EXHIBIT R-24

THIS INDENTURE made at ______________________________, Canada the _____ day of _______________, 2010.

AMONG:

BOWATER CANADIAN FOREST PRODUCTS INC., a body corporate organized and existing under the laws of Nova Scotia, and extra-provincially registered under the laws of British Columbia (hereinafter called the "**Vendor**")

of the one part

AND:

4513541 CANADA INC., a body corporate organized and existing under the laws of Canada

(hereinafter referred to as the "**Purchaser**", and together with the Vendor, the "**Parties**")

of the other part

WHEREAS on or about January 11, 1999, Bowater Pulp and Paper Canada Inc., a predecessor company to the Vendor, acquired certain lands and premises, including the hereinafter described pieces or parcels of land being situate at the Town of Gold River, in the Province of British Columbia and being more particularly described in Schedule "C" hereto annexed (the "**Lands**");

AND WHEREAS as at the date hereof, the Vendor is the holder of registered title to, and beneficial owner of, the Lands;

AND WHEREAS the Purchaser is a wholly-owned indirect subsidiary of AbitibiBowater Inc., incorporated in 2009 under the laws of Canada;

AND WHEREAS the Vendor has agreed to sell and the Purchaser has agreed to purchase the Property (as hereinafter defined) for the consideration hereinafter appearing on an "as is, where is" basis and upon and subject to the terms, covenants, conditions, and other provisions hereinafter set forth;

AND WHEREAS on April 17, 2009, the Québec Superior Court, Commercial Division (the "**Court**") issued an order (as subsequently amended and restated, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") in respect of (i) Abitibi-Consolidated Inc. and subsidiaries thereof, (ii) Bowater Canadian Holdings Inc. and subsidiaries thereof, and (iii) certain partnerships;

AND WHEREAS pursuant to the Initial Order, Ernst & Young Inc. (the "**Monitor**") was appointed as Monitor of Petitioners under the CCAA;

AND WHEREAS a receivership order was issued by the Court on April 27, 2010 appointing Ernst & Young Inc. as receiver of the assets, property and undertaking of the Purchaser;

AND WHEREAS an amended receivership order was issued by the Court on July 21, 2010 appointing Samson Belair/Deloitte & Touche Inc. as receiver of the assets, property and undertaking of the Purchaser in replacement of Ernst & Young Inc.;

AND WHEREAS the Vendor has filed an *Amended Second Motion for the Issuance of Various Orders Authorizing the Sale of Non-Core Properties and for the Issuance of a re-Amended*

Receivership Order in respect of 4513541 Canada Inc. issuing an order authorizing the transaction;

AND WHEREAS upon the vesting order attached as Schedule "A" hereto annexed having been rendered by the Court, the Property (as hereinafter defined) shall, in accordance with in Section 3.1 herein, vest absolutely in the Purchaser, free and clear of and from any security interests, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

NOW THEREFORE THIS INDENTURE WITNESSETH THAT:

1. PURCHASE PRICE

1.1. For and in consideration of

(a) the assumption by the Purchaser of any liabilities of the Vendor for unpaid property taxes (including any penalties and interest charges relating thereto); and

(b) the sum of $1,000.00 (together with any Principal Increase (as defined in the Purchaser Note) pursuant to the Purchaser Note (as hereinafter defined)), which shall be paid by the Purchaser in favour of the Vendor by the issuance of a non-interest bearing promissory note substantially in the form attached as Schedule "B" hereto (the "**Purchaser Note**") (the receipt and sufficiency of which sum is hereby acknowledged by the Vendor) on the date of closing of the within conveyance (the "**Closing Date**") and delivered by the Purchaser to the Monitor on the Closing Date, the Vendor hereby sells, assigns and conveys to the Purchaser **all right, title, and interest of the Vendor in** the Lands **TOGETHER WITH** all buildings, erections and personal property thereon and all appurtenances to the same belonging or in any way appertaining with the reversion and reversions, remainder and remainders, rents, issues and profits thereof and further **TOGETHER WITH** all of the benefits, rights, liabilities and obligations arising under or pursuant to any municipal, provincial or federal permits, licenses, consents or tolerances issued to the Vendor in connection with the ownership, use or occupation of the pieces or parcels of land (collectively hereinafter referred to as the "**Property**") **TO HOLD** the same unto the Purchaser **SUBJECT TO** the terms, covenants, conditions and other provisions hereinafter contained and which on the Purchaser's part are to be observed, performed and fulfilled and which terms, covenants, conditions and other provisions hereinafter contained shall run with, bind and touch the lands, premises and personal property herein conveyed and every part thereof, absolutely and forever;

1.2. The Purchaser Note shall be substantially in the form attached as Schedule "C" hereto and have the terms and conditions agreed upon from time to time by the Vendor and the Purchaser, including the following: (a) any amounts owing to the Vendor under the Purchaser Note shall be paid out of the actual net proceeds generated by the sale by the Purchaser, or any receiver appointed in respect thereof, of the Property (or any portion thereof) to a third party and any such amounts paid to the Vendor shall, until the issuance of directions by the Court with respect thereof, be remitted to the Monitor; and (b) the Vendor's recourses for any principal owed under the Purchaser Note shall be limited to the Property (or the proceeds from the sale thereof or the sums paid in relation to the expropriation thereof) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property (or which may hereafter be issued in respect of any conditions existing as of the Closing Date) under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the CCAA as if such statute were applicable and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Purchaser or Purchaser's interest in the Property. Subject to the above-mentioned subordination, the Purchaser Note shall be secured in favor of the Vendor by a general security agreement to be registered under the *Personal Property Security Act* (British Columbia) and a registered vendor take-back mortgage.

2. EXCLUSION OF WARRANTY

In consideration of the within conveyance, the Purchaser, for itself and its successors and assigns, hereby covenants and agrees to and with the Vendor and their successors and assigns as follows:

2.1. The Purchaser acknowledges that the conveyance of the Property herein conveyed and every part thereof is being made on an "as is, where is" basis with no representation or warranty, express, implied, statutory, oral or written, or otherwise in respect of the Property, including those as to the condition thereof or with respect to compliance with laws, rules, regulations, orders or requirements to which the Property are subject including, but not limited to, those pertaining to hazardous substances, or of performance, merchantability, the status of permitting, fitness for a particular purpose, suitability, non-infringements, ownership, usage, or otherwise.

2.2. The Property herein conveyed and any part thereof, and any use or enjoyment of such Property shall be at the entire risk of the Purchaser and its successors and assigns from and after the date hereof, and the Purchaser for itself and its successors and assigns agrees to assume and hereby assumes any and all responsibilities and liabilities, whether of an environmental nature or otherwise, in any way arising out of or in connection with the state, quality or condition of, or in or upon, the Property herein conveyed and every part thereof existing as of or prior to the date hereof and thereafter, and whether such liabilities or responsibilities arise or are in any manner imposed by law, statute, regulations and/or by any regulatory authorities or parties or official entity in any manner whatsoever.

3. CONDITIONS OF CLOSING

The obligation of each of the Vendor and the Purchaser to complete the within conveyance is subject to the satisfaction of each of the following conditions by the Closing Date:

3.1. *Vesting Order*. An order substantially in the form attached as Schedule "A" hereto annexed shall have been rendered by the Court.

4. OBLIGATIONS OF THE PURCHASER

In consideration of the within conveyance, the Purchaser shall have the following obligations on the Closing Date:

4.1. take possession of the Property in its current state;

4.2. pay the fees and legal fees with respect to the present Indenture and other instruments contemplated herein, along with the copy, land transfer tax, and registration fees thereof;

4.3. assume the payment of all taxes, utility charges, local improvements, water and assessment rates, the cost of fuel and any other items normally adjusted between a vendor and a purchaser of similar properties, as applicable, in connection with the Property as of and from the Closing Date; and

4.4. self-assess and remit all harmonized sales tax on the Property on the Closing Date in compliance with the requirements of the *Excise Tax Act*, R.S.C. 1985, C. E-15, as amended, and that its registration number is ________________________.

5. MISCELLANEOUS

5.1. The Vendor represents and warrants within the meaning of the *Family Relations Act* (British Columbia), that the Property has never been occupied by any of the directors, officers, or shareholders of the Vendor or their spouses, as a family residence and is not a family asset within the meaning of the aforesaid Act.

6. GOVERNING LAW

6.1. The present Indenture shall be governed by and in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

7. SCHEDULES

The following documents are attached hereto:

7.1. Schedule "A": Vesting Order

7.2. Schedule "B": Purchaser Note

7.3. Schedule "C": Legal Description of the Property

<u>IN WITNESS WHEREOF</u> the Vendor and the Purchaser have executed this Indenture as of the day and year first before written.

BOWATER CANADIAN FOREST PRODUCTS INC.

Per:

Per:

SAMSON BELAIR/DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per:

Per:

SCHEDULE "A": Vesting Order

See attached.

SCHEDULE "B": Purchaser Note

See attached.

SCHEDULE "C": Legal Description of the Property

1. PID: 009-807-063 District Lot 216, Nootka District; and

2. PID: 009-807-101 District Lot 217, Nootka District Except Part in Plan 43364.

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of the _____ day of ____________________________, 2010.

GRANTED BY:	**4513541 CANADA INC.**, a body corporate organized and existing under the laws of Canada (the "**Borrower**")
TO:	**BOWATER CANADIAN FOREST PRODUCTS INC.**, a body corporate organized and existing under the laws of the Province of Nova Scotia and extra-provincially registered in the Province of British Columbia (the "**Secured Party**")

RECITALS:

A. Pursuant to an indenture (as amended, supplemented, restated, extended, renewed or replaced from time to time) dated as of the date hereof between the Borrower and the Secured Party (the "**Indenture**") and a promissory note given by the Borrower to and in favour of the Secured Party dated the ___ day of ______________, 2010 (the "**Promissory Note**"), the Borrower agreed to repay to the Secured Party the sum of One Thousand Dollars ($1,000.00) (subject to any adjustments made pursuant to the Promissory Note) (the "**Principal Amount**") of lawful money of Canada.

B. As security for its Secured Obligations (as defined herein), the Borrower has agreed to grant to the Secured Party, a security interest in the Secured Property of the Borrower.

THEREFORE, the parties agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Defined Statutory Terms

Unless the context otherwise requires or unless otherwise specified, the terms "advance", "consumer goods", "court", "default", "financial asset", "financing change statement", "financing statement", "fixture", "goods", "intangible", "inventory", "money", "option", "personal property", "receiver", "security", and "value" used in this Agreement without initial capitals, which are defined in the PPSA have the same meanings in this Agreement as in the PPSA, as applicable.

1.2 Definitions

As used in this Agreement, the following words and terms have the meanings set out below:

"**Agreement**" means this security agreement as it may be amended, supplemented, extended, renewed, restated or otherwise modified from time to time;

"**Borrower**" has the meaning ascribed hereto in the Recital;

"**Collateral Support**" means any property or right, title or interest therein assigned, hypothecated or otherwise securing the Secured Property, as the case may be, or the payment or performance thereof, including any security agreement or other agreement granting a lien or security interest in such property;

"**Event of Default**" means any default of payment of the Principal Amount in accordance with the Promissory Note or any breach of any covenant or proviso contained in this Agreement or in that certain mortgage granted by the Borrower to the Secured Party of even date herewith;

"**Expenses**" means all expenses, costs and charges incurred by or on behalf of the Secured Party in connection with this Agreement, the Security Interest or the Collateral Support, including all legal fees, court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral Support, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with the Secured Party interest in any Collateral Support, whether or not directly relating to the enforcement of this Agreement or the Indenture;

"**Indenture**" has the meaning ascribed hereto in the Recital;

"**PPSA**" means the *Personal Property Security Act* (British Columbia); provided, however, if the validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority of the Secured Party's security interest in any Secured Property are governed by the personal property security laws or laws relating to movable property of any jurisdiction in Canada other than the Province of British Columbia, PPSA shall include those personal property security laws or laws relating to movable property in such other jurisdiction for the purpose of the provisions hereof relating to such validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority and for the definitions related to such provisions;

"**Principal Amount**" has the meaning ascribed hereto in the Recital;

"**Promissory Note**" has the meaning ascribed hereto in the Recital;

"**Secured Obligations**" means all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by the Borrower to the Secured Party in any currency, under, in connection with or pursuant to the Promissory Note;

"**Secured Party**" has the meaning ascribed hereto in the Recital;

"**Secured Property**" means, Borrower's present and after acquired personal property, including all undertakings, property, rights and assets of every nature and kind, now owned or subsequently acquired and at any time and from time to time existing or in which any such Borrower has or acquires an interest, wherever situate, including all insurance policies covering such property and any and all proceeds of any of the foregoing;

"**Security Interest**" has the meaning ascribed hereto at Section 2.1.

1.3 Certain Rules of Interpretation

In this Agreement:

(a) **Governing Law** - This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

(b) **Headings** - Headings of Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement, and a reference to an "Article" or a "Section" means the specified article or section of this Agreement.

(c) **Including** - Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

(d) **No Strict Construction** - The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

(e) **Number and Gender** - Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(f) **Severability** - If, in any jurisdiction, any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other parties or circumstances.

(g) **Statutory references** - A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, revises, restates, supplements or supersedes any such statute or any such regulation or, in each case, any provision thereof.

(h) **Time** - Time is of the essence in the performance of the parties' respective obligations.

1.4 Entire Agreement

This Agreement constitutes the entire agreement between the parties and sets out all the covenants, promises, conditions, understandings and agreements between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

ARTICLE 2
SECURITY INTEREST

2.1 Security Interest

As continuing security for the payment and the performance of the Secured Obligations, the Borrower hereby grants to the Secured Party, a first priority, continuing, specific and fixed security interest in all of such Borrower's Secured Property and assigns, mortgages, hypothecates and pledges to the Secured Party all of the Secured Property of the Borrower now owned or hereafter acquired. The security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement (collectively, the "**Security Interest**") secures the payment and performance of the Secured Obligations and the Expenses.

2.2 Fixed Nature of Security Interest

The Security Interest is intended to operate as a fixed and specific charge of all of the Secured Property presently existing, and with respect to all future Secured Property, to operate as a fixed and specific charge of such future Secured Property.

2.3 Attachment

Borrower acknowledges that value has been given, it has rights in the Secured Property or the power to transfer rights in the Secured Property to the Secured Party (other than after-acquired Secured Property) and that it has not agreed to postpone the time of attachment of the Security Interest. The Security Interest of Borrower is intended to attach, as to all Secured Property, and with respect to any particular item of Secured Property, upon the execution of this Agreement.

ARTICLE 3
REMEDIES

3.1 Secured Party' Rights and Remedies

Upon the occurrence and during the continuance of an Event of Default, all of the Secured Obligations shall, at the Secured Party's option and without notice to Borrower, become immediately due and payable and the Secured Party may, in its discretion, proceed to enforce payment and performance of the Secured Obligations and to exercise any or all of the rights and remedies contained in this Agreement, or otherwise afforded by law, in equity or otherwise.

The Secured Party shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law.

3.2 Waivers and Extensions

The Secured Party may waive default or any breach by Borrower of any of the provisions contained in this Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived and no act or omission of the Secured Party shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of Borrower or the rights of the Secured Party resulting therefrom. Any such waiver must be in writing and signed by the Secured Party to be effective.

The Secured Party may also grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured Property to third parties and otherwise deal with Borrower and others and with the Secured Property and other securities as they may see fit without prejudice to the liability of Borrower to the Secured Party, or their rights, remedies and powers under this Agreement. No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given to Borrower shall operate as a waiver, alteration or amendment of the rights of the Secured Party or otherwise preclude it from enforcing such rights.

3.3 Remedies Cumulative

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Secured Party under this Agreement are cumulative, non-exclusive and are in addition to and not in substitution for any rights or remedies provided by law or equity; and any single or partial exercise by the Secured Party of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement shall not be deemed to be a waiver of, or to alter, affect or prejudice, any other right or remedy to which they may be lawfully entitled for such default or breach.

3.4 Statutory Waivers by Borrower

To the fullest extent permitted by law, Borrower waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of the Secured Party or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

3.5 Limitation of Liability

The Secured Party shall not be liable or accountable:

(a) by reason of any entry into or taking possession of all or any of the Secured Property, to account as mortgagee in possession or for anything except actual receipts, or for any loss on realization or any act or omission for which a secured party in possession might be liable; or

(b) for any failure to (i) exercise or exhaust any of its rights and remedies, (ii) take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property, or (iii) protect the Secured Property from depreciating in value or becoming worthless, and shall not, in each case, be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Secured Party, Borrower or any other Person in respect of same.

The Secured Party shall not by virtue of the exercise of its rights under this agreement be deemed to be a mortgagee in possession of the Secured Property. Borrower releases and discharges the Secured Party and the receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to Borrower or any Person claiming through or under it by reason or as a result of anything done or not done by either Secured Party or the receiver under the provisions of this Agreement unless such claim be the result of gross negligence or wilful misconduct.

3.6 Redemption of Secured Property

At any time before the Secured Party has: (a) disposed of the Secured Property; or (b) elected irrevocably to retain all or part of the Secured Property, Borrower may redeem the Secured Property by tendering payment of the aggregate amount of the outstanding Secured Obligations at such time.

ARTICLE 4
POWER OF ATTORNEY

4.1 Grant

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower irrevocably constitutes and appoints the Secured Party as its true and lawful attorney with power of substitution in the name of Borrower to do any and all acts and things, exercise all rights and powers and perform all acts of ownership with respect to the Secured Property to the same extent as the Borrower might do, complete any endorsements or registrations and execute and deliver all agreements, documents and instruments as the Secured Party, in its sole discretion, consider necessary or desirable to carry out the provisions and purposes of this Agreement or to exercise its rights and remedies, provided that such power of attorney shall not be exercised until an Event of Default has occurred and is continuing. Borrower ratifies and agrees to ratify all acts of any attorney taken or done in accordance with this Section 4.1. This power of attorney being coupled with an interest shall not be revoked or terminated by any act and shall remain in full force and effect until this Agreement has been terminated.

ARTICLE 5
GENERAL

5.1 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered in accordance with the Indenture.

5.2 Continuing Security

The Security Interest is not in substitution for any other security now or hereafter held by the Secured Party for the Secured Obligations or for any other agreement between the parties creating a security interest in all or part of the Secured Property, whether made before or after this Agreement, and such security and such agreements shall be deemed to be continuing and not affected by this Agreement unless the Secured Party and the Borrower expressly provide to the contrary in writing.

5.3 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any party, shall be binding unless executed in writing by all parties to this Agreement.

5.4 Assignment and Enurement

This Agreement may be assigned by the Secured Party and any such assignee shall be entitled to exercise any and all discretions, powers and rights of the Secured Party under this Agreement. Borrower may not assign this Agreement or any of its rights or obligations under this Agreement unless permitted to do so pursuant by the Secured Party. All of the Secured Party's rights under this Agreement shall enure to the benefit of their successors and assigns and all of Borrower's obligations under this Agreement shall bind its successors and assigns.

5.5 Further Assurances

Borrower shall at all times do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and shall provide such further documents or instruments as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interest and the priority accorded to them by law or under this Agreement.

5.6 Access; Right of Inspection

The Secured Party shall at all times have full and free access during normal business hours and upon reasonable prior notice, to all books, correspondence and records of Borrower; provided that, prior notice shall not be required upon the occurrence and during the continuance of any Default or Event of Default.

5.7 Filings

Borrower will promptly effect all registrations, filings, recordings and all re-registrations, re-filings and re-recordings of or in respect of this Agreement and the Security Interest in all offices in all jurisdictions and at such times as may be necessary or of advantage in perfecting, maintaining and protecting the validity, effectiveness and priority of such Security Interest.

5.8 Execution and Delivery

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other electronic means and all such counterparts, facsimiles or other electronic means shall together constitute one and the same agreement.

Borrower acknowledges receiving a copy of this Agreement and hereby waives any right it has to receive a copy of any financing statement or financing change statement with respect to any registrations made pursuant hereto.

5.9 Security Interest Effective Immediately

Neither the execution of, nor any filing with respect to, this Agreement shall obligate the Secured Party to make any advance or loan or further advance, or bind the Secured Party to grant or extend any credit to Borrower, but the Security Interest shall take effect forthwith on the date hereof upon the execution of this Agreement by Borrower.

5.10 Reasonableness

Borrower acknowledges that the provisions of this Agreement and, in particular, those respecting rights, remedies and powers of the Secured Party and any receiver against Borrower, its business and any Secured Property upon the occurrence of an Event of Default, are commercially reasonable and not manifestly unreasonable.

5.11 Discharge

Upon termination of the commitments in respect of all Secured Obligations and full and final payment and performance by Borrower of the Secured Obligations, the Secured Party shall upon request deliver up this Agreement to Borrower and shall at the expense of Borrower cancel and discharge the Security Interest and execute and deliver such documents as required to discharge the Security Interest.

5.12 Attornment

Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of British Columbia in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such courts. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the parties hereto hereby irrevocably waives, to the fullest

extent permitted by law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

[Signature page follows]

IN WITNESS OF WHICH the Borrower has duly executed this Agreement.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

LAND TITLE ACT

FORM B

(Section 225)

Province of British Columbia

MORTGAGE - PART 1 (This area for Land Title Office use)

1. **APPLICATION:**

2. **PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:***

(PID)	(LEGAL DESCRIPTION)
009-807-063	District Lot 216 Nootka District
009-807-101	District Lot 217 Nootka District Except Part in Plan 43364

3. **BORROWER(S) [BORROWER(S)]:** *(including postal address(es) and postal code(s))**

4513541 CANADA INC. (Inc. No. 4513541), 1155 Metcalfe Street, Suite 800, Montreal, Quebec H3B 5H2

4. **LENDER(S) [LENDER(S)]:** *(including occupation(s), postal address(es) and postal code(s))**

BOWATER CANADIAN FOREST PRODUCTS INC., 1000 De La Gauchetiere West, Montreal, Quebec H3B 4W5

5. **PAYMENT PROVISIONS:****

			Y	M	D
(a) Principal Amount: SEE SCHEDULE	(b) Interest Rate: SEE SCHEDULE	(c) Interest Adjustment Date: N/A			
(d) Interest Calculation Period: N/A	(e) Payment Dates: SEE SCHEDULE	(f) First Payment Date: N/A	Y	M	D
(g) Amount of each periodic payment: N/A	(h) Interest Act (Canada) Statement: The equivalent rate of interest calculated half yearly not in advance is N/A% per annum.	(i) Last Payment Date: N/A	Y	M	D
(j) Assignment of Rents which the applicant wants registered: YES ☐ NO ☑ If Yes, Page and Paragraph Number: N/A	(k) Place of Payment: POSTAL ADDRESS IN ITEM 4	(l) Balance Due Date: SEE SCHEDULE	Y	M	D

*If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

**If space in any box insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

6. **MORTGAGE contains floating charge on land?**
YES ☐ NO ☒

7. **Mortgage secures a current or running account?**
YES ☐ NO ☒

8. **INTEREST MORTGAGED:**
Freehold ☒
Other (*Specify*)* ☐

9. **MORTGAGE TERMS:**
Part 2 of this mortgage consists of (*select one only*):
(a) Prescribed Standard Mortgage Terms ☐
(b) Filed Standard Mortgage Terms ☐ D.F. Number
(c) Express Mortgage Terms ☒ (annexed to this mortgage as Part 2)
A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. **ADDITIONAL OR MODIFIED TERMS:***

N/A

11. **PRIOR ENCUMBRANCES PERMITTED BY LENDER:***

Right of Way 364433G

12. **EXECUTIONS:**** This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in Item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

OFFICER SIGNATURES(S)	EXECUTION DATE Y	M	D	BORROWER(S) SIGNATURE(S)
				SAMSON BELAIR/DELOITTE & TOUCHE INC. in its capacity as court-appointed receiver for and on behalf of 4513541CANADA INC. Authorized Signatory Authorized Signatory

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to execution of this instrument.
*If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.
** If space insufficient, continue executions on additional page(s) in Form D.

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

5. PAYMENT PROVISIONS:

(a) Obligation Secured:

This Mortgage secures payment, observance, performance and satisfaction of all present and future debts, liabilities and obligations of the Borrower to the Lender (including all future advances and re-advances), whether direct or indirect, absolute or contingent, joint or several, matured or not, extended or renewed, wherever and however incurred, of whatsoever nature or kind, whether or not provided for herein, and whether owed as principal, guarantor, indemnitor or otherwise, up to the aggregate of:

(i) $1,000.00 as adjusted by the Promissory Note issued by the Borrower to the Lender dated _______________, 2010;

(ii) any unpaid interest on such debts, liabilities and obligations from time to time at the applicable rates; and

(iii) all present and future debts, liabilities and obligations of the Borrower hereunder.

The following terms will have the following meanings in this Mortgage unless the context otherwise requires:

A. **"Lender"** means each Person described in item 4 of this Part 1 and includes any heirs, legal representatives, successors or assigns of the Lender, as the case may be, whether immediate or derivative;

B. **"Borrower"** means each Person described in item 3 of this Part 1 and includes any heirs, personal representatives, successors or permitted assigns of the Borrower, as the case may be, whether immediate or derivative; and

C. **"Principal Amount"** means all of the debts, liabilities and obligations referred to in this item 5(a), up to the aggregate limit set out above.

(b) Interest Rate: Such rate or rates of interest as may be agreed to in writing from time to time with respect to the Principal Amount.

(e) Payment Dates: The dates when any instalment of the Principal Amount is required to be paid, observed, performed and satisfied.

(l) Balance Due Date: The last of the dates when an instalment of the Principal Amount is required to be paid, observed, performed and satisfied.

MORTGAGE-PART 2

1. CHARGE

As security for the payment of the Principal Amount by the Borrower to the Lender, the Borrower hereby grants, mortgages, charges, pledges, assigns and conveys as and by way of a fixed and specific mortgage, charge, pledge, security interest and assignment to and in favour of the Lender all of its right, title, estate and interest, present and future, in and to **ALL THOSE** pieces or parcels of land being situate at the Town of Gold River in the Province of British Columbia more particularly described in item 2 of Part 1 **TOGETHER WITH** all buildings and erections and personal property thereon and all appurtenances to the same belonging or in any way appertaining with the reversion and reversions, remainder and remainders, rents, issues and profits thereof and all the claim, property and demand, both at law and in equity, of the Borrower, of, in, to or out of the same or any part thereof **TOGETHER WITH** all of the benefits, rights, liabilities and obligations arising under or pursuant to any municipal, provincial or federal permits, licenses, consents or tolerances issued to the Borrower in connection with the ownership, use or occupation of the pieces or parcels of land (collectively hereinafter referred to as the "**Mortgaged Premises**") **TO HOLD** the same unto the Lender, absolutely and forever, **SUBJECT** to the proviso for redemption contained in Paragraph 2 hereof.

2. REPAYMENT

This Mortgage shall be void upon the Borrower paying in full the Lender, or an agent of the Lender to be designated from time to time, in lawful money of Canada all amounts that may be due or become due by the Borrower to the Lender under the provisions of this Mortgage.

Without limiting the foregoing, the Borrower and the Lender agree that the Lender's recourses for the Principal Amount shall be limited to the Mortgaged Premises (or the proceeds from the sale thereof or the sums paid in relation to the expropriation thereof, the net proceeds of which will be remitted, until the issuance of directions by the Court in respect thereof, to the monitor appointed as receiver in respect of the Lender) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Mortgaged Premises under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (Canada) (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of the Borrower or the Borrower's interest in the Mortgaged Premises.

3. FIXTURES

The Borrower covenants and agrees that all erections and improvements, fixed or otherwise, now on or after the date of this Mortgage put on the Mortgaged Premises, including but without limiting the generality of the foregoing, all buildings, fences, heating, piping, plumbing, aerials, air-conditioning, ventilating, lighting and water heating equipment, and all apparatus and equipment appurtenant thereto, and all improvements, fixed or otherwise and even though not attached otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Mortgaged Premises and shall be a portion of the security for the amounts secured by this Mortgage.

4. COVENANTS

The Borrower covenants and agrees with the Lender that:

(a) **Covenant to Pay and Quiet Enjoyment on Default:** The Borrower will pay the Principal Amount in accordance with this Mortgage and on default the Lender may enter and have quiet enjoyment of the Mortgaged Premises.

(b) **Property Expenses:** In connection with taxes, rates, assessments, utility charges, local improvements, water and assessment rates, the cost of fuel ("**Property Expenses**") chargeable against or upon the Mortgaged Premises, the Borrower will pay all Expenses as and when the same become due and payable and will provide the Lender with receipts confirming same as the Lender may require.

(c) **Good Title and Right to Convey:** The Borrower has a good title in fee simple to the Mortgaged Premises and the right to convey the Mortgaged Premises as hereby conveyed. The Borrower agrees to warrant and defend its title to the Mortgaged Premises;

(d) **Liens and Construction:** Upon the registration of any lien against the Mortgaged Premises, the Principal Amount and all other amounts hereby secured shall, at the option of the Lender, forthwith become due and payable.

(e) **Acceleration on Default:** In the event of default of payment of any of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Borrower, the whole amount of the Principal Amount remaining unpaid shall become due and payable, but the Lender may waive their right to call in such amount and shall not be therefor debarred from subsequently asserting and exercising their right to call in the Principal Amount by reason of such waiver or by reason of any future default.

(f) **Non-Merger:** The taking of a judgment on any covenant in this Mortgage shall not operate as a merger of any covenant in this Mortgage until such judgment shall have been fully paid and satisfied and neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Borrower to make payment of the Principal Amount to the Lender.

(g) **Compliance with Laws:** The Borrower will at all times promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise.

5. SALE BY BORROWER

If the Borrower sells, conveys, transfers, or enters into any agreement of sale or transfer of the title of the Mortgaged Premises to a purchaser, a grantee or transferee not approved in writing by the Lender, which approval shall be at the sole discretion of the Lender, then, at the option of the Lender, the whole of the Principal Amount remaining unpaid shall become due and payable at the Lender's sole option and discretion.

6. OBLIGATIONS SURVIVE SALE

The Borrower agrees that no sale or other dealing by the Borrower with the Mortgaged Premises or any part thereof shall in any way change the liability of the Borrower or in any way alter the rights of the Lender as against the Borrower or any other person liable for payment of all monies secured by this Mortgage.

7. RIGHTS ON DEFAULT

The Borrower shall not make demand for payment of any amounts owing under hereunder except following the occurrence of an event of default of payment or on breach of any covenant or proviso in this Mortgage. In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Borrower, the Lender, its inspector or agent may at such time or times as the Lender may deem necessary and without the concurrence of any other person enter upon the Mortgaged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Mortgaged Premises, or for inspecting, examining title, taking care of, leasing, collecting the rents of, and generally managing the Mortgaged Premises as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Lender or other person appointed for the above purposes shall be forthwith payable to the Lender and be a charge on the Mortgaged Premises. The Lender shall not be the agent or attorney of the Borrower by reason of the Lender's entry into possession of the Mortgaged Premises or any part thereof or by anything that may be done by virtue of this Section 7, or be liable to account as Lender or as Lender in possession for anything except actual receipts.

8. POWER OF SALE

In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Borrower, the Lender may sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Mortgaged Premises, whether by public or private sale or lease or otherwise, in such manner, at such price, and on such terms and conditions (as to deferred payment and otherwise) as the Lender may consider reasonable and with or without notice to the Borrower.

9. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS

No failure by the Lender to enforce at any time or from time to time any of its rights under this Mortgage shall prejudice such rights or any other rights of the Lender and no performance or payment by the Lender in respect of any breach or default of the Borrower shall relieve the Borrower from any such breach or default under this Mortgage; and no waiver at any time or from time to time of any such rights of the Lender shall prejudice such rights in the event of any future default or breach.

10. LENDER'S EXPENSES

The Borrower agrees to pay the reasonable and necessary costs, charges, fees and expenses of and incidental to this Mortgage and any and all other documents required in connection herewith, and of any amendment, extension, variation or renewal thereof, and of anything done in connection with the enforcement of the security granted hereby or the procuring of the payment of any amount payable under this Mortgage. The Borrower further agrees that such amounts shall be paid forthwith upon demand and until paid, shall be a charge on the Mortgaged Premises.

11. DISCHARGE

The Lender shall have a reasonable time after payment of the amounts secured by this Mortgage in full within which to prepare and execute a discharge or assignment of this Mortgage. All legal and other expenses for the preparation, execution and registration of such discharge or assignment shall be borne by the Borrower.

12. OTHER AGREEMENTS AND ASSIGNMENT BY LENDER

The provisions set forth in any other agreement between the Borrower and the Lender relating to the indebtedness secured by this Mortgage will not merge with this Mortgage but shall survive the execution, delivery and registration of this Mortgage. This Mortgage is in addition to and not in substitution for any security, and shall not in any way affect any other security, now or hereafter held by the Borrower for all or any part of the Principal Amount.

The Borrower acknowledges that the Lender may transfer or assign this Mortgage without notice to the Borrower.

13. SEVERABILITY OF ANY INVALID PROVISIONS

If at any time any provision of this Mortgage is illegal or invalid under or inconsistent with the provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Lender unable to collect the amount of any loss sustained by it as a result of making the loan secured by this Mortgage which it would otherwise be able to collect under such statute, regulation or other applicable law then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Lender unable to collect the amount of any such loss.

14. **HEADINGS**

The paragraph headings in this Mortgage are inserted for convenience of reference only and are deemed not to form part of this Mortgage and are not to be considered in the construction or interpretation of this Mortgage or any part thereof.

15. **INTERPRETATION**

In this Mortgage words in the singular include the plural and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires.

16. **NOTICES**

Any notice given under this Mortgage shall be made in writing, and either served personally or forwarded by courier or by registered mail, postage prepaid, if to the Borrower:

4513541 Canada Inc.
c/o SAMSON BELAIR / DELOITTE & TOUCHE INC.
1 Place Ville-Marie, Suite 3000
Montréal, Québec
H3B 4T9

Att: Pierre Laporte
Martin Franco

And if to the Lender:

Bowater Canadian Forest Products Inc.
1155 Metcalfe Street, Suite 800
Montréal, Québec
H3B 5H2

Att: ___________________________

The date of receipt of such notice shall be deemed conclusively to be the day of service if such notice is served personally or delivered by courier, or if mailed by registered mail on the delivery date or five (5) regular business days after such date of mailing, whichever is earlier, provided that if there is an interruption in mail services through strike or for other similar reasons then no such notice or documents shall be deemed to have been delivered until actually received by the intended party, whether by mail or otherwise.

17. **GOVERNING LAW**

This Mortgage shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of British Columbia.

END OF DOCUMENT

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. *& al*
Petitioners

- and -
ERNST & YOUNG INC.
Monitor

- and -
THE LAND REGISTRAR FOR THE LAND REGISTY OFFICE FOR THE REGISTRATION DIVISION OF SAGUENAY *& al*
Respondents

BS0350 **n/dos.:** 041053-1170

EXHIBIT R-24

ORIGINAL

Me Guillaume Boudreau-Simard **(514) 397-3694**
Fax : (514) 397-3621

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

EXHIBIT R-25

THIS INDENTURE made at ____, Canada the _____ day of ________________, 2010.

AMONG:	**ABITIBI-CONSOLIDATED INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario (hereinafter called the "**Vendor**") of the one part
AND:	**4513541 CANADA INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario (hereinafter referred to as the "**Purchaser**", and together with the Vendor, the "**Parties**") of the other part

WHEREAS on or about June 10, 1971, the Ontario-Minnesota Pulp and Paper Company Limited, a predecessor company to the Nominee, acquired certain lands and premises, including the hereinafter described pieces or parcels of land being situate at the Town of Kenora, in the Province of Ontario and being more particularly described in Schedule "C" hereto annexed (the "**Lands**");

AND WHEREAS as at the date hereof, the Vendor is the owner the Lands;

AND WHEREAS the Purchaser is a wholly-owned indirect subsidiary of AbitibiBowater Inc., incorporated in 2009 under the laws of Canada;

AND WHEREAS the Vendor has agreed to sell and the Purchaser has agreed to purchase the Property (as hereinafter defined) for the consideration hereinafter appearing on an "as is, where is" basis and upon and subject to the terms, covenants, conditions, and other provisions hereinafter set forth;

AND WHEREAS on April 17, 2009, the Québec Superior Court, Commercial Division (the "Court") issued an order (as subsequently amended and restated, the "Initial Order") pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") in respect of (i) Abitibi-Consolidated Inc. and subsidiaries thereof, (ii) Bowater Canadian Holdings Inc. and subsidiaries thereof, and (iii) certain partnerships;

AND WHEREAS pursuant to the Initial Order, Ernst & Young Inc. (the "Monitor") was appointed as Monitor of Petitioners under the CCAA;

AND WHEREAS a receivership order was issued by the Court on April 27, 2010 appointing Ernst & Young Inc. as receiver of the assets, property and undertaking of the Purchaser;

AND WHEREAS an amended receivership order was issued by the Court on July 21, 2010 appointing Samson Belair/Deloitte & Touche Inc., as receiver of the assets, property and undertaking of the Purchaser in replacement of Ernst & Young Inc.;

AND WHEREAS the Vendor has filed an *Amended Second Motion for the Issuance of Various Orders Authorizing the Sale of Non-Core Properties and for the Issuance of a Re-Amended Receivership Order in respect of 4513541 Canada Inc.* authorizing the transaction;

AND WHEREAS upon the vesting order attached as Schedule "A" hereto annexed having been rendered by the Court, the Property (as hereinafter defined) shall, in accordance with Section 3.1 herein, vest absolutely in the Purchaser, free and clear of and from any security interests, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise.

NOW THEREFORE THIS INDENTURE WITNESSETH THAT:

1. **PURCHASE PRICE**

1.1. For and in consideration of

(a) the assumption by the Purchaser of any liabilities of the Vendor for unpaid property taxes (including any penalties and interest charges relating thereto); and

(b) the sum of $1,000 together with any Principal Increase (as defined in the Purchase Note) pursuant to the Purchaser Note (as hereinafter defined)), which shall be paid by the Purchaser in favour of the Vendor by the issuance of a non-interest bearing promissory note substantially in the form attached as Schedule "B" hereto (the "**Purchaser Note**") (the receipt and sufficiency of which sum is hereby acknowledged by the Vendor) on the date of closing of the within conveyance (the "**Closing Date**") and delivered by the Purchaser to the Monitor on the Closing Date;

The Vendor hereby sells, assigns and conveys to the Purchaser **all right, title, and interest of the Vendor in** the Lands **TOGETHER WITH** all buildings, erections and personal property thereon and all appurtenances to the same belonging or in any way appertaining with the reversion and reversions, remainder and remainders, rents, issues and profits thereof and further **TOGETHER WITH** all of the benefits, rights, liabilities and obligations arising under or pursuant to any municipal, provincial or federal permits, licenses, consents or tolerances issued to the Vendor in connection with the ownership, use or occupation of the pieces or parcels of land (collectively hereinafter referred to as the "**Property**") **TO HOLD** the same unto the Purchaser **SUBJECT TO** the terms, covenants, conditions and other provisions hereinafter contained and which on the Purchaser's part are to be observed, performed and fulfilled and which terms, covenants, conditions and other provisions hereinafter contained shall run with, bind and touch the lands, premises and personal property herein conveyed and every part thereof, absolutely and forever;

1.2. The Purchaser Note shall be substantially in the form attached as Schedule "B" hereto and have the terms and conditions agreed upon from time to time by the Vendor and the Purchaser, including the following: (a) any amounts owing to the Vendor under the Purchaser Note shall be paid out of the actual net proceeds generated by the sale by the Purchaser, or any receiver appointed in respect thereof, of the Property (or any portion thereof) to a third party and any such amounts paid to the Vendor shall, until the issuance of directions by the Court with respect thereof, be remitted to the Monitor; and

(b) the Vendor's recourses for any principal owed under the Purchaser Note shall be limited to the Property (or the proceeds from the sale thereof or the sums paid in relation to the expropriation thereof) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property (or which may hereafter be issued in respect of any conditions existing as of the Closing Date) under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the CCAA (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Purchaser or Purchaser's interest in the Property. Subject to the above-mentioned subordination, the Purchaser Note shall be secured in favor of the Vendor by a general security agreement to be registered under the *Personal Property Security Act* (Ontario) and a registered vendor take-back mortgage.

2. <u>EXCLUSION OF WARRANTY</u>

In consideration of the within conveyance, the Purchaser, for itself and its successors and assigns, hereby covenants and agrees to and with the Vendor and their successors and assigns as follows:

2.1. the Purchaser acknowledges that the conveyance of the Property herein conveyed and every part thereof is being made on an "as is, where is" basis with no representation or warranty, express, implied, statutory, oral or written, or otherwise in respect of the Property, including those as to the condition thereof or with respect to compliance with laws, rules, regulations, orders or requirements to which the Property are subject including, but not limited to, those pertaining to hazardous substances, or of performance, merchantability, the status of permitting, fitness for a particular purpose, suitability, non-infringements, ownership, usage, or otherwise.

2.2. the Property herein conveyed and any part thereof, and any use or enjoyment of such Property shall be at the entire risk of the Purchaser and its successors and assigns from and after the date hereof, and the Purchaser for itself and its successors and assigns agrees to assume and hereby assumes any and all responsibilities and liabilities, whether of an environmental nature or otherwise, in any way arising out of or in connection with the state, quality or condition of, or in or upon, the Property herein conveyed and every part thereof existing as of or prior to the date hereof and thereafter, and whether such liabilities or responsibilities arise or are in any manner imposed by law, statute, regulations and/or by any regulatory authorities or parties or official entity in any manner whatsoever.

3. CONDITIONS OF CLOSING

The obligation of each of the Vendor and the Purchaser to complete the within conveyance is subject to the satisfaction of each of the following conditions by the Closing Date:

3.1. *Vesting Order.* An order substantially in the form attached as Schedule "A" hereto annexed shall have been rendered by the Court.

3.2. *Planning Act.* The subdivision control provisions of the *Planning Act* (Ontario) have been complied with by the Vendor to and including the Closing Date. The Vendor hereby covenants to proceed diligently at the Vendor's sole expense to obtain any necessary consent on or before Closing, if required.

4. OBLIGATIONS OF THE PURCHASER

In consideration of the within conveyance, the Purchaser shall have the following obligations on the Closing Date:

4.1. take possession of the Property in its current state;

4.2. pay the fees and legal fees with respect to the present Indenture and other instruments contemplated herein, along with the copy, land transfer tax, and registration fees thereof;

4.3. assume the payment of all taxes, utility charges, local improvements, water and assessment rates, the cost of fuel and any other items normally adjusted between a vendor and a purchaser of similar properties, as applicable, in connection with the Property as of and from the Closing Date;

4.4. self-assess and remit all harmonized sales tax on the Property on the Closing Date in compliance with the requirements of the *Excise Tax Act*, R.S.C. 1985, C. E-15, as amended, and that its registration number is ●.

5. MISCELLANEOUS

5.1. The Vendor represents and warrants within the meaning of the *Family Law Act* (Ontario), that the Property have never been occupied by any of the directors, officers, or shareholders of the Vendor or their spouses, as a family residence.

6. GOVERNING LAW

6.1. The present Indenture shall be governed by and in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

7. SCHEDULES

The following documents are attached hereto:

7.1. Schedule "A": Vesting Order

7.2. Schedule "B": Purchaser Note

7.3. Schedule "C": Legal Description of the Property

IN WITNESS WHEREOF the Vendor and the Purchaser have executed this Indenture as of the day and year first before written.

ABITIBI-CONSOLIDATED INC.

Per:

Per:

SAMSON BELAIR/DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of **4513541 CANADA INC.**

Per:

Per:

SCHEDULE "A": Vesting Order

See attached.

SCHEDULE "B": Purchaser Note

See attached.

SCHEDULE "C": Legal Description of the Property

In the Town of Kenora, Province of Ontario, Land Registry Office for the Land Titles Division of Kenora known as the Margach Landfill, being those lands described as follows:

FIRSTLY: PCL 5496 SEC DKF; SE 1/4 OF S 1/2 LT 13 CON 6 JAFFRAY; KENORA, being all of PIN: 42177-0156 (LT)
SECONDLY: PCL 5683 SEC DKF E 1/2 OF NE 1/4 OF S 1/2; LT 13 CON 6 JAFFRAY EXCEPT PT 1 23R3731; KENORA, being all of PIN: 42177-0157 (LT)
THIRDLY: PCL 5497 SEC DKF W 1/2 OF NW 1/4 OF S 1/2; LT 14 CON 6 JAFFRAY EXCEPT PT 2 23R3731; KENORA, being all of PIN: 42177-0159 (LT)
FOURTHLY: PCL 8013 SEC DKF; SW 1/4 OF S 1/2 LT 14 CON 6 JAFFRAY; KENORA, being all of PIN: 42177-0366 (LT)

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of the _____ day of ___________________________, 2010.

GRANTED BY: **4513541 CANADA INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario

(the "**Borrower**")

TO: **ABITIBI-CONSOLIDATED INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario

(the "**Secured Party**")

RECITALS:

A. Pursuant to an indenture (as amended, supplemented, restated, extended, renewed or replaced from time to time) dated as of the date hereof between the Borrower and the Secured Party (the "**Indenture**") and a promissory note given by the Borrower to and in favour of the Secured Party dated the ___ day of _____________, 2010 (the "**Promissory Note**"), the Borrower agreed to repay to the Secured Party the sum of One Thousand Dollars ($1,000.00) (subject to any adjustments made pursuant to the Promissory Note) (the "**Principal Amount**") of lawful money of Canada.

B. As security for its Secured Obligations (as defined herein), the Borrower has agreed to grant to the Secured Party, a security interest in the Secured Property of the Borrower.

THEREFORE, the parties agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Defined Statutory Terms

Unless the context otherwise requires or unless otherwise specified, the terms "advance", "consumer goods", "court", "default", "financial asset", "financing change statement", "financing statement", "fixture", "goods", "intangible", "inventory", "money", "option", "personal property", "receiver", "security", and "value" used in this Agreement without initial capitals, which are defined in the PPSA have the same meanings in this Agreement as in the PPSA, as applicable.

1.2 Definitions

As used in this Agreement, the following words and terms have the meanings set out below:

"**Agreement**" means this security agreement as it may be amended, supplemented, extended, renewed, restated or otherwise modified from time to time;

"**Borrower**" has the meaning ascribed hereto in the Recital;

"**Collateral Support**" means any property or right, title or interest therein assigned, hypothecated or otherwise securing the Secured Property, as the case may be, or the payment or performance thereof, including any security agreement or other agreement granting a lien or security interest in such property;

"**Event of Default**" means any default of payment of the Principal Amount in accordance with the Promissory Note or any breach of any covenant or proviso contained in this Agreement or in that certain mortgage granted by the Borrower to the Secured Party of even date herewith;

"**Expenses**" means all expenses, costs and charges incurred by or on behalf of the Secured Party in connection with this Agreement, the Security Interest or the Collateral Support, including all legal fees, court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral Support, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with the Secured Party interest in any Collateral Support, whether or not directly relating to the enforcement of this Agreement or the Indenture;

"**Indenture**" has the meaning ascribed hereto in the Recital;

"**PPSA**" means the *Personal Property Security Act* (Ontario); provided, however, if the validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority of the Secured Party's security interest in any Secured Property are governed by the personal property security laws or laws relating to movable property of any jurisdiction in Canada other than the Province of Ontario, PPSA shall include those personal property security laws or laws relating to movable property in such other jurisdiction for the purpose of the provisions hereof relating to such validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority and for the definitions related to such provisions;

"**Principal Amount**" has the meaning ascribed hereto in the Recital;

"**Promissory Note**" has the meaning ascribed hereto in the Recital;

"**Secured Obligations**" means all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by the Borrower to the Secured Party in any currency, under, in connection with or pursuant to the Promissory Note;

"**Secured Party**" has the meaning ascribed hereto in the Recital;

"**Secured Property**" means, Borrower's present and after acquired personal property, including all undertakings, property, rights and assets of every nature and kind, now owned or subsequently acquired and at any time and from time to time existing or in which any such

Borrower has or acquires an interest, wherever situate, including all insurance policies covering such property and any and all proceeds of any of the foregoing;

"**Security Interest**" has the meaning ascribed hereto at Section 2.1.

1.3 Certain Rules of Interpretation

In this Agreement:

(a) **Governing Law** - This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

(b) **Headings** - Headings of Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement, and a reference to an "Article" or a "Section" means the specified article or section of this Agreement.

(c) **Including** - Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

(d) **No Strict Construction** - The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

(e) **Number and Gender** - Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(f) **Severability** - If, in any jurisdiction, any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other parties or circumstances.

(g) **Statutory references** - A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, revises, restates, supplements or supersedes any such statute or any such regulation or, in each case, any provision thereof.

(h) **Time** - Time is of the essence in the performance of the parties' respective obligations.

1.4 Entire Agreement

This Agreement constitutes the entire agreement between the parties and sets out all the covenants, promises, conditions, understandings and agreements between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

ARTICLE 2
SECURITY INTEREST

2.1 Security Interest

As continuing security for the payment and the performance of the Secured Obligations, the Borrower hereby grants to the Secured Party, a first priority, continuing, specific and fixed security interest in all of such Borrower's Secured Property and assigns, mortgages, hypothecates and pledges to the Secured Party all of the Secured Property of the Borrower now owned or hereafter acquired. The security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement (collectively, the "**Security Interest**") secures the payment and performance of the Secured Obligations and the Expenses.

2.2 Fixed Nature of Security Interest

The Security Interest is intended to operate as a fixed and specific charge of all of the Secured Property presently existing, and with respect to all future Secured Property, to operate as a fixed and specific charge of such future Secured Property.

2.3 Attachment

Borrower acknowledges that value has been given, it has rights in the Secured Property or the power to transfer rights in the Secured Property to the Secured Party (other than after-acquired Secured Property) and that it has not agreed to postpone the time of attachment of the Security Interest. The Security Interest of Borrower is intended to attach, as to all Secured Property, and with respect to any particular item of Secured Property, upon the execution of this Agreement.

ARTICLE 3
REMEDIES

3.1 Secured Party' Rights and Remedies

Upon the occurrence and during the continuance of an Event of Default, all of the Secured Obligations shall, at the Secured Party's option and without notice to Borrower, become immediately due and payable and the Secured Party may, in its discretion, proceed to enforce payment and performance of the Secured Obligations and to exercise any or all of the rights and remedies contained in this Agreement, or otherwise afforded by law, in equity or otherwise.

The Secured Party shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law.

3.2 Waivers and Extensions

The Secured Party may waive default or any breach by Borrower of any of the provisions contained in this Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived and no act or omission of the Secured Party shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of Borrower or the rights of the Secured Party resulting therefrom. Any such waiver must be in writing and signed by the Secured Party to be effective.

The Secured Party may also grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured Property to third parties and otherwise deal with Borrower and others and with the Secured Property and other securities as they may see fit without prejudice to the liability of Borrower to the Secured Party, or their rights, remedies and powers under this Agreement. No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given to Borrower shall operate as a waiver, alteration or amendment of the rights of the Secured Party or otherwise preclude it from enforcing such rights.

3.3 Remedies Cumulative

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Secured Party under this Agreement are cumulative, non-exclusive and are in addition to and not in substitution for any rights or remedies provided by law or equity; and any single or partial exercise by the Secured Party of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement shall not be deemed to be a waiver of, or to alter, affect or prejudice, any other right or remedy to which they may be lawfully entitled for such default or breach.

3.4 Statutory Waivers by Borrower

To the fullest extent permitted by law, Borrower waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of the Secured Party or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

3.5 Limitation of Liability

The Secured Party shall not be liable or accountable:

(a) by reason of any entry into or taking possession of all or any of the Secured Property, to account as mortgagee in possession or for anything except actual receipts, or for any loss on realization or any act or omission for which a secured party in possession might be liable; or

(b) for any failure to (i) exercise or exhaust any of its rights and remedies, (ii) take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property, or (iii) protect the Secured Property from depreciating in value or becoming worthless, and shall not, in each case, be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Secured Party, Borrower or any other Person in respect of same.

The Secured Party shall not by virtue of the exercise of its rights under this agreement be deemed to be a mortgagee in possession of the Secured Property. Borrower releases and discharges the Secured Party and the receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to Borrower or any Person claiming through or under it by reason or as a result of anything done or not done by either Secured Party or the receiver under the provisions of this Agreement unless such claim be the result of gross negligence or wilful misconduct.

3.6 Redemption of Secured Property

At any time before the Secured Party has: (a) disposed of the Secured Property; or (b) elected irrevocably to retain all or part of the Secured Property, Borrower may redeem the Secured Property by tendering payment of the aggregate amount of the outstanding Secured Obligations at such time.

ARTICLE 4
POWER OF ATTORNEY

4.1 Grant

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower irrevocably constitutes and appoints the Secured Party as its true and lawful attorney with power of substitution in the name of Borrower to do any and all acts and things, exercise all rights and powers and perform all acts of ownership with respect to the Secured Property to the same extent as the Borrower might do, complete any endorsements or registrations and execute and deliver all agreements, documents and instruments as the Secured Party, in its sole discretion, consider necessary or desirable to carry out the provisions and purposes of this Agreement or to exercise its rights and remedies, provided that such power of attorney shall not be exercised until an Event of Default has occurred and is continuing. Borrower ratifies and agrees to ratify all acts of any attorney taken or done in accordance with this Section 4.1. This power of attorney being coupled with an interest shall not be revoked or terminated by any act and shall remain in full force and effect until this Agreement has been terminated.

ARTICLE 5
GENERAL

5.1 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered in accordance with the Indenture.

5.2 Continuing Security

The Security Interest is not in substitution for any other security now or hereafter held by the Secured Party for the Secured Obligations or for any other agreement between the parties creating a security interest in all or part of the Secured Property, whether made before or after this Agreement, and such security and such agreements shall be deemed to be continuing and not affected by this Agreement unless the Secured Party and the Borrower expressly provide to the contrary in writing.

5.3 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any party, shall be binding unless executed in writing by all parties to this Agreement.

5.4 Assignment and Enurement

This Agreement may be assigned by the Secured Party and any such assignee shall be entitled to exercise any and all discretions, powers and rights of the Secured Party under this Agreement. Borrower may not assign this Agreement or any of its rights or obligations under this Agreement unless permitted to do so pursuant by the Secured Party. All of the Secured Party's rights under this Agreement shall enure to the benefit of their successors and assigns and all of Borrower's obligations under this Agreement shall bind its successors and assigns.

5.5 Further Assurances

Borrower shall at all times do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and shall provide such further documents or instruments as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interest and the priority accorded to them by law or under this Agreement.

5.6 Access; Right of Inspection

The Secured Party shall at all times have full and free access during normal business hours and upon reasonable prior notice, to all books, correspondence and records of Borrower; provided that, prior notice shall not be required upon the occurrence and during the continuance of any Default or Event of Default.

5.7 Filings

Borrower will promptly effect all registrations, filings, recordings and all re-registrations, re-filings and re-recordings of or in respect of this Agreement and the Security Interest in all offices in all jurisdictions and at such times as may be necessary or of advantage in perfecting, maintaining and protecting the validity, effectiveness and priority of such Security Interest.

5.8 Execution and Delivery

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other electronic means and all such counterparts, facsimiles or other electronic means shall together constitute one and the same agreement.

Borrower acknowledges receiving a copy of this Agreement and hereby waives any right it has to receive a copy of any financing statement or financing change statement with respect to any registrations made pursuant hereto.

5.9 Security Interest Effective Immediately

Neither the execution of, nor any filing with respect to, this Agreement shall obligate the Secured Party to make any advance or loan or further advance, or bind the Secured Party to grant or extend any credit to Borrower, but the Security Interest shall take effect forthwith on the date hereof upon the execution of this Agreement by Borrower.

5.10 Reasonableness

Borrower acknowledges that the provisions of this Agreement and, in particular, those respecting rights, remedies and powers of the Secured Party and any receiver against Borrower, its business and any Secured Property upon the occurrence of an Event of Default, are commercially reasonable and not manifestly unreasonable.

5.11 Discharge

Upon termination of the commitments in respect of all Secured Obligations and full and final payment and performance by Borrower of the Secured Obligations, the Secured Party shall upon request deliver up this Agreement to Borrower and shall at the expense of Borrower cancel and discharge the Security Interest and execute and deliver such documents as required to discharge the Security Interest.

5.12 Attornment

Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such courts. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the parties hereto hereby irrevocably waives, to the fullest

extent permitted by law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

[Signature page follows]

IN WITNESS OF WHICH the Borrower has duly executed this Agreement.

SAMSON BELAIR/DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

SCHEDULE
ADDITIONAL PROVISIONS

1. CHARGE

As security for the payment of Principal Amount (as defined below) of lawful money of Canada, now due and owing by **4513541 Canada Inc.** (the "**Mortgagor**") to **Abitibi-Consolidated Inc.** (the "**Mortgagee**"), the Mortgagor hereby grants, mortgages, charges, pledges, assigns and conveys as and by way of a fixed and specific mortgage, charge, pledge, security interest and assignment to and in favour of the Mortgagee all of its right, title, estate and interest, present and future, in and to **ALL THOSE** pieces or parcels of land being situate at the Town of Kenora in the Province of Ontario more particularly described in Schedule "A" hereto (which Schedule forms part and parcel of this agreement) **TOGETHER WITH** all buildings and erections and personal property thereon and all appurtenances to the same belonging or in any way appertaining with the reversion and reversions, remainder and remainders, rents, issues and profits thereof and all the claim, property and demand, both at law and in equity, of the Mortgagor, of, in, to or out of the same or any part thereof **TOGETHER WITH** all of the benefits, rights, liabilities and obligations arising under or pursuant to any municipal, provincial or federal permits, licenses, consents or tolerances issued to the Mortgagor in connection with the ownership, use or occupation of the pieces or parcels of land (collectively hereinafter referred to as the "**Mortgaged Premises**") **TO HOLD** the same unto the Mortgagee, absolutely and forever, **SUBJECT** to the proviso for redemption contained in Paragraph 2 hereof.

"**Principal Amount**" means the maximum principal amount of $363,000, plus all obligations, debts and liabilities owing or remaining unpaid by the Mortgagor to the Mortgagee from time to time, present and future, direct or indirect, absolute or contingent, matured or not, whenever and however incurred, as principal or surety, alone or jointly, whether otherwise secured or not, and arising under or in connection with the loan, plus all Costs, interest thereon at the Interest Rate.

"**Costs**" means all fees, costs, charges and expenses of any Lender Entity for or incidental to (i) preparing, executing and registering the Loan Documents and making each advance of each loan; (ii) collecting, enforcing and realizing on or under the Loan or this Mortgage, including any workout or modification of the loan or this Mortgage agreed to by the Mortgagee in its sole discretion; (iii) inspecting, protecting, securing, completing, insuring, repairing, equipping, taking and keeping possession of, managing, selling or leasing the Mortgaged Premises, including curing any defaults under or renewing any leasehold interest, and any other protective disbursements or just allowances which may be added to principal or otherwise secured by this Mortgage under all laws applicable thereto; (iv) appointing a receiver, receiver and manager or any other person(s) with similar powers (under this Mortgage, applicable laws or otherwise) and such person's fees and expenses (including all legal fees and disbursements and all agents' costs and expenses); (v)obtaining any environmental audits or other inspections, tests or reports with respect to the Mortgaged Premises; (vi) complying with any notices, orders, judgments, directives, permits, licenses, authorizations or approvals with respect to the Mortgaged Premises;(vii) performing the obligations of the Mortgagor under this Mortgage, including all fees, costs, charges and expenses incurred in removing any lien from title to the Mortgaged Premises which have been made, created, incurred or permitted to exist in breach of this Mortgage (whether or not having priority over the security thereof); (ix) all legal fees and disbursements in connection with each Loan on a full indemnity basis, and (x) without limiting the foregoing, any other fees, costs, charges or expenses payable or reimbursable to the Mortgagee under this Mortgage in respect of the loan or applicable laws, and including allowances for time, service, work or effort of the Mortgagee in connection with any of the foregoing matters. "**Costs**" include interest at the Interest Rate on all such fees, costs, charges and expenses from the date incurred until paid to the Mortgagee.

"**Interest Rate**" means the rate of interest per annum specified in this Mortgage which rate of interest shall be a nominal rate calculated monthly, not in advance, both before and after maturity, demand, default and judgment.

2. REPAYMENT

This Mortgage shall be void upon the Mortgagor paying in full the Mortgagee, or an agent of the Mortgagee to be designated from time to time, in lawful money of Canada all amounts that may be due or become due by the Mortgagor to the Mortgagee under the provisions of this Mortgage.

Without limiting the foregoing, the Mortgagor and the Mortgagee agree that the Mortgagee's recourses for the Principal Amount and any amounts that may be due or become due by the Mortgagor shall be limited to the Mortgaged Premises (or the proceeds from the sale thereof or the sums paid in relation to the expropriation thereof, the net proceeds of which will be remitted, until the issuance of directions by the Court in respect thereof, to the monitor appointed as receiver in respect of the Mortgagee) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Mortgaged Premises under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (Canada) as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of the Mortgagor or the Mortgagor's interest in the Mortgaged Premises.

3. FIXTURES

The Mortgagor covenants and agrees that all erections and improvements, fixed or otherwise, now on or after the date of this Mortgage put on the Mortgaged Premises, including but without limiting the generality of the foregoing, all buildings, fences, heating, piping, plumbing, aerials, air-conditioning, ventilating, lighting and water heating equipment, and all apparatus and equipment appurtenant thereto, and all improvements, fixed or otherwise and even though not attached otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Mortgaged Premises and shall be a portion of the security for the amounts secured by this Mortgage.

4. COVENANTS

The Mortgagor covenants and agrees with the Mortgagee that:

(a) **Covenant to Pay and Quiet Enjoyment on Default**: The Mortgagor will pay the Principal Amount in accordance with this Mortgage and on default the Mortgagee may enter and have quiet enjoyment of the Mortgaged Premises.

(b) **Property Expenses:** In connection with taxes, rates, assessments, utility charges, local improvements, water and assessment rates, the cost of fuel ("**Property Expenses**") chargeable against or upon the Mortgaged Premises, the Mortgagor will pay all Expenses as and when the same become due and payable and will provide the Mortgagee with receipts confirming same as the Mortgagee may require.

(c) **Good Title and Right to Convey:** The Mortgagor has a good title in fee simple to the Mortgaged Premises and the right to convey the Mortgaged Premises as hereby conveyed. The Mortgagor agrees to warrant and defend its title to the Mortgaged Premises;

(d) **Liens and Construction**: Upon the registration of any lien against the Mortgaged Premises, the Principal Amount and all other amounts hereby secured shall, at the option of the Mortgagee, forthwith become due and payable.

(e) **Acceleration on Default:** In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Mortgagor, the whole of the Principal Amount remaining unpaid shall become due and payable, but the Mortgagee may waive their right to call in such Principal Amount and shall not be therefor debarred from subsequently asserting and exercising their right to call in the Principal Amount by reason of such waiver or by reason of any future default.

(f) **Non-Merger:** The taking of a judgment on any covenant in this Mortgage shall not operate as a merger of any covenant in this Mortgage until such judgment shall have been fully paid and satisfied. And neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Mortgagor to make payment of the Principal Amount to the Mortgagee.

(g) **Compliance with Laws:** The Mortgagor will at all times promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise.

5. SALE BY MORTGAGOR

If the Mortgagor sells, conveys, transfers, or enters into any agreement of sale or transfer of the title of the Mortgaged Premises to a purchaser, a grantee or transferee not approved in writing by the Mortgagee, which approval shall be at the sole discretion of the Mortgagee, then, at the option of the Mortgagee, the whole of the Principal Amount remaining unpaid shall become due and payable at the Mortgagee's sole option and discretion.

6. OBLIGATIONS SURVIVE SALE

The Mortgagor agrees that no sale or other dealing by the Mortgagor with the Mortgaged Premises or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of all monies secured by this Mortgage.

7. RIGHTS ON DEFAULT

The Mortgagor shall not make demand for payment of any amounts owing under hereunder except following the occurrence of an event of default of payment or on breach of any covenant or proviso in this Mortgage. In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Mortgagor, the Mortgagee, its inspector or agent may at such time or times as the Mortgagee may deem necessary and without the concurrence of any other person enter upon the Mortgaged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Mortgaged Premises, or for inspecting, examining title, taking care of, leasing, collecting the rents of, and generally managing the Mortgaged Premises as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Mortgagee or other person appointed for the above purposes shall be forthwith payable to the Mortgagee and be a charge on the Mortgaged Premises. The Mortgagee shall not be the agent or attorney of the Mortgagor by reason of the Mortgagee's entry into possession of the Mortgaged Premises or any part thereof or by anything that may be done by virtue of this Section 7, or be liable to account as Mortgagee or as Mortgagee in possession for anything except actual receipts.

8. POWER OF SALE

In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Mortgagor, the Mortgagee may sell the Mortgaged Premises in accordance and complying with the provisions of the *Mortgage Act*, R.S.O. 1990, c. M.40 as amended pertaining to the sale by a mortgagee of mortgaged premises with or without entering into possession of the Mortgaged Premises.

9. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS

No failure by the Mortgagee to enforce at any time or from time to time any of its rights under this Mortgage shall prejudice such rights or any other rights of the Mortgagee and no performance or payment by the Mortgagee in respect of any breach or default of the Mortgagor shall relieve the Mortgagor from any such breach or default under this Mortgage; and no waiver at any time or from time to time of any such rights of the Mortgagee shall prejudice such rights in the event of any future default or breach.

10. MORTGAGEE'S EXPENSES

The Mortgagor agrees to pay the reasonable and necessary costs, charges, fees and expenses of and incidental to this Mortgage and any and all other documents required in connection herewith, and of any amendment, extension, variation or renewal thereof, and of anything done in connection with the enforcement of the security granted hereby or the procuring of the payment of any amount payable under this Mortgage. The Mortgagor further agrees that such amounts shall be paid forthwith upon demand and until paid, shall be a charge on the Mortgaged Premises.

11. DISCHARGE

The Mortgagee shall have a reasonable time after payment of the amounts secured by this Mortgage in full within which to prepare and execute a discharge or assignment of this Mortgage. All legal and other expenses for the preparation, execution and registration of such discharge or assignment shall be borne by the Mortgagor.

12. COMMITMENT LETTER AND ASSIGNMENT BY MORTGAGEE

The provisions set forth in any other agreement between the Mortgagor and the Mortgagee relating to the indebtedness secured by this Mortgage will not merge with this Mortgage but shall survive the execution, delivery and registration of this Mortgage. This Mortgage is in addition to and not in substitution for any security, and shall not in any way affect any other security, now or hereafter held by the Mortgagor for all or any part of the Principal Amount.

The Mortgagor acknowledges that the Mortgagee may transfer or assign this Mortgage without notice to the Mortgagor.

13. SEVERABILITY OF ANY INVALID PROVISIONS

If at any time any provision of this Mortgage is illegal or invalid under or inconsistent with the provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Mortgagee unable to collect the amount of any loss sustained by it as a result of making the loan secured by this Mortgage which it would otherwise be able to collect under such statute, regulation or other applicable law then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Mortgagee unable to collect the amount of any such loss.

14. LAND REGISTRATION REFORM ACT

Wherever the words "Mortgagor", "Mortgagee", and "Mortgage" appear in this Mortgage, they shall be deemed and construed to respectively mean "chargor", "charge", and "charge" respectively, as such terms are defined in the *Land Registration Reform Act* (Ontario).

The parties hereto agree that the covenants deemed to be included in this Mortgage by Section 7(1)1 and 7(1)2 of the *Land Registration Reform Act* (Ontario), as varied herein, shall be in addition to and not in substitution for the covenants and other provisions set forth in this Mortgage. In the event of any conflict between any of such implied covenants, as varied herein, and any other covenant or provision of this Mortgage, such other covenant or provision of this Mortgage shall prevail.

15. HEADINGS

The paragraph headings in this Mortgage are inserted for convenience of reference only and are deemed not to form part of this Mortgage and are not to be considered in the construction or interpretation of this Mortgage or any part thereof.

16. INTERPRETATION

In this Mortgage the expression "the Mortgagor" includes the successors and assigns of the Mortgagor and the expression the "Mortgagee" includes the successors and assigns of the Mortgagee, and words in the singular include the plural and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires. Furthermore, all rights, advantages, privileges, immunities, powers and things hereby secured to the Mortgagee are equally secured to and exercisable by its successors and assigns.

17. NOTICES

Any notice given under this Mortgage shall be made in writing, and either served personally or forwarded by courier or by registered mail, postage prepaid, if to the Mortgagor:

> 4513541 Canada Inc.
> Samson Belair/Deloitte & Touche Inc.
> c/o Pierre Laporte or Martin Franco
> 1 Place Ville-Marie
> Suite 3000
> Montreal, Quebec
> H3B 4T9

And if to the Mortgagee:

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

Att: **Jacques Vachon & Mélanie Allaire**

The date of receipt of such notice shall be deemed conclusively to be the day of service if such notice is served personally or delivered by courier, or if mailed by registered mail on the delivery date or five (5) regular business days after such date of mailing, whichever is earlier, provided that if there is an interruption in mail services through strike or for other similar reasons then no such notice or documents shall be deemed to have been delivered until actually received by the intended party, whether by mail or otherwise.

18. GOVERNING LAW

This Mortgage shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of Ontario.

Schedule "A"

In the Town of Kenora, Province of Ontario, Land Registry Office for the Land Titles Division of Kenora known as the Margach Landfill, being those lands described as follows:

FIRSTLY: PCL 5496 SEC DKF; SE 1/4 OF S 1/2 LT 13 CON 6 JAFFRAY; KENORA, being all of PIN: 42177-0156 (LT)
SECONDLY: PCL 5683 SEC DKF E 1/2 OF NE 1/4 OF S 1/2; LT 13 CON 6 JAFFRAY EXCEPT PT 1 23R3731; KENORA, being all of PIN: 42177-0157 (LT)
THIRDLY: PCL 5497 SEC DKF W 1/2 OF NW 1/4 OF S 1/2; LT 14 CON 6 JAFFRAY EXCEPT PT 2 23R3731; KENORA, being all of PIN: 42177-0159 (LT)
FOURTHLY: PCL 8013 SEC DKF; SW 1/4 OF S 1/2 LT 14 CON 6 JAFFRAY; KENORA, being all of PIN: 42177-0366 (LT)

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. *& al*
Petitioners

- and -
ERNST & YOUNG INC.
Monitor

- and -
THE LAND REGISTRAR FOR THE LAND REGISTY OFFICE FOR THE REGISTRATION DIVISION OF SAGUENAY *& al*
Respondents

BS0350 **n/dos.:** 041053-1170

EXHIBIT R-25

ORIGINAL

Me Guillaume Boudreau-Simard **(514) 397-3694**
Fax : (514) 397-3621

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

EXHIBIT R-26

THIS INDENTURE made at ____, Canada the _____ day of _______________, 2010.

AMONG:	**ABITIBI-CONSOLIDATED INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario (hereinafter called the "**Vendor**") of the first part
AND:	**4513541 CANADA INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario (hereinafter referred to as the "**Purchaser**", and together with the Vendor, the "**Parties**") of the other part

WHEREAS on or about June 6, 1927, a predecessor company to the Vendor, acquired certain lands and premises, including the hereinafter described pieces or parcels of land being situate at the Town of Kenora, in the Province of Ontario and being more particularly described in Schedule "C" hereto annexed (the "**Lands**");

AND WHEREAS as at the date hereof, the Vendor is the owner of the Lands;

AND WHEREAS the Purchaser is a wholly-owned indirect subsidiary of AbitibiBowater Inc., incorporated in 2009 under the laws of Canada;

AND WHEREAS the Vendor has agreed to sell and the Purchaser has agreed to purchase the Property (as hereinafter defined) for the consideration hereinafter appearing on an "as is, where is" basis and upon and subject to the terms, covenants, conditions, and other provisions hereinafter set forth;

AND WHEREAS on April 17, 2009, the Québec Superior Court, Commercial Division (the "Court") issued an order (as subsequently amended and restated, the "Initial Order") pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") in respect of (i) Abitibi-Consolidated Inc. and subsidiaries thereof, (ii) Bowater Canadian Holdings Inc. and subsidiaries thereof, and (iii) certain partnerships;

AND WHEREAS pursuant to the Initial Order, Ernst & Young Inc. (the "Monitor") was appointed as Monitor of Petitioners under the CCAA;

AND WHEREAS a receivership order was issued by the Court on April 27, 2010 appointing Ernst & Young Inc. as receiver of the assets, property and undertaking of the Purchaser;

AND WHEREAS an amended receivership order was issued by the Court on July 21, 2010 appointing Samson Belair/Deloitte & Touche Inc. as receiver of the assets, property and undertaking of the Purchaser in replacement of Ernst & Young Inc.;

AND WHEREAS the Vendor has filed an *Amended Second Motion for the Issuance of Various Orders Authorizing the Sale of Non-Core Properties and for the Issuance of a Re-Amended Receivership Order in respect of 4513541 Canada Inc.* authorizing the transaction.

AND WHEREAS upon the vesting order attached as Schedule "A" hereto annexed having been rendered by the Court, the Property (as hereinafter defined) shall, in accordance with Section 3.1

herein, vest absolutely in the Purchaser, free and clear of and from any security interests, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

NOW THEREFORE THIS INDENTURE WITNESSETH THAT:

1. PURCHASE PRICE

1.1. For and in consideration of

(a) the assumption by the Purchaser of any liabilities of the Vendor for unpaid property taxes (including any penalties and interest charges relating thereto); and

(b) the sum of $1,000 together with any Principal Increase (as defined in the Purchase Note) pursuant to the Purchaser Note (as hereinafter defined)), which shall be paid by the Purchaser in favour of the Vendor by the issuance of a non-interest bearing promissory note substantially in the form attached as Schedule "B" hereto (the "**Purchaser Note**") (the receipt and sufficiency of which sum is hereby acknowledged by the Vendor) on the date of closing of the within conveyance (the "**Closing Date**") and delivered by the Purchaser to the Monitor on the Closing Date;

The Vendor hereby sells, assigns and conveys to the Purchaser **all right, title, and interest of the Vendor in** the Lands **TOGETHER WITH** all buildings, erections and personal property thereon and all appurtenances to the same belonging or in any way appertaining with the reversion and reversions, remainder and remainders, rents, issues and profits thereof and further **TOGETHER WITH** all of the benefits, rights, liabilities and obligations arising under or pursuant to any municipal, provincial or federal permits, licenses, consents or tolerances issued to the Vendor in connection with the ownership, use or occupation of the pieces or parcels of land (collectively hereinafter referred to as the "**Property**") **TO HOLD** the same unto the Purchaser **SUBJECT TO** the terms, covenants, conditions and other provisions hereinafter contained and which on the Purchaser's part are to be observed, performed and fulfilled and which terms, covenants, conditions and other provisions hereinafter contained shall run with, bind and touch the lands, premises and personal property herein conveyed and every part thereof, absolutely and forever;

1.2. The Purchaser Note shall be substantially in the form attached as Schedule "B" hereto and have the terms and conditions agreed upon from time to time by the Vendor and the Purchaser, including the following: (a) any amounts owing to the Vendor under the Purchaser Note shall be paid out of the actual net proceeds generated by the sale by the Purchaser, or any receiver appointed in respect thereof, of the Property (or any portion thereof) to a third party and any such amounts paid to the Vendor shall, until the issuance of directions by the Court with respect thereof, be remitted to the Monitor; and (b) the Vendor's recourses for any principal owed under the Purchaser Note shall be limited to the Property (or the proceeds from the sale thereof or the sums paid in relation to the expropriation thereof) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property (or which may hereafter be issued in respect of any conditions existing as of the Closing Date) under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *CCAA* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Purchaser or Purchaser's interest in the Property. Subject to the above-mentioned subordination, the Purchaser Note shall be secured in favor of the Vendor by a general security agreement to be registered under the *Personal Property Security Act* (Ontario) and a registered vendor take-back mortgage.

2. EXCLUSION OF WARRANTY

In consideration of the within conveyance, the Purchaser, for itself and its successors and assigns, hereby covenants and agrees to and with the Vendor and their successors and assigns as follows:

2.1. the Purchaser acknowledges that the conveyance of the Property herein conveyed and every part thereof is being made on an "as is, where is" basis with no representation or warranty, express, implied, statutory, oral or written, or otherwise in respect of the Property, including those as to the condition thereof or with respect to compliance with laws, rules, regulations, orders or requirements to which the Property are subject including, but not limited to, those pertaining to hazardous substances, or of performance, merchantability, the status of permitting, fitness for a particular purpose, suitability, non-infringements, ownership, usage, or otherwise.

2.2. the Property herein conveyed and any part thereof, and any use or enjoyment of such Property shall be at the entire risk of the Purchaser and its successors and assigns from and after the date hereof, and the Purchaser for itself and its successors and assigns agrees to assume and hereby assumes any and all responsibilities and liabilities, whether of an environmental nature or otherwise, in any way arising out of or in connection with the state, quality or condition of, or in or upon, the Property herein conveyed and every part thereof existing as of or prior to the date hereof and thereafter, and whether such liabilities or responsibilities arise or are in any manner imposed by law, statute, regulations and/or by any regulatory authorities or parties or official entity in any manner whatsoever.

3. CONDITIONS OF CLOSING

The obligation of each of the Vendor and the Purchaser to complete the within conveyance is subject to the satisfaction of each of the following conditions by the Closing Date:

3.1. *Vesting Order.* An order substantially in the form attached as Schedule "A" hereto annexed shall have been rendered by the Court.

3.2. *Planning Act.* The subdivision control provisions of the *Planning Act* (Ontario) have been complied with by the Vendor to and including the Closing Date. The Vendor hereby covenants to proceed diligently at the Vendor's sole expense to obtain any necessary consent on or before Closing, if required.

4. OBLIGATIONS OF THE PURCHASER

In consideration of the within conveyance, the Purchaser shall have the following obligations on the Closing Date:

4.1. take possession of the Property in its current state;

4.2. pay the fees and legal fees with respect to the present Indenture and other instruments contemplated herein, along with the copy, land transfer tax, and registration fees thereof;

4.3. assume the payment of all taxes, utility charges, local improvements, water and assessment rates, the cost of fuel and any other items normally adjusted between a vendor and a purchaser of similar properties, as applicable, in connection with the Property as of and from the Closing Date;

4.4. self-assess and remit all harmonized sales tax on the Property on the Closing Date in compliance with the requirements of the *Excise Tax Act*, R.S.C. 1985, C. E-15, as amended, and that its registration number is ●.

5. MISCELLANEOUS

5.1. The Vendor represents and warrants within the meaning of the *Family Law Act* (Ontario), that the Property have never been occupied by any of the directors, officers, or shareholders of the Vendor or their spouses, as a family residence.

6. GOVERNING LAW

6.1. The present Indenture shall be governed by and in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

7. SCHEDULES

The following documents are attached hereto:

7.1. Schedule "A": Vesting Order

7.2. Schedule "B": Purchaser Note

7.3. Schedule "C": Legal Description of the Property

<u>IN WITNESS WHEREOF</u> the Vendor and the Purchaser have executed this Indenture as of the day and year first before written.

ABITIBI-CONSOLIDATED INC.

Per:

Per:

SAMSON BELAIR/DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of **4513541 CANADA INC.**

Per:

Per:

SCHEDULE "A": Vesting Order

See attached.

SCHEDULE "B": Purchaser Note

See attached.

SCHEDULE "C": Legal Description of the Property

In the Town of Kenora, Province of Ontario, Land Registry Office for the Land Titles Division of Kenora known as the Mud Lake Landfill, being those lands described as follows:

FIRSTLY: S 128 ACRES LT 4 CON 6 JAFFRAY; NE 1/4 LOCATION X21 JAFFRAY E OF EXP. PLAN LT33798; EXCEPT LT23668, LT30342, LT31749, PT 1 KR499, PT 1 & 2 KR578, PT 1 KR 1220, PT 1, 23R5178, PT 2 & 3, 23R7525, PT 1, 23R9936, PT 1, 23R10339, PTS 1-4, 23R11464 & PT 1, 23R11479; RESERVING THE RDAL AROUND RABBIT LAKE; S/T LT101139, LT85128; KENORA, being all of PIN: 42171-0220 (LT)

SECONDLY: PCL 12856 SEC DKF; BLK F PL M131 AS IN LT16456 EXCEPT LT24543 AMENDED BY 32896, LT31095, LT41374 & M131; KENORA, being all of PIN: 42172-0268 (LT).

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of the _____ day of ___________________________, 2010.

GRANTED BY: **4513541 CANADA INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario

(the "**Borrower**")

TO: **ABITIBI-CONSOLIDATED INC.**, a body corporate organized and existing under the laws of Canada and registered to carry on undertakings in the Province of Ontario

(the "**Secured Party**")

RECITALS:

A. Pursuant to an indenture (as amended, supplemented, restated, extended, renewed or replaced from time to time) dated as of the date hereof between the Borrower and the Secured Party (the "**Indenture**") and a promissory note given by the Borrower to and in favour of the Secured Party dated the ___ day of ______________, 2010 (the "**Promissory Note**"), the Borrower agreed to repay to the Secured Party the sum of One Thousand Dollars ($1,000.00) (subject to any adjustments made pursuant to the Promissory Note) (the "**Principal Amount**") of lawful money of Canada.

B. As security for its Secured Obligations (as defined herein), the Borrower has agreed to grant to the Secured Party, a security interest in the Secured Property of the Borrower.

THEREFORE, the parties agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Defined Statutory Terms

Unless the context otherwise requires or unless otherwise specified, the terms "advance", "consumer goods", "court", "default", "financial asset", "financing change statement", "financing statement", "fixture", "goods", "intangible", "inventory", "money", "option", "personal property", "receiver", "security", and "value" used in this Agreement without initial capitals, which are defined in the PPSA have the same meanings in this Agreement as in the PPSA, as applicable.

1.2 Definitions

As used in this Agreement, the following words and terms have the meanings set out below:

"**Agreement**" means this security agreement as it may be amended, supplemented, extended, renewed, restated or otherwise modified from time to time;

"**Borrower**" has the meaning ascribed hereto in the Recital;

"**Collateral Support**" means any property or right, title or interest therein assigned, hypothecated or otherwise securing the Secured Property, as the case may be, or the payment or performance thereof, including any security agreement or other agreement granting a lien or security interest in such property;

"**Event of Default**" means any default of payment of the Principal Amount in accordance with the Promissory Note or any breach of any covenant or proviso contained in this Agreement or in that certain mortgage granted by the Borrower to the Secured Party of even date herewith;

"**Expenses**" means all expenses, costs and charges incurred by or on behalf of the Secured Party in connection with this Agreement, the Security Interest or the Collateral Support, including all legal fees, court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral Support, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with the Secured Party interest in any Collateral Support, whether or not directly relating to the enforcement of this Agreement or the Indenture;

"**Indenture**" has the meaning ascribed hereto in the Recital;

"**PPSA**" means the *Personal Property Security Act* (Ontario); provided, however, if the validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority of the Secured Party's security interest in any Secured Property are governed by the personal property security laws or laws relating to movable property of any jurisdiction in Canada other than the Province of Ontario, PPSA shall include those personal property security laws or laws relating to movable property in such other jurisdiction for the purpose of the provisions hereof relating to such validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority and for the definitions related to such provisions;

"**Principal Amount**" has the meaning ascribed hereto in the Recital;

"**Promissory Note**" has the meaning ascribed hereto in the Recital;

"**Secured Obligations**" means all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by the Borrower to the Secured Party in any currency, under, in connection with or pursuant to the Promissory Note;

"**Secured Party**" has the meaning ascribed hereto in the Recital;

"**Secured Property**" means, Borrower's present and after acquired personal property, including all undertakings, property, rights and assets of every nature and kind, now owned or subsequently acquired and at any time and from time to time existing or in which any such

Borrower has or acquires an interest, wherever situate, including all insurance policies covering such property and any and all proceeds of any of the foregoing;

"Security Interest" has the meaning ascribed hereto at Section 2.1.

1.3 Certain Rules of Interpretation

In this Agreement:

(a) **Governing Law** – This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

(b) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement, and a reference to an "Article" or a "Section" means the specified article or section of this Agreement.

(c) **Including** – Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

(d) **No Strict Construction** – The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

(e) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(f) **Severability** – If, in any jurisdiction, any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other parties or circumstances.

(g) **Statutory references** – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, revises, restates, supplements or supersedes any such statute or any such regulation or, in each case, any provision thereof.

(h) **Time** – Time is of the essence in the performance of the parties' respective obligations.

1.4 Entire Agreement

This Agreement constitutes the entire agreement between the parties and sets out all the covenants, promises, conditions, understandings and agreements between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

ARTICLE 2
SECURITY INTEREST

2.1 Security Interest

As continuing security for the payment and the performance of the Secured Obligations, the Borrower hereby grants to the Secured Party, a first priority, continuing, specific and fixed security interest in all of such Borrower's Secured Property and assigns, mortgages, hypothecates and pledges to the Secured Party all of the Secured Property of the Borrower now owned or hereafter acquired. The security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement (collectively, the "**Security Interest**") secures the payment and performance of the Secured Obligations and the Expenses.

2.2 Fixed Nature of Security Interest

The Security Interest is intended to operate as a fixed and specific charge of all of the Secured Property presently existing, and with respect to all future Secured Property, to operate as a fixed and specific charge of such future Secured Property.

2.3 Attachment

Borrower acknowledges that value has been given, it has rights in the Secured Property or the power to transfer rights in the Secured Property to the Secured Party (other than after-acquired Secured Property) and that it has not agreed to postpone the time of attachment of the Security Interest. The Security Interest of Borrower is intended to attach, as to all Secured Property, and with respect to any particular item of Secured Property, upon the execution of this Agreement.

ARTICLE 3
REMEDIES

3.1 Secured Party' Rights and Remedies

Upon the occurrence and during the continuance of an Event of Default, all of the Secured Obligations shall, at the Secured Party's option and without notice to Borrower, become immediately due and payable and the Secured Party may, in its discretion, proceed to enforce payment and performance of the Secured Obligations and to exercise any or all of the rights and remedies contained in this Agreement, or otherwise afforded by law, in equity or otherwise.

The Secured Party shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law.

3.2 Waivers and Extensions

The Secured Party may waive default or any breach by Borrower of any of the provisions contained in this Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived and no act or omission of the Secured Party shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of Borrower or the rights of the Secured Party resulting therefrom. Any such waiver must be in writing and signed by the Secured Party to be effective.

The Secured Party may also grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured Property to third parties and otherwise deal with Borrower and others and with the Secured Property and other securities as they may see fit without prejudice to the liability of Borrower to the Secured Party, or their rights, remedies and powers under this Agreement. No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given to Borrower shall operate as a waiver, alteration or amendment of the rights of the Secured Party or otherwise preclude it from enforcing such rights.

3.3 Remedies Cumulative

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Secured Party under this Agreement are cumulative, non-exclusive and are in addition to and not in substitution for any rights or remedies provided by law or equity; and any single or partial exercise by the Secured Party of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement shall not be deemed to be a waiver of, or to alter, affect or prejudice, any other right or remedy to which they may be lawfully entitled for such default or breach.

3.4 Statutory Waivers by Borrower

To the fullest extent permitted by law, Borrower waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of the Secured Party or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

3.5 Limitation of Liability

The Secured Party shall not be liable or accountable:

(a) by reason of any entry into or taking possession of all or any of the Secured Property, to account as mortgagee in possession or for anything except actual receipts, or for any loss on realization or any act or omission for which a secured party in possession might be liable; or

(b) for any failure to (i) exercise or exhaust any of its rights and remedies, (ii) take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property, or (iii) protect the Secured Property from depreciating in value or becoming worthless, and shall not, in each case, be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Secured Party, Borrower or any other Person in respect of same.

The Secured Party shall not by virtue of the exercise of its rights under this agreement be deemed to be a mortgagee in possession of the Secured Property. Borrower releases and discharges the Secured Party and the receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to Borrower or any Person claiming through or under it by reason or as a result of anything done or not done by either Secured Party or the receiver under the provisions of this Agreement unless such claim be the result of gross negligence or wilful misconduct.

3.6 Redemption of Secured Property

At any time before the Secured Party has: (a) disposed of the Secured Property; or (b) elected irrevocably to retain all or part of the Secured Property, Borrower may redeem the Secured Property by tendering payment of the aggregate amount of the outstanding Secured Obligations at such time.

ARTICLE 4
POWER OF ATTORNEY

4.1 Grant

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower irrevocably constitutes and appoints the Secured Party as its true and lawful attorney with power of substitution in the name of Borrower to do any and all acts and things, exercise all rights and powers and perform all acts of ownership with respect to the Secured Property to the same extent as the Borrower might do, complete any endorsements or registrations and execute and deliver all agreements, documents and instruments as the Secured Party, in its sole discretion, consider necessary or desirable to carry out the provisions and purposes of this Agreement or to exercise its rights and remedies, provided that such power of attorney shall not be exercised until an Event of Default has occurred and is continuing. Borrower ratifies and agrees to ratify all acts of any attorney taken or done in accordance with this Section 4.1. This power of attorney being coupled with an interest shall not be revoked or terminated by any act and shall remain in full force and effect until this Agreement has been terminated.

ARTICLE 5
GENERAL

5.1 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered in accordance with the Indenture.

5.2 Continuing Security

The Security Interest is not in substitution for any other security now or hereafter held by the Secured Party for the Secured Obligations or for any other agreement between the parties creating a security interest in all or part of the Secured Property, whether made before or after this Agreement, and such security and such agreements shall be deemed to be continuing and not affected by this Agreement unless the Secured Party and the Borrower expressly provide to the contrary in writing.

5.3 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any party, shall be binding unless executed in writing by all parties to this Agreement.

5.4 Assignment and Enurement

This Agreement may be assigned by the Secured Party and any such assignee shall be entitled to exercise any and all discretions, powers and rights of the Secured Party under this Agreement. Borrower may not assign this Agreement or any of its rights or obligations under this Agreement unless permitted to do so pursuant by the Secured Party. All of the Secured Party's rights under this Agreement shall enure to the benefit of their successors and assigns and all of Borrower's obligations under this Agreement shall bind its successors and assigns.

5.5 Further Assurances

Borrower shall at all times do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and shall provide such further documents or instruments as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interest and the priority accorded to them by law or under this Agreement.

5.6 Access; Right of Inspection

The Secured Party shall at all times have full and free access during normal business hours and upon reasonable prior notice, to all books, correspondence and records of Borrower; provided that, prior notice shall not be required upon the occurrence and during the continuance of any Default or Event of Default.

5.7 Filings

Borrower will promptly effect all registrations, filings, recordings and all re-registrations, re-filings and re-recordings of or in respect of this Agreement and the Security Interest in all offices in all jurisdictions and at such times as may be necessary or of advantage in perfecting, maintaining and protecting the validity, effectiveness and priority of such Security Interest.

5.8 Execution and Delivery

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other electronic means and all such counterparts, facsimiles or other electronic means shall together constitute one and the same agreement.

Borrower acknowledges receiving a copy of this Agreement and hereby waives any right it has to receive a copy of any financing statement or financing change statement with respect to any registrations made pursuant hereto.

5.9 Security Interest Effective Immediately

Neither the execution of, nor any filing with respect to, this Agreement shall obligate the Secured Party to make any advance or loan or further advance, or bind the Secured Party to grant or extend any credit to Borrower, but the Security Interest shall take effect forthwith on the date hereof upon the execution of this Agreement by Borrower.

5.10 Reasonableness

Borrower acknowledges that the provisions of this Agreement and, in particular, those respecting rights, remedies and powers of the Secured Party and any receiver against Borrower, its business and any Secured Property upon the occurrence of an Event of Default, are commercially reasonable and not manifestly unreasonable.

5.11 Discharge

Upon termination of the commitments in respect of all Secured Obligations and full and final payment and performance by Borrower of the Secured Obligations, the Secured Party shall upon request deliver up this Agreement to Borrower and shall at the expense of Borrower cancel and discharge the Security Interest and execute and deliver such documents as required to discharge the Security Interest.

5.12 Attornment

Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such courts. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the parties hereto hereby irrevocably waives, to the fullest

extent permitted by law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

[Signature page follows]

IN WITNESS OF WHICH the Borrower has duly executed this Agreement.

SAMSON BELAIR/DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

SCHEDULE
ADDITIONAL PROVISIONS

1. CHARGE

As security for the payment of Principal Amount (as defined below) of lawful money of Canada, now due and owing by **4513541 Canada Inc.** (the "**Mortgagor**") to **Abitibi-Consolidated Inc.** (the "**Mortgagee**"), the Mortgagor hereby grants, mortgages, charges, pledges, assigns and conveys as and by way of a fixed and specific mortgage, charge, pledge, security interest and assignment to and in favour of the Mortgagee all of its right, title, estate and interest, present and future, in and to **ALL THOSE** pieces or parcels of land being situate at the Town of Kenora in the Province of Ontario more particularly described in Schedule "A" hereto (which Schedule forms part and parcel of this agreement) **TOGETHER WITH** all buildings and erections and personal property thereon and all appurtenances to the same belonging or in any way appertaining with the reversion and reversions, remainder and remainders, rents, issues and profits thereof and all the claim, property and demand, both at law and in equity, of the Mortgagor, of, in, to or out of the same or any part thereof **TOGETHER WITH** all of the benefits, rights, liabilities and obligations arising under or pursuant to any municipal, provincial or federal permits, licenses, consents or tolerances issued to the Mortgagor in connection with the ownership, use or occupation of the pieces or parcels of land (collectively hereinafter referred to as the "**Mortgaged Premises**") **TO HOLD** the same unto the Mortgagee, absolutely and forever, **SUBJECT** to the proviso for redemption contained in Paragraph 2 hereof.

"**Principal Amount**" means the maximum principal amount of $343,500, plus all obligations, debts and liabilities owing or remaining unpaid by the Mortgagor to the Mortgagee from time to time, present and future, direct or indirect, absolute or contingent, matured or not, whenever and however incurred, as principal or surety, alone or jointly, whether otherwise secured or not, and arising under or in connection with the loan, plus all Costs, interest thereon at the Interest Rate.

"**Costs**" means all fees, costs, charges and expenses of any Lender Entity for or incidental to (i) preparing, executing and registering the Loan Documents and making each advance of each loan; (ii) collecting, enforcing and realizing on or under the Loan or this Mortgage, including any workout or modification of the loan or this Mortgage agreed to by the Mortgagee in its sole discretion; (iii) inspecting, protecting, securing, completing, insuring, repairing, equipping, taking and keeping possession of, managing, selling or leasing the Mortgaged Premises, including curing any defaults under or renewing any leasehold interest, and any other protective disbursements or just allowances which may be added to principal or otherwise secured by this Mortgage under all laws applicable thereto; (iv) appointing a receiver, receiver and manager or any other person(s) with similar powers (under this Mortgage, applicable laws or otherwise) and such person's fees and expenses (including all legal fees and disbursements and all agents' costs and expenses); (v)obtaining any environmental audits or other inspections, tests or reports with respect to the Mortgaged Premises; (vi) complying with any notices, orders, judgments, directives, permits, licenses, authorizations or approvals with respect to the Mortgaged Premises;(vii) performing the obligations of the Mortgagor under this Mortgage, including all fees, costs, charges and expenses incurred in removing any lien from title to the Mortgaged Premises which have been made, created, incurred or permitted to exist in breach of this Mortgage (whether or not having priority over the security thereof); (ix) all legal fees and disbursements in connection with each Loan on a full indemnity basis, and (x) without limiting the foregoing, any other fees, costs, charges or expenses payable or reimbursable to the Mortgagee under this Mortgage in respect of the loan or applicable laws, and including allowances for time, service, work or effort of the Mortgagee in connection with any of the foregoing matters. "**Costs**" include interest at the Interest Rate on all such fees, costs, charges and expenses from the date incurred until paid to the Mortgagee.

"**Interest Rate**" means the rate of interest per annum specified in this Mortgage which rate of interest shall be a nominal rate calculated monthly, not in advance, both before and after maturity, demand, default and judgment.

2. REPAYMENT

This Mortgage shall be void upon the Mortgagor paying in full the Mortgagee, or an agent of the Mortgagee to be designated from time to time, in lawful money of Canada all amounts that may be due or become due by the Mortgagor to the Mortgagee under the provisions of this Mortgage.

Without limiting the foregoing, the Mortgagor and the Mortgagee agree that the Mortgagee's recourses for the Principal Amount and any amounts that may be due or become due by the Mortgagor shall be limited to the Mortgaged Premises (or the proceeds from the sale thereof or the sums paid in relation to the expropriation thereof, the net proceeds of which will be remitted, until the issuance of directions by the Court in respect thereof, to the monitor appointed as receiver in respect of the Mortgagee) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Mortgaged Premises under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (Canada) as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of the Mortgagor or the Mortgagor's interest in the Mortgaged Premises.

3. FIXTURES

The Mortgagor covenants and agrees that all erections and improvements, fixed or otherwise, now on or after the date of this Mortgage put on the Mortgaged Premises, including but without limiting the generality of the foregoing, all buildings, fences, heating, piping, plumbing, aerials, air-conditioning, ventilating, lighting and water heating equipment, and all apparatus and equipment appurtenant thereto, and all improvements, fixed or otherwise and even though not attached otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Mortgaged Premises and shall be a portion of the security for the amounts secured by this Mortgage.

4. COVENANTS

The Mortgagor covenants and agrees with the Mortgagee that:

(a) **Covenant to Pay and Quiet Enjoyment on Default:** The Mortgagor will pay the Principal Amount in accordance with this Mortgage and on default the Mortgagee may enter and have quiet enjoyment of the Mortgaged Premises.

(b) **Property Expenses:** In connection with taxes, rates, assessments, utility charges, local improvements, water and assessment rates, the cost of fuel ("**Property Expenses**") chargeable against or upon the Mortgaged Premises, the Mortgagor will pay all Expenses as and when the same become due and payable and will provide the Mortgagee with receipts confirming same as the Mortgagee may require.

(c) **Good Title and Right to Convey:** The Mortgagor has a good title in fee simple to the Mortgaged Premises and the right to convey the Mortgaged Premises as hereby conveyed. The Mortgagor agrees to warrant and defend its title to the Mortgaged Premises;

(d) **Liens and Construction:** Upon the registration of any lien against the Mortgaged Premises, the Principal Amount and all other amounts hereby secured shall, at the option of the Mortgagee, forthwith become due and payable.

(e) **Acceleration on Default:** In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Mortgagor, the whole of the Principal Amount remaining unpaid shall become due and payable, but the Mortgagee may waive their right to call in such Principal Amount and shall not be therefor debarred from subsequently asserting and exercising their right to call in the Principal Amount by reason of such waiver or by reason of any future default.

(f) **Non-Merger:** The taking of a judgment on any covenant in this Mortgage shall not operate as a merger of any covenant in this Mortgage until such judgment shall have been fully paid and satisfied. And neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Mortgagor to make payment of the Principal Amount to the Mortgagee.

(g) **Compliance with Laws:** The Mortgagor will at all times promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise.

5. SALE BY MORTGAGOR

If the Mortgagor sells, conveys, transfers, or enters into any agreement of sale or transfer of the title of the Mortgaged Premises to a purchaser, a grantee or transferee not approved in writing by the Mortgagee, which approval shall be at the sole discretion of the Mortgagee, then, at the option of the Mortgagee, the whole of the Principal Amount remaining unpaid shall become due and payable at the Mortgagee's sole option and discretion.

6. OBLIGATIONS SURVIVE SALE

The Mortgagor agrees that no sale or other dealing by the Mortgagor with the Mortgaged Premises or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of all monies secured by this Mortgage.

7. RIGHTS ON DEFAULT

The Mortgagor shall not make demand for payment of any amounts owing under hereunder except following the occurrence of an event of default of payment or on breach of any covenant or proviso in this Mortgage. In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Mortgagor, the Mortgagee, its inspector or agent may at such time or times as the Mortgagee may deem necessary and without the concurrence of any other person enter upon the Mortgaged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Mortgaged Premises, or for inspecting, examining title, taking care of, leasing, collecting the rents of, and generally managing the Mortgaged Premises as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Mortgagee or other person appointed for the above purposes shall be forthwith payable to the Mortgagee and be a charge on the Mortgaged Premises. The Mortgagee shall not be the agent or attorney of the Mortgagor by reason of the Mortgagee's entry into possession of the Mortgaged Premises or any part thereof or by anything that may be done by virtue of this Section 7, or be liable to account as Mortgagee or as Mortgagee in possession for anything except actual receipts.

8. POWER OF SALE

In the event of default of payment of the Principal Amount, or on breach of any covenant or proviso in this Mortgage by the Mortgagor, the Mortgagee may sell the Mortgaged Premises in accordance and complying with the provisions of the *Mortgage Act,* R.S.O. 1990, c. M.40 as amended pertaining to the sale by a mortgagee of mortgaged premises with or without entering into possession of the Mortgaged Premises.

9. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS

No failure by the Mortgagee to enforce at any time or from time to time any of its rights under this Mortgage shall prejudice such rights or any other rights of the Mortgagee and no performance or payment by the Mortgagee in respect of any breach or default of the Mortgagor shall relieve the Mortgagor from any such breach or default under this Mortgage; and no waiver at any time or from time to time of any such rights of the Mortgagee shall prejudice such rights in the event of any future default or breach.

10. MORTGAGEE'S EXPENSES

The Mortgagor agrees to pay the reasonable and necessary costs, charges, fees and expenses of and incidental to this Mortgage and any and all other documents required in connection herewith, and of any amendment, extension, variation or renewal thereof, and of anything done in connection with the enforcement of the security granted hereby or the procuring of the payment of any amount payable under this Mortgage. The Mortgagor further agrees that such amounts shall be paid forthwith upon demand and until paid, shall be a charge on the Mortgaged Premises.

11. DISCHARGE

The Mortgagee shall have a reasonable time after payment of the amounts secured by this Mortgage in full within which to prepare and execute a discharge or assignment of this Mortgage. All legal and other expenses for the preparation, execution and registration of such discharge or assignment shall be borne by the Mortgagor.

12. COMMITMENT LETTER AND ASSIGNMENT BY MORTGAGEE

The provisions set forth in any other agreement between the Mortgagor and the Mortgagee relating to the indebtedness secured by this Mortgage will not merge with this Mortgage but shall survive the execution, delivery and registration of this Mortgage. This Mortgage is in addition to and not in substitution for any security, and shall not in any way affect any other security, now or hereafter held by the Mortgagor for all or any part of the Principal Amount.

The Mortgagor acknowledges that the Mortgagee may transfer or assign this Mortgage without notice to the Mortgagor.

13. SEVERABILITY OF ANY INVALID PROVISIONS

If at any time any provision of this Mortgage is illegal or invalid under or inconsistent with the provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Mortgagee unable to collect the amount of any loss sustained by it as a result of making the loan secured by this Mortgage which it would otherwise be able to collect under such statute, regulation or other applicable law then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Mortgagee unable to collect the amount of any such loss.

14. LAND REGISTRATION REFORM ACT

Wherever the words "Mortgagor", "Mortgagee", and "Mortgage" appear in this Mortgage, they shall be deemed and construed to respectively mean "chargor", "charge", and "charge" respectively, as such terms are defined in the *Land Registration Reform Act* (Ontario).

The parties hereto agree that the covenants deemed to be included in this Mortgage by Section 7(1)1 and 7(1)2 of the *Land Registration Reform Act* (Ontario), as varied herein, shall be in addition to and not in substitution for the covenants and other provisions set forth in this Mortgage. In the event of any conflict between any of such implied covenants, as varied herein, and any other covenant or provision of this Mortgage, such other covenant or provision of this Mortgage shall prevail.

15. HEADINGS

The paragraph headings in this Mortgage are inserted for convenience of reference only and are deemed not to form part of this Mortgage and are not to be considered in the construction or interpretation of this Mortgage or any part thereof.

16. INTERPRETATION

In this Mortgage the expression "the Mortgagor" includes the successors and assigns of the Mortgagor and the expression the "Mortgagee" includes the successors and assigns of the Mortgagee, and words in the singular include the plural and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires. Furthermore, all rights, advantages, privileges, immunities, powers and things hereby secured to the Mortgagee are equally secured to and exercisable by its successors and assigns.

17. NOTICES

Any notice given under this Mortgage shall be made in writing, and either served personally or forwarded by courier or by registered mail, postage prepaid, if to the Mortgagor:

4513541 Canada Inc.
Samson Belair/Deloitte & Touche Inc.
c/o Pierre Laporte or Martin Franco
1 Place Ville-Marie
Suite 3000
Montreal, Quebec
H3B 4T9

And if to the Mortgagee:

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

Att: Jacques Vachon & Mélanie Allaire

The date of receipt of such notice shall be deemed conclusively to be the day of service if such notice is served personally or delivered by courier, or if mailed by registered mail on the delivery date or five (5) regular business days after such date of mailing, whichever is earlier, provided that if there is an interruption in mail services through strike or for other similar reasons then no such notice or documents shall be deemed to have been delivered until actually received by the intended party, whether by mail or otherwise.

18. GOVERNING LAW

This Mortgage shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of Ontario.

Schedule "A"

In the Town of Kenora, Province of Ontario, Land Registry Office for the Land Titles Division of Kenora known as the Mud Lake Landfill, being those lands described as follows:

FIRSTLY: S 128 ACRES LT 4 CON 6 JAFFRAY; NE 1/4 LOCATION X21 JAFFRAY E OF EXP. PLAN LT33798; EXCEPT LT23668, LT30342, LT31749, PT 1 KR499, PT 1 & 2 KR578, PT 1 KR 1220, PT 1, 23R5178, PT 2 & 3, 23R7525, PT 1, 23R9936, PT 1, 23R10339, PTS 1-4, 23R11464 & PT 1, 23R11479; RESERVING THE RDAL AROUND RABBIT LAKE; S/T LT101139, LT85128; KENORA, being all of PIN: 42171-0220 (LT)

SECONDLY: PCL 12856 SEC DKF; BLK F PL M131 AS IN LT16456 EXCEPT LT24543 AMENDED BY 32896, LT31095, LT41374 & M131; KENORA, being all of PIN: 42172-0268 (LT).

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. *& al*
Petitioners

- and -
ERNST & YOUNG INC.
Monitor

- and -
THE LAND REGISTRAR FOR THE LAND REGISTY OFFICE FOR THE REGISTRATION DIVISION OF SAGUENAY *& al*
Respondents

BS0350 **n/dos.:** 041053-1170

EXHIBIT R-26

ORIGINAL

Me Guillaume Boudreau-Simard **(514) 397-3694**
Fax : (514) 397-3621

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

#10584007 v1

EXHIBIT R-27

SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-036133-094

DATE: July 21, 2010

PRESENT: THE HONOURABLE MR. JUSTICE CLÉMENT GASCON, J.S.C.

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 ON SCHEDULES "A", "B" AND "C"
Petitioners

and

ERNST & YOUNG INC.
Monitor

RE-AMENDED RECEIVERSHIP ORDER IN RESPECT OF 4513541 CANADA INC.

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[1] **CONSIDERING** Petitioners' *Amended Second Motion for the Issuance of Various Orders Authorizing the Sale of Non-Core Properties and the Issuance of a Re-Amended Receivership Order in Respect of 4513541 Canada Inc.* (the "**Motion**");

[2] **CONSIDERING** the representations of the parties;

[3] **GIVEN** the provisions of the *Companies' Creditors Arrangement Act* ("**CCAA**") and those of the *Bankruptcy and Insolvency Act* (the "**BIA**");

FOR THESE REASONS, THE COURT:

SERVICE

[1] **ORDERS** that the time for service of the Motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

[2] **ORDERS** that pursuant to section 243(1) of the BIA, Samson Belair/Deloitte & Touche Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of 4513541 Canada Inc. (the "**Debtor**"), including all proceeds thereof (the "**Property**") and that Ernst & Young Inc. is hereby discharged, including, without limitation with respect to the performance of any power, duty or obligation related directly or indirectly, to its earlier appointment as Receiver.

RECEIVER'S POWERS

[3] **ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized, but not obligated, to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(e) to settle, extend or compromise any indebtedness owing to the Debtor;

(f) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order including without limitation fur the purposes of transferring non-core properties of the Petitioners to the Debtor and/or granting security in favour of the Petitioners or such Properties as may be authorized or permitted by this Court from time to time;

(g) to undertake environmental assessments of the Property and operations of the Debtor and to enter into discussions and negotiations with the relevant environmental authorities in connection with the environmental remediation or decontamination of any Property. In the event that, after having taken possession of any Property in conformity with this Order, the Receiver determines that it is unable to sell it or reach an accommodation on a environmental remediation plan in regard thereof within a reasonable period of time, it may decide to abandon such Property on notice to the relevant environmental authorities;

(h) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(i) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(j) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(l) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(n) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(o) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

[4] **ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations,

governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

[5] **ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

[6] **ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

[7] **ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

[8] **ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

[9] **ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

[10] **ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

[11] **ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

[12] **ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

LIMITATION ON ENVIRONMENTAL LIABILITIES

[13] [...]

LIMITATION ON THE RECEIVER'S LIABILITY

[14] **ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver under the BIA, including, without limitation, section 14.06 thereof, or under any other applicable legislation.

RECEIVER'S ACCOUNTS

[15] **ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

[16] **ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel as well as those of Ernst & Young (as former Receiver) and its legal counsel are hereby referred to a judge of the Superior Court of Quebec, Commercial Division.

[17] **ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

[18] **ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $1,700,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

[19] **ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

[20] **ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "D" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

[21] **ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

GENERAL

[22] **ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

[23] **ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

[24] **REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

[25] **ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

[26] **ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

[27] **WITHOUT COSTS.**

Clément Gascon, J.S.C.

Me Guy P. Martel, Me Joseph Reynaud and Me Guillaume Boudreau-Simard
Stikeman Elliott LLP
Attorneys for Petitioners

SCHEDULE "A"

ABITIBI PETITIONERS

1. ABITIBI-CONSOLIDATED INC.
2. ABITIBI-CONSOLIDATED COMPANY OF CANADA
3. 3224112 NOVA SCOTIA LIMITED
4. MARKETING DONOHUE INC.
5. ABITIBI-CONSOLIDATED CANADIAN OFFICE PRODUCTS HOLDINGS INC.
6. 3834328 CANADA INC.
7. 6169678 CANADA INC.
8. 4042140 CANADA INC.
9. DONOHUE RECYCLING INC.
10. 1508756 ONTARIO INC.
11. 3217925 NOVA SCOTIA COMPANY
12. LA TUQUE FOREST PRODUCTS INC.
13. ABITIBI-CONSOLIDATED NOVA SCOTIA INCORPORATED
14. SAGUENAY FOREST PRODUCTS INC.
15. TERRA NOVA EXPLORATIONS LTD.
16. THE JONQUIERE PULP COMPANY
17. THE INTERNATIONAL BRIDGE AND TERMINAL COMPANY,
18. SCRAMBLE MINING LTD.
19. 9150-3383 QUÉBEC INC.
20. ABITIBI-CONSOLIDATED (U.K.) INC.

SCHEDULE "B"
BOWATER PETITIONERS

1. BOWATER CANADIAN HOLDINGS INC.
2. BOWATER CANADA FINANCE CORPORATION
3. BOWATER CANADIAN LIMITED
4. 3231378 NOVA SCOTIA COMPANY
5. ABITIBIBOWATER CANADA INC.
6. BOWATER CANADA TREASURY CORPORATION
7. BOWATER CANADIAN FOREST PRODUCTS INC.
8. BOWATER SHELBURNE CORPORATION
9. BOWATER LAHAVE CORPORATION
10. ST-MAURICE RIVER DRIVE COMPANY LIMITED
11. BOWATER TREATED WOOD INC.
12. CANEXEL HARDBOARD INC.
13. 9068-9050 QUÉBEC INC.
14. ALLIANCE FOREST PRODUCTS (2001) INC.
15. BOWATER BELLEDUNE SAWMILL INC.
16. BOWATER MARITIMES INC.
17. BOWATER MITIS INC.
18. BOWATER GUÉRETTE INC.
19. BOWATER COUTURIER INC.

<u>**SCHEDULE "C"**</u>

<u>**18.6 CCAA PETITIONERS**</u>

1. ABITIBIBOWATER INC.
2. ABITIBIBOWATER US HOLDING 1 CORP.
3. BOWATER VENTURES INC.
4. BOWATER INCORPORATED
5. BOWATER NUWAY INC.
6. BOWATER NUWAY MID-STATES INC.
7. CATAWBA PROPERTY HOLDINGS LLC
8. BOWATER FINANCE COMPANY INC.
9. BOWATER SOUTH AMERICAN HOLDINGS INCORPORATED
10. BOWATER AMERICA INC.
11. LAKE SUPERIOR FOREST PRODUCTS INC.
12. BOWATER NEWSPRINT SOUTH LLC
13. BOWATER NEWSPRINT SOUTH OPERATIONS LLC
14. BOWATER FINANCE II, LLC
15. BOWATER ALABAMA LLC
16. COOSA PINES GOLF CLUB HOLDINGS LLC

SCHEDULE "D"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $______________________

THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of ______, 20__ (the "Order") made in an action having Court file number __-CL-_______, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $___________, being part of the total principal sum of $___________ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _______ day of each month] after the date hereof at a notional rate per annum equal to the rate of ______ per cent above the prime commercial lending rate of Bank of _________ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _______________, 20__.

[RECEIVER'S NAME], solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ______________________________

Name:

Title:

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. *& al*
Petitioners

- and -

ERNST & YOUNG INC.
Monitor

- and -

THE LAND REGISTRAR FOR THE LAND REGISTY OFFICE FOR THE REGISTRATION DIVISION OF SAGUENAY *& al*
Respondents

BS0350 **n/dos.:** 041053-1170

EXHIBIT R-27

ORIGINAL

Me Guillaume Boudreau-Simard **(514) 397-3694**
Fax : (514) 397-3621

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

EXHIBIT R-28

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI CONSOLIDATED COMPANY OF CANADA

DUE ON DEMAND

MADE: As of ●, 2010

REFERENCE IS MADE TO a deed of sale (the "**Deed of Sale**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Abitibi Consolidated Company of Canada (the "**Creditor**") regarding the property described in Schedule A hereto (the "**Property**") and a deed of hypothec (the "**Deed of Hypothec**") between the Debtor and the Creditor regarding, among others, the Property.

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by the Deed of Hypothec to be registered at the Land Register (Quebec) and the Register of Personal and Movable Real Rights (Quebec).

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

It is the express wish of the Debtor and the Creditor that this promissory note be drafted in English. *C'est la volonté expresse du débiteur et des créanciers que ce billet promissoire soit rédigé en anglais.*

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

Outardes (Former Bark Pile Property)

An immovable property situated in the City of Baie-Comeau, Province of Quebec, known and designated as the following lot:

Lot D-QUARANTE-DEUX (lot D-42) du BLOC D, du Cadastre du Canton de Manicouagan, circonscription foncière de Saguenay.

With all buildings thereon erected, and as the said immovable now subsists, with all its rights members and appurtenances without exception of reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI CONSOLIDATED COMPANY OF CANADA

DUE ON DEMAND

MADE: As of ●, 2010

REFERENCE IS MADE TO a deed of sale (the "**Deed of Sale**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Abitibi Consolidated Company of Canada (the "**Creditor**") regarding the property described in Schedule A hereto (the "**Property**") and a deed of hypothec (the "**Deed of Hypothec**") between the Debtor and the Creditor regarding, among others, the Property.

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by the Deed of Hypothec to be registered at the Land Register (Quebec) and the Register of Personal and Movable Real Rights (Quebec).

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

It is the express wish of the Debtor and the Creditor that this promissory note be drafted in English. *C'est la volonté expresse du débiteur et des créanciers que ce billet promissoire soit rédigé en anglais.*

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ________________________________

Name:
Title:

SCHEDULE A

Outardes Property (Lot 8 and Lot D-56)

1) La parcelle CINQUANTE-SIX (56) du BLOC D (Bloc D), de l'arpentage primitif du canton de Manicouagan, contenant d'après l'arpentage primitif 9,862 hectares, plus ou moins, correspondant à la subdivision CINQUANTE-SIX du BLOC D (Bloc D-56), du cadastre du canton de Manicouagan, circonscription foncière de Saguenay.

2) Le BLOC TRENTE-TROIS (Bloc 33), de l'arpentage primitif du canton de Manicouagan, contenant d'après l'arpentage primitif 9,356 hectares, plus ou moins, correspondant au lot numéro HUIT (lot 8), du cadastre du canton de Manicouagan, circonscription foncière de Saguenay.

Le tout sans bâtisse dessus construite, avec circonstances et dépendances.

As the said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: PRODUITS FORESTIERS SAGUENAY INC.

DUE ON DEMAND

MADE: As of ●, 2010

REFERENCE IS MADE TO a deed of sale (the "**Deed of Sale**") and a deed of hypothec (the "**Deed of Hypothec**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Produits Forestiers Saguenay Inc. (the "**Creditor**") regarding the property described in Schedule A hereto (the "**Property**").

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by the Deed of Hypothec to be registered at the Land Register (Quebec) and the Register of Personal and Movable Real Rights (Quebec).

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

It is the express wish of the Debtor and the Creditor that this promissory note be drafted in English. *C'est la volonté expresse du débiteur et des créanciers que ce billet promissoire soit rédigé en anglais.*

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:

Title:

SCHEDULE A

La Baie Property

An immovable property situated in the City of Saguenay, Province of Quebec, known and designated as lots THREE MILLION THREE HUNDRED FORTY-FOUR THOUSAND ONE HUNDRED AND EIGHTY-ONE (3 344 181) and THREE MILLION THREE HUNDRED FORTY-FOUR THOUSAND ONE HUNDRED AND THIRTY-FOUR (3 344 134), both of the Cadastre of Quebec, Registration Division of Chicoutimi.

With all buildings thereon erected, bearing civic number 105 de la Grande-Baie Nord Boulevard, City of Saguenay (Borough of La Baie), Province of Quebec, G7B 3K1, and as the said immovable now subsists, with all its rights members and appurtenances without exception of reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

An immovable property situated in the City of Saguenay, Province of Quebec, known and designated as lot THREE MILLION THREE HUNDRED FORTY-FOUR THOUSAND ONE HUNDRED AND FORTY (3,344,140) of the Cadastre of Quebec, Registration Division of Chicoutimi.

With all buildings thereon erected, bearing civic number 1433 Aimé-Gravel Street, City of Saguenay (Borough of La Baie), Province of Quebec, G7B 2M7, and as the said immovable now subsists, with all its rights members and appurtenances without exception of reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI CONSOLIDATED COMPANY OF CANADA

DUE ON DEMAND

MADE: As of ●, 2010

REFERENCE IS MADE TO a deed of sale (the "**Deed of Sale**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Abitibi Consolidated Company of Canada (the "**Creditor**") regarding the property described in Schedule A hereto (the "**Property**") and a deed of hypothec (the "**Deed of Hypothec**") between the Debtor and the Creditor regarding, among others, the Property.

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by the Deed of Hypothec to be registered at the Land Register (Quebec) and the Register of Personal and Movable Real Rights (Quebec).

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

It is the express wish of the Debtor and the Creditor that this promissory note be drafted in English. *C'est la volonté expresse du débiteur et des créanciers que ce billet promissoire soit rédigé en anglais.*

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:

Title:

SCHEDULE A

Baie-Comeau Property (Parc des Pionniers)

1. A vacant emplacement located in the City of Baie-Comeau, Province of Quebec, and composed of lot THREE MILLION FOUR HUNDRED THREE THOUSAND ONE HUNDRED AND ELEVEN (3 403 111) of the Cadastre du Québec, Registration Division of Saguenay;

As the said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI CONSOLIDATED COMPANY OF CANADA

DUE ON DEMAND

MADE: As of ●, 2010

REFERENCE IS MADE TO a deed of sale (the "**Deed of Sale**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Abitibi Consolidated Company of Canada (the "**Creditor**") regarding the property described in Schedule A hereto (the "**Property**") and a deed of hypothec (the "**Deed of Hypothec**") between the Debtor and the Creditor regarding, among others, the Property.

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by the Deed of Hypothec to be registered at the Land Register (Quebec) and the Register of Personal and Movable Real Rights (Quebec).

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

It is the express wish of the Debtor and the Creditor that this promissory note be drafted in English. *C'est la volonté expresse du débiteur et des créanciers que ce billet promissoire soit rédigé en anglais.*

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

<u>Baie-Comeau Property (Terrain en aiguilles)</u>

1. A vacant emplacement located in the City of Baie-Comeau, Province of Quebec, and composed of lot THREE MILLION FOUR HUNDRED THREE THOUSAND TWO HUNDRED AND EIGHTEEN (3 403 218) of the Cadastre du Québec, Registration Division of Saguenay; and

2. A vacant emplacement located in the City of Baie-Comeau, Province of Quebec, and composed of lot THREE MILLION FOUR HUNDRED THREE THOUSAND AND EIGHTY-SEVEN (3 403 087) of the Cadastre du Québec, Registration Division of Saguenay

As the said immovables now subsist, with all their rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI CONSOLIDATED COMPANY OF CANADA

DUE ON DEMAND

MADE: As of ●, 2010

REFERENCE IS MADE TO a deed of sale (the "**Deed of Sale**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Abitibi Consolidated Company of Canada (the "**Creditor**") regarding the property described in Schedule A hereto (the "**Property**") and a deed of hypothec (the "**Deed of Hypothec**") between the Debtor and the Creditor regarding, among others, the Property.

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by the Deed of Hypothec to be registered at the Land Register (Quebec) and the Register of Personal and Movable Real Rights (Quebec).

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

It is the express wish of the Debtor and the Creditor that this promissory note be drafted in English. *C'est la volonté expresse du débiteur et des créanciers que ce billet promissoire soit rédigé en anglais.*

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

<u>Baie-Comeau Property (Terrain en carré)</u>

A vacant emplacement located in the City of Baie-Comeau, Province of Quebec, and composed of lot THREE MILLION TWO HUNDRED ELEVEN THOUSAND AND EIGHTY-SEVEN (3 211 087) of the Cadastre du Québec, Registration Division of Saguenay.

As the said immovables now subsist, with all their rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to all servitudes continuous or discontinuous, apparent or unapparent, attached thereto.

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: Bowater Canadian Forest Products Inc. **DUE ON DEMAND**

MADE: As of ●, 2010

REFERENCE IS MADE TO an indenture as of the date hereof regarding the property described in Schedule A hereto (the "**Property**") among the undersigned, 4513541 Canada Inc. (the "**Debtor**"), Bowater Canadian Forest Products Inc., as beneficial owner of the Property (the "**Creditor**") and Bowater Couturier Inc., as registered owner of the Property.

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be limited to the Property (or the Principal Amount) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by a general security agreement to be registered under the *Personal Property Security Act* (New Brunswick) and a registered collateral mortgage.

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein.

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

<u>Baker Brook</u>

[NTD: Property description to be completed upon conversion into Land Title]

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: Bowater Canadian Forest Products Inc. **DUE ON DEMAND**

MADE: As of ●, 2010

REFERENCE IS MADE TO an indenture (the "**Indenture**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Bowater Canadian Forest Products Inc. (the "**Creditor**") as of the date hereof regarding the property described in Schedule A hereto (the "**Property**") and an acknowledgement and direction as of the date hereof regarding the mortgage of the Property granted by the Debtor to and in favour of the Creditor (the "**Mortgage**").

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be limited to the Property (or the Principal Amount) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by a general security agreement to be registered under the *Personal Property Security Act* (Ontario) and a registered vendor take-back mortgage.

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

In the event of a conflict between the terms and conditions of this Promissory Note and the terms and conditions of the Indenture and any instruments contemplated thereof, including the Mortgage, the terms and conditions of this Promissory Note shall prevail to the extent of such conflict.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

Dryden Mercury

In the City of Dryden, Province of Ontario, Land Registry Office for the Land Titles Division of Kenora (No. 23) being the lands and premises legally described as PCL 42234 SEC DKF SRO; PT SPT LT 7 CON 6 VAN HORNE PT 1, 23R10369; T/W PT 2&3, 23R10369 AS IN LT273313; DISTRICT OF KENORA, being all of PIN:42080-0037 (LT).

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: Bowater Canadian Forest Products Inc. **DUE ON DEMAND**

MADE: As of ●, 2010

REFERENCE IS MADE TO an indenture (the "**Indenture**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**"), and Bowater Canadian Forest Products Inc. (the "**Creditor**") as of the date hereof regarding the property described in Schedule A hereto (the "**Property**").

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be limited to the Property (or the Principal Amount) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by a general security agreement to be registered under the *Personal Property Security Act* (British Columbia) and a registered vendor take-back mortgage.

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

Highway 28

- District Lot 216, Nootka District, Parcel Identifier: 009-807-063
- District Lot 217, Nootka District (except part in plan 43364), Parcel Identifier 009-807-101

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI-CONSOLIDATED INC. **DUE ON DEMAND**

MADE: As of ●, 2010

REFERENCE IS MADE TO an indenture (the "**Indenture**") as of the date hereof regarding the property described in Schedule A hereto (the "**Property**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**") and Abitibi-Consolidated Inc., the registered owner of the Property (the "**Creditor**") and an acknowledgement and direction as of the date hereof regarding the mortgage of the Property granted by the Debtor to and in favour of the Creditor (the "**Mortgage**").

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

The Creditor's recourses for the Principal Amount shall be limited to the Property (or the Principal Amount) and shall be subordinated to (i) the costs of complying with any orders issued in respect of the Property under applicable environmental legislation, (ii) any costs which would have priority pursuant to section 11.8 of the *Companies' Creditors Arrangement Act* (as if such statute were applicable) and Section 14.06 of the *Bankruptcy and Insolvency Act* (Canada), and (iii) the costs of any receiver appointed in respect of Debtor or Debtor's interest in the Property (collectively, the "**Costs**").

Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by a general security agreement to be registered under the *Personal Property Security Act* (Ontario) and a registered vendor take-back mortgage.

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

In the event of a conflict between the terms and conditions of this Promissory Note and the terms and conditions of the Indenture and any instruments contemplated thereof, including the Mortgage, the terms and conditions of this Promissory Note shall prevail to the extent of such conflict.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of **4513541 CANADA INC.**

Per: ______________________________
Name:
Title:

SCHEDULE A

Kenora Margach Landfill

Freehold Lands

FIRSTLY: PCL 5496 SEC DKF; SE 1/4 OF S 1/2 LT 13 CON 6 JAFFRAY; KENORA, being all of PIN: 42177-0156 (LT)

SECONDLY: PCL 5683 SEC DKF E 1/2 OF NE 1/4 OF S 1/2; LT 13 CON 6 JAFFRAY EXCEPT PT 1 23R3731; KENORA, being all of PIN: 42177-0157 (LT)

THIRDLY: PCL 5497 SEC DKF W 1/2 OF NW 1/4 OF S 1/2; LT 14 CON 6 JAFFRAY EXCEPT PT 2 23R3731; KENORA, being all of PIN: 42177-0159 (LT)

FOURTHLY: PCL 8013 SEC DKF; SW 1/4 OF S 1/2 LT 14 CON 6 JAFFRAY; KENORA, being all of PIN: 42177-0366 (LT)

4513541 CANADA INC.

NON-INTEREST BEARING DEMAND PROMISSORY NOTE

TO: ABITIBI-CONSOLIDATED INC. **DUE ON DEMAND**

MADE: As of ●, 2010

REFERENCE IS MADE TO an indenture (the "**Indenture**") as of the date hereof regarding the property described in Schedule A hereto (the "**Property**") between the undersigned, 4513541 Canada Inc. (the "**Debtor**") and Abitibi-Consolidated Inc., the registered owner of the Property (the "**Creditor**") and an acknowledgement and direction as of the date hereof regarding the mortgage of the Property granted by the Debtor to and in favour of the Creditor (the "**Mortgage**").

FOR VALUE RECEIVED, the Debtor hereby unconditionally promises to pay, on demand by the Creditor and to the order of the Creditor, the sum of one thousand Canadian dollars (C$1,000) (the "**Base Principal**") together with any Principal Increase (as defined below) (collectively, the "**Principal Amount**").

In the event the net proceeds generated from the sale of the Property (or any portion thereof) to a third party by the Debtor or any receiver appointed in respect thereof exceed the Costs (as defined below) by an amount greater than the Base Principal (such excess, a "**Principal Increase**"), such Principal Increase shall be added to the Base Principal and shall be payable, on demand by the Creditor, to the order of the Creditor. In addition, the Debtor and the Creditor agree that in the event the whole or any portion of the Property is expropriated by a public authority pursuant to statutory authority and the sum paid to the Debtor in compensation for such expropriation exceeds the Costs (as defined below) by an amount greater than the Base Principal, such excess shall be deemed a Principal Increase and shall be added to the Base Principal and be payable, on demand by the Creditor and to the order of the Creditor.

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Subject to the above-mentioned subordination, the obligations of the Debtor pursuant to this promissory note shall be secured in favour of the Creditor by a general security agreement to be registered under the *Personal Property Security Act* (Ontario) and a registered vendor take-back mortgage.

Unless the Québec Superior Court, Commercial Division has issued directions providing otherwise, payments of the Principal Amount must be remitted to Ernst & Young Inc. (the "**Monitor**"), by wire transfer in a trust account in favour of the Creditor as the Monitor may from time to time designate, in Canadian dollars.

This promissory note shall be non-interest bearing until demand. From demand until the date of payment, this promissory note shall bear interest at the annual prime rate interest of the Creditor's main commercial bank charged from time to time in respect of commercial loans in Canadian dollars, plus 3%.

This promissory note may be assigned or transferred by the Creditor to any affiliated entity without any notice being given to the Debtor. This promissory note shall inure to the benefit of the Creditor and the Debtor and their respective successors and assigns and shall be binding upon the Creditor and the Debtor and their respective successors and assigns.

In the event of a conflict between the terms and conditions of this Promissory Note and the terms and conditions of the Indenture and any instruments contemplated thereof, including the Mortgage, the terms and conditions of this Promissory Note shall prevail to the extent of such conflict.

This promissory note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[Signature page follows]

IN WITNESS WHEREOF, 4513541 Canada Inc. has executed this promissory note as of the date first written above.

SAMSON BELAIR/ DELOITTE & TOUCHE INC., in its capacity as court-appointed receiver for and on behalf of 4513541 CANADA INC.

Per: ______________________________

Name:
Title:

SCHEDULE A

Kenora Mud Lake Landfill

FIRSTLY

PCL 12856 SEC DKF; BLK F PL M131 AS IN LT16456 EXCEPT LT24543 AMENDED BY 32896, LT31095, LT41374 & M131; KENORA, being all of PIN: 42172-0268 (LT).

SECONDLY:

S 128 ACRES LT 4 CON 6 JAFFRAY; NE 1/4 LOCATION X21 JAFFRAY E OF EXP. PLAN LT33798; EXCEPT LT23668, LT30342, LT31749, PT 1 KR499, PT 1 & 2 KR578, PT 1 KR 1220, PT 1, 23R5178, PT 2 & 3, 23R7525, PT 1, 23R9936, PT 1, 23R10339, PTS 1-4, 23R11464 & PT 1, 23R11479; RESERVING THE RDAL AROUND RABBIT LAKE; S/T LT101139, LT85128; KENORA, being all of PIN: 42171-0220 (LT)

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. *& al*
Petitioners

- and -
ERNST & YOUNG INC.
Monitor

- and -
THE LAND REGISTRAR FOR THE LAND REGISTY OFFICE FOR THE REGISTRATION DIVISION OF SAGUENAY *& al*
Respondents

BS0350 **n/dos.:** 041053-1170

EXHIBIT R-28

ORIGINAL

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