

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 listed herein

Petitioners

and

ERNST & YOUNG INC.

Monitor

and

THE ROYAL TRUST COMPANY

Mise en cause

and

ALYCE FLENNIKEN

and

WARREN PORTER WOODWORTH

Respondents

**RESPONSE OF RESPONDENTS ALYCE FLENNIKEN AND WARREN PORTER
WOODWORTH TO THE CONTESTATIONS TO THE AMENDED MOTION FOR
DIRECTIONS ON THE IDENTITY OF THE PERSONS WHOSE BENEFITS UNDER THE
BOWATER SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS WERE SECURED BY A
LETTER OF CREDIT
(Motion #484)**

IN RESPONSE TO THE CONTESTATIONS FILED BY OTHER RESPONDENTS TO THE PETITIONER'S *AMENDED MOTION FOR DIRECTIONS ON THE IDENTITY OF THE PERSONS WHOSE BENEFITS UNDER THE BOWATER SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS WERE SECURED BY A LETTER OF CREDIT* ("Motion for Directions"), THE RESPONDENTS ALYCE FLENNIKEN AND WARREN PORTER WOODWORTH, RESPECTFULLY SUBMIT THE FOLLOWING:

1. This Response is filed on behalf of Alyce Flenniken and Warren Porter Woodworth (the "**Respondents Flenniken and Woodworth**"), who are individuals listed in Schedule C to the Petitioner Bowater Canadian Forest Products Inc. ("**BCFPI**")'s Motion for Directions;
2. Alyce Flenniken is a beneficiary of, and Warren Porter Woodworth is a retiree of, the Canadian registered pension plan called "*Employees' Retirement Plan (1988) of Avenor Inc. (now Bowater Canadian Forest Products Inc.)*", and as such have been receiving monthly pension payments since the early 1990s;
3. In addition, Alyce Flenniken is a beneficiary of, and Warren Porter Woodworth is a retiree of, the supplemental executive retirement plan called "*Senior Executive Retirement Plan*" established for the senior executives of BCFPI and its predecessors, and as such have been receiving monthly SERP payments since the early 1990s;
4. Therefore, Respondents Flenniken and Woodworth have the legal right to benefit fully from the letter of credit (**Exhibit R-7**) regarding the payment of their SERP benefits;
5. This Response is based on the limited information to which Respondents Flenniken and Woodworth had access and may be amended to take into account further information which may become available prior to the hearing of the Motion for Directions.

WHEREFORE, MAY THIS COURT:

GRANT the "*Amended Motion for Directions on the Identity of the Persons Whose Benefits Under the Bowater Supplemental Executive Retirement Plans Were Secured by a Letter of Credit*" (the "Motion for Directions");

DECLARE, consistent with the Orders sought in the Motion for Directions and consistent with the Orders sought in the Amended Contestation of the Respondents from Schedule A and Schedule B dated June 4, 2010, that Alyce Flenniken and Warren Porter Woodworth benefit from the letter of credit (**Exhibit R-7**) and are entitled to receive, from May 1, 2009, monthly SERP payments from the proceeds of the letter of credit held by The Royal Trust Company;

THE WHOLE WITHOUT COSTS.

MONTREAL, June 9, 2010


LANGLOIS KRONSTRÖM DESJARDINS, L.L.P.
Attorneys for the Respondents
Alyce Flenniken and Warren Porter Woodworth

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SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS WERE
SECURED BY A LETTER OF CREDIT

ORIGINAL

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