periodically made to reflect significant changes to circumstances and in any event no later than June 1, 2008. Bowater Canadian Forest Products Inc. is responsible for determining the appropriate date for the next valuation.

This valuation is based on the Supplemental Retirement Plan membership as of June 1, 2005. A summary of the membership data is provided in Appendix C.

This valuation reflects the provisions of the Supplemental Retirement Plans as at June 1, 2005. A summary of the plan provisions is provided in Appendix D.

Supplemental pension arrangements are not subject to minimum funding requirements as are imposed on registered pension arrangements. There is no widely accepted approach to selecting the actuarial methods and assumptions for valuations of

Introduction *(continued)*

supplementary pension plans. That being said, in our opinion, we have used actuarial methods and assumptions that are reasonable for the purpose of determining the face amount of the letter of credit given the purpose of the letter of credit.

We have modified the valuation assumptions and methods that were used for the prior valuation as at January 1, 2004. In this valuation, liabilities correspond only to liabilities for pensions in payment, consistent with the notices provided to affected members. Potential liabilities for other members are shown for indication purposes. Changes in actuarial assumptions reflect the change in estimated annuity purchase rates between the two valuation dates.

The assumptions used for purposes of this valuation are described in detail in Appendix B. All assumptions made for the purposes of the valuation were reasonable at the time the valuation was prepared.

After checking with representatives of Bowater Canadian Forest Products Inc., to the best of our knowledge there have been no events subsequent to the valuation date which, in our opinion, would have a material impact on the results of the valuation.

In our opinion, for the purpose of determining the face amount of the letter of credit as at June 1, 2005,

- the data on which the valuation is based are sufficient and reliable,
- the assumptions are, in aggregate, appropriate, and
- the methods employed in the valuation are appropriate.

Respectfully submitted,

Louise Coderre	Christian Rousseau
Louise Coderre Fellow of the Society of Actuaries Fellow of the Canadian Institute of Actuaries	Christian Rousseau Fellow of the Society of Actuaries
June 30, 2005	June 30, 2005
Date	Date

Section 1 – Determination of liabilities

Valuation Results

The trust agreement does not specify the assumptions and methods to be used for purposes of the valuation of the liabilities. For purposes of the valuation, we have used assumptions and methods which are representative of a wind-up situation.

When conducting a wind-up valuation, we determine whether or not a pension plan's assets exceed its liabilities on a termination basis estimated as at the valuation date. The values of the plan's assets and liabilities on a termination basis are related to the values calculated as though the plan were wound up and settled on that date.

The liabilities as of June 1, 2005 for retirees and beneficiaries in receipt of a pension amount to $19,189,000 Cdn.

In determining the face amount of the letter of credit, this amount can be reduced by the refundable tax balance with CRA, which is $1,567,518 on May 31, 2005 based on information provided by Royal Trust. Thus, the face amount of the letter of credit can be set at $17,621,482 as of June 1, 2005.

For tax reasons, these liabilities exclude pensions in payment for two U.S. retirees which are valued at $3,459,000 Cdn. as of June 1, 2005.

The liabilities will change over time. Using the same assumptions, and assuming no deaths during the following one year period, the liabilities as of May 31, 2006 for retirees and beneficiaries in receipt of a pension on June 1, 2005 would be $18,543,000 Cdn.

However, the liabilities after June 1, 2005 will increase on account of active members who retire after that date and vested terminated members who elect to start receiving their pensions after that date. Thus, the face amount of the letter of credit could increase significantly in the future.

The following potential liabilities are given as an indication of future increases.

The potential liabilities determined as of June 1, 2005 for vested terminated members amount to $1,496,000 Cdn. (including $429,000 for one member aged 54 or over). This amount will increase on account of interest as these members age but on the other hand it can decrease as a result of the application of the maximum pension if these members retire early or elect an optional form of pension.

Also as an indication, the potential liabilities determined as of June 1, 2005 for current active members amount to $10,162,000. (including $8,445,000 for members aged 54 or more on June 1, 2005). The actual additional liability for retiring members will vary according to the date of retirement, the applicable maximum pension at retirement and the form of payment of pension elected.

Under separate cover, we provide results on an individual basis for vested terminated members and active members, allowing Bowater to adjust the amount of the letter of credit as required if these members start receiving a pension prior to the next valuation.

The refundable tax will also change after June 1, 2005. The projected refundable tax account balance at May 31, 2006 was estimated at $2,096,162.

Also, the liabilities upon an actual wind-up would depend on the market conditions applicable for the purchase of annuities at that time. Future liabilities will also vary in accordance with changes in such market conditions.

Actuarial Opinion
with Respect to the Actuarial Valuation
of the
Supplemental Retirement Plans of
Bowater Canadian Forest Products Inc.
for the Purpose of Establishing the Face Amount of the
Letter of Credit as of June 1, 2005

Based on the results of this valuation, I hereby certify that, as at June 1, 2005,

- The liabilities as of June 1, 2005 for pensions in payment amount to $19,189,000 excluding two U.S. members.

- The wind-up liabilities used to determine the face amount of the letter of credit do not exclude any benefit required to be included for purposes of the letter of credit based on the terms of the Supplemental Retirement Plans and the notices provided to affected members by Bowater.

- The letter of credit face amount as of June 1, 2005 should correspond to the liabilities reduced by the refundable tax balance. Thus, the letter of credit face amount as of June 1, 2005 can be set at $17,621,482.

- The letter of credit face amount will need to be adjusted thereafter as vested terminated members and active members start drawing pensions and additional liabilities to be covered by the letter of credit are incurred, and as retiree liabilities decrease. The refundable tax will also increase in the future as additional amounts are contributed. Estimated amounts of additional liabilities and increase in refundable tax are provided for indication purposes in this report.

Section 2 — Actuarial Opinion *(continued)*

- In my opinion, for the purpose of determining the face amount of the Letter of Credit as of June 1, 2005,

  – the data on which the valuation is based are sufficient and reliable,

  – the assumptions are, in aggregate, appropriate,

  – the methods employed in the valuation are appropriate.

- With the exception that this report does not include a going-concern valuation, which is not required to determine the face amount of the letter of credit, this report has been prepared, and my opinions given, in accordance with accepted actuarial practice.

- All assumptions made for the purposes of the valuation were reasonable at the time the valuation was prepared.

Louise Coderre

Louise Coderre
Fellow of the Society of Actuaries
Fellow of the Canadian Institute of Actuaries

June 30 2005

Date

Appendix A – Trust Fund Assets

Sources Of Plan Asset Data

The Supplemental Plan is backed by a letter of credit, which is held by a trust fund, which is in turn characterized as a Retirement Compensation Arrangement.

The refundable tax balance provided by Royal Trust on May 31, 2005 is $1,567,518.

We have projected the refundable tax account balance to May 31, 2006, by including the expected increase in the refundable tax account in respect of the June 1, 2005 letter of credit fee. We have relied on information provided by Bowater Canadian Forest Products Inc that the expected fee for the letter of credit will be approximately 3% of the letter of credit face amount.

Details of the projection are as follows:

Projected Refundable Tax Account Balance

Refundable Tax Account Balance at May 31, 2005	$1,567,518
PLUS	
Projected increase in refundable tax account, in respect of June 1, 2005 letter of credit fee:	
3% x $17,621,482	$528,644
Projected Refundable Tax Account Balance at May 31, 2006	$2,096,162

Appendix B – Actuarial Methods and Assumptions

Actuarial Valuation Methods And Assumptions

To determine the wind-up and projected wind-up liability, the benefits valued are those that would have been paid had the Supplemental Retirement Plans been wound up on the expiry date of the letter of credit, with all members fully vested in their accrued benefits. No benefits required to be covered by the letter of credit based on the terms of the plans and the notices given to affected members were excluded from our calculations.

For all retirees and beneficiaries, the wind-up liability corresponds to the commuted value of the pension they are currently receiving which is not paid from the registered plans using the assumptions described below. For 2004 retirements, the liability is limited to the portion of the pension attributable to pre-2003 service and earnings to December 31, 2003, taking into account the early retirement conditions that would have applied on December 31, 2003, the maximum pension applicable in 2004 and the actual form of payment of the pension.

The wind-up liability for non-retired members provided in this report for indication purposes is determined as follows.

For active members aged 55 or over, the pension is assumed to be payable immediately starting on the valuation date.

Active members aged less than 55 are assumed to receive a total pension from both the registered plan and the Supplemental Retirement Plan payable from age 65 but also subject to the partial pre-retirement indexation (50% of CPI increase from date of termination to age 55) for benefits for service from January 1, 2001.

The impact of the rule of 80 under some of the registered plans is ignored. This rule would have the effect of reducing the Supplemental Retirement Plan liabilities.

Pensions for active members correspond to the total pension defined under the Supplemental Retirement Plans for service up to December 31, 2003 based on earnings to December 31, 2003 taking into account the early retirement conditions that would have applied upon termination or retirement on December 31, 2003, less the pension payable from the registered plan. To this effect, the pension payable from the registered plan is determined on the basis of the maximum pension in effect for retirements in 2005 ($2,000 per year of pensionable service) and was not reduced on account of the registered plan possibly not being solvent.

For active members, the pension from the Supplemental Retirement Plan for service in 2003 is reduced on account of indexation of the maximum pension from the registered plan until the original uncapped pension amount is attained.

The normal form of payment of the pension provided in the Supplemental Retirement Plan is reflected.

We have not included any provision for additional benefits due to change in control.

For vested terminated members, the liability is the commuted value of the pension payable from the Supplemental Retirement Plan from age 65 assuming the normal form of payment is elected. For 2004 terminations, the liability is limited to the portion of the pension attributable to pre-2003 service and earnings to December 31, 2003 and taking into account the early retirement conditions that would have applied on December 31, 2003, taking into account the maximum pension applicable in 2004 ($1,833.33 per year of pensionable service).

The wind-up liability in this report is determined based on the assumptions described below:

Actuarial Assumptions

Mortality rates:	Before retirement: Nil After retirement: UP94 projected to 2015
Discount rate: (taking into account the tax adjustment)	50% of 5.0% p.a., where 5.0% is the estimated discount rate which would be used for the purchase of annuities on April 29, 2005, together with the mortality assumption described above
Future Inflation	2.7% p.a.
Earnings and YMPE	Based on actual pensionable earnings and YMPE up to December 31, 2003
Form of pension for active members under registered plan and Supplemental Retirement Plan	Life with 5 year guarantee except for members of the SERP for whom a joint and survivor 60% pension is used.
Family composition	For purposes of applying the maximum pension for pre-1992 service, we have assumed 100% of members have a spouse, with a 3 year age difference. For the members of the SERP, the actual marital status and age of spouse is used.

In this projected wind-up valuation, the employment of each member is assumed to continue through to the valuation date at which time the member is assumed to terminate employment.

For information purposes, the exchange rate used to convert U.S. dollar liabilities into Canadian dollars is 1.26.

Although the Supplemental Retirement Plans provide for lump sum values for terminations of employment before age 55 determined using the same assumptions as for the registered plans if a lump sum is elected for the registered plan pension (ie. using nominal interest rates), we have used a tax-adjusted discount rate to reflect that the letter of credit would cover pensions in payment.

Appendix C — Membership Data

Analysis Of Membership Data

The actuarial valuation is based on membership data as in effect on June 1, 2005, provided by Bowater Canadian Forest Products Inc.

We have applied tests for internal consistency of the data. These tests were applied to the basic information (date of birth, date of hire, date of membership, sex, etc.), pensionable earnings, credited service and pension to retirees. The results of these tests were satisfactory.

Membership data is summarised below.

Membership Data at June 1, 2005

Active Members (1)	
▪ Number	33
▪ Average 2003 Base Salary	$154,500
▪ Average STIP target 1996-1997-1998	12.7%
▪ Average AIP target 2001-2002-2003	24.2%
▪ Average 2003 base salary + 50% paid bonus in 2003	$177,900
▪ Average Years of Pensionable Service to December 31, 2003	18.4 years
▪ Average Age	51.2 years
Vested terminated Members	
▪ Number	6
▪ Average Monthly Pension Payable at age 65 from Supplemental Retirement Plan under normal form potentially covered by letter of credit	$1,745
▪ Average Age	52.9 years
Retired Members	
a) *Termination or retirements since July 1, 1995*	
▪ Number	24
▪ Average monthly pension from Supplemental Retirement Plan covered by letter of credit	$2,400
▪ Average Age	64.7 years

Appendix C — Membership Data *(continued)*

Membership Data at June 1, 2005 (cont'd)

Retired Members (cont'd)	
b) Terminations or retirements between July 16, 1993 and July 1, 1995	
▪ Number	8
▪ Average Monthly Pension Payable from Supplemental Retirement Plans covered by letter of credit	$2,400
▪ Average Age	69.7 years
c) Terminations or retirements before July 16, 1993	
▪ Number	21
▪ Average Monthly Pension Payable from Supplemental Retirement Plans covered by letter of credit	$1,500
▪ Average Age	78.2 years
d) U.S. members (not included above)	
▪ Number	2
▪ Average Monthly Pension Payable from Supplemental Retirement Plans not covered by letter of credit	$15,600
▪ Average Age	77.8 years

(1) the Supplemental Retirement Plan for grades 27 and under applies to all members of the registered plans who are potentially affected by the tax limits. The list of 33 members includes those who have been designated as potentially affected by the tax limits in the registered plan as of December 31, 2003. The potential Supplemental Retirement Plan liability is actually nil as of June 1, 2005 for 11 of the 33 members.

Appendix D — Summary of Plan Provisions

For service from January 1, 2003, a common plan applies to all non-union employees except for members of the SERP. It provides benefits outside of the registered plan when benefits are limited as a result of tax rules.

The following compares the main provisions of the unfunded plans applicable to service before 2003 with those applicable to service from 2003.

The Supplemental Retirement plans for service before January 1, 2003 for the employees of the former BPPC do not include the improvement in early retirement benefits made under the registered plans as of January 1, 2003; however for members of the plans for grades 27 and under and grades 28 and over, the total pension is determined taking into account the improved early retirement reduction on earnings producing the maximum pension in the registered plan, and the non-improved early retirement benefits (6% per year reduction before age 60 if 15 years of service), for excess earnings.

The pension formulas, pensionable earnings and unreduced early retirement provisions under the unfunded plans are as follows:

	Pension formula	Unreduced early retirement age and service applicable (1)	Pensionable earnings	Form of payment
Members of the Senior Executive Retirement Plan (SERP) of former BPPC	2% last 36 months (4), (6)	60 + 15 (2)	Base salary + 50% target bonus (5)	J&S 60%
Other former BPPC employees (gr. 28+)	- to 2003: 1.6% last 36 months (6)	60 + 15 (2)	Base salary + 50% target bonus (5)	Life with 5 year guarantee
	- from 2003: 1.6% to YMPE/2% excess Best 60 consecutive months	58 + 20 (3)	Base salary + 50% paid bonus	Life with 5 year guarantee

	Pension formula	Unreduced early retirement age and service applicable (1)	Pensionable earnings	Form of payment
Other former BPPC employees (gr. 27-)	- to 2003: 1.6% last 36 months (6)	60 + 15 (2)	Base salary + 50% target bonus for service from July 1, 1995 (5)	Life with 5 year guarantee
	- from 2003: 1.6% to YMPE/2% excess Best 60 consecutive months	58 + 20 (3)	Base salary + 50% paid bonus	Life with 5 year guarantee

(1) conditions shown are those applicable to retirements from active service
(2) reduction of total pension if 15 years of service is 6% per year prior to age 60 if retirement occurs before age 58. For retirement at age 58 or 59 for members of the plans for grades 27 and under and grades 28 and over, improved reduction on total pension based on earnings producing the maximum pension is 3% per year prior to age 60, and non-improved reduction (6% per year prior to age 60) applies on excess earnings.
(3) reduction of total pension for service from 2003 if 20 years of service is 6% per year prior to age 58
(4) 1.6% for additional prior service
(5) using average 1996-1997-1998 STIP target for pre-1999 service
(6) less pension from prior employer when prior service recognized

Appendix E — Employer Certification

Employer Certification

With respect to the report on the actuarial valuation of the Supplemental Retirement Plans of Bowater Canadian Forest Products Inc., for the purpose of establishing the face amount of the letter of credit as of June 1, 2005, I hereby certify that, to the best of my knowledge and belief:

- a copy of the official plan documents and of all amendments made up to June 1, 2005, were provided to the actuary and are accurately described in Appendix D;
- the membership data provided to the actuary and summarized in Appendix C, includes a complete and accurate description of every person who is entitled to benefits under the terms of the plans for service up to June 1, 2005, and
- all events subsequent to June 1, 2005 that may have an impact on the results of the valuation have been communicated to the actuary.

6/30/2005
Date

Signed

William G. Harvey
Name

Vice President - Treasurer
Title

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SUPERIOR COURT
(Commercial Division)

N°. 500-11-036133-094

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

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

ABITIBIBOWATER INC. AND AL.

Petitioners

-and-

ERNST & YOUNG INC.

Monitor

BS0350 Our file: 041053-1170

EXHIBIT R-15

ORIGINAL

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