CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

SUPERIOR COURT

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

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF: ABITIBIBOWATER INC.,

and

ABITIBI-CONSOLIDATED INC.,

and

BOWATER CANADIAN HOLDINGS INC.,

and

the other Petitioners listed herein

Petitioners

And

ERNST & YOUNG INC.,

Monitor

MOTION FOR ADVICE AND DIRECTIONS

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

I. PREAMBLE

1. On April 17, 2009, this Honourable Court (the "**Court**") issued an order (as subsequently amended, restated and re-amended, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**" and the "**CCAA Proceedings**") in respect of (i) Abitibi-Consolidated Inc. and subsidiaries thereof,[1]

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

(ii) Bowater Canadian Holdings Inc. and subsidiaries and affiliates thereof[2] and (iii) certain partnerships (collectively, the "**Petitioners**"),[3] and also appointing Ernst & Young Inc. (the "**Monitor**") as Monitor of the Petitioners under the CCAA.

2. On April 16, 2009, AbitibiBowater Inc. ("**ABH**"), Bowater Inc. ("**BI**") and certain of their U.S. and Canadian subsidiaries[4] filed voluntary petitions for relief under Chapter 11 of the *U.S. Bankruptcy Code* (the "**Chapter 11 Proceedings**") before the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**"). On April 17, 2009, ABH and certain of its subsidiaries[5] (the "**18.6 Petitioners**") obtained orders under s. 18.6 of the CCAA in respect of the Chapter 11 Proceedings.

3. Unless otherwise indicated, all capitalized terms herein shall have the meaning attributed to them in the Creditors' Meeting Order (as defined below) or in the Information Circular.

II. ADVICE AND DIRECTIONS SOUGHT

4. For the reasons set forth herein, the Petitioners, other than Bowater Canadian Finance Corporation ("**BCFC**") which is not a petitioner in the context of this motion, hereby seek advice and directions from this Court in respect of the Intercompany Claims (as defined hereinafter) raised by Aurelius Capital Management, LP ("**Aurelius**") and Contrarian Capital Management L.L.C. ("**Contrarian**" and collectively with Aurelius, the "**Objecting BCFC Noteholders**") in the context of these CCAA Proceedings. As used herein, the term "Petitioners" should be taken to exclude BCFC unless the context otherwise requires.

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

[3] These partnerships are Bowater Canada Finance Limited Partnership, Bowater Pulp and Paper Canada Holdings Limited Partnership and Abitibi-Consolidated Finance LP.

[4] These subsidiaries are AbitibiBowater US Holding 1 Corp., AbitibiBowater US Holding LLC, AbitibiBowater Canada Inc., Abitibi-Consolidated Alabama Corporation, Abitibi-Consolidated Corporation, Abitibi-Consolidated Finance LP, Abitibi Consolidated Sales Corporation, Alabama River Newsprint Company, Augusta Woodlands, LLC, Bowater Alabama LLC, Bowater America Inc., Bowater Canada Finance Corporation, Bowater Canadian Forest Products Inc., Bowater Canadian Holdings Incorporated, Bowater Canadian Limited, Bowater Finance Company Inc., Bowater Finance II LLC, Bowater LaHave Corporation, Bowater Maritimes Inc., Bowater Newsprint South LLC, Bowater Newsprint South Operations LLC, Bowater Nuway Inc., Bowater Nuway Mid-States Inc., Bowater South American Holdings Incorporated, Bowater Ventures Inc., Catawba Property Holdings, LLC, Coosa Pines Golf Club Holdings LLC, Donohue Corp., Lake Superior Forest Products Inc. and Tenex Data Inc. On December 21, 2009, ABH LLC 1 and ABH Holding Company LLC also commenced Chapter 11 cases, which are jointly administered with the Chapter 11 Proceedings.

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

5. In parallel to this Motion, on September 1, 2010, BCFC's sole shareholder, Bowater Inc. ("**BI**"), has brought a motion (the "**BI Motion**") before the U.S. Bankruptcy Court seeking an order pursuant to the *Crossborder Restructuring Protocol for AbitibiBowater Inc. and its Affiliates* (the "**Protocol**") authorizing BI to seek advice and directions before this Court regarding the nature and validity under Canadian law of a claim against BI for contribution (the "**Contribution Claim**") under s. 77 of the *Bankruptcy and Insolvency Act* and s. 135 of the *Companies Act* (Nova Scotia), a copy of which is communicated as **Exhibit R-1**.

6. If the U.S. Bankruptcy Court issues an order granting the BI Motion, it is intended that the Contribution Claim will become part of the object of this Motion.

(a) Background

7. In 2001, BCFC, a newly formed special purpose subsidiary of BI, issued US$600 million in 7.95% notes due 2011 (as so issued or exchanged thereafter, the "**BCFC Notes**"), pursuant to an indenture dated as of October 31, 2001 (the "**Indenture**") and with the support of BI's full and unconditional guarantee (the "**BI Guarantee**"). BCFC is a company governed by the *Companies Act* (Nova Scotia), the liability of whose shareholders (or "**members**") is not limited. BCFC's corporate structure is accordingly commonly referred to as a "**ULC**" (or "**unlimited liability company**"). The proceeds of the BCFC Note issuance were used in connection with the 2001 acquisition of Alliance Forest Products Inc. (now Bowater Canadian Forest Products Inc., or "**BCFPI**"). A copy of the Indenture is communicated as **Exhibit R-2**.

(b) Intercompany Claims

8. The Objecting BCFC Noteholders have previously argued and continue to argue that they suffer prejudice from the failure of BCFC to pursue certain indistinct claims that they allege exist against BCFPI and certain of its Canadian affiliates in connection with certain Intercompany Transactions (as defined hereinafter) which took place between 2001 and 2007, including against directors or officers of BCFC for alleged breaches of fiduciary duties (the "**Intercompany Claims**").

9. The Intercompany Claims have been reviewed by the Petitioners, the Monitor, Ms. Lisa J. Donahue (the "**Independent Officer**"), an independent officer of BCFC appointed by its Board of Directors with the approval of the U.S. Bankruptcy Court, and their respective counsel. The Monitor has issued an interim report and has indicated its final report reviewing the Intercompany Claims will be filed shortly.

(c) Potential Impact on Restructuring Process

10. As stated in greater detail hereinafter, the Petitioners are of the view that the Intercompany Claims have no foundation or merit. However, as the Intercompany Claims would be compromised directly or indirectly by the CCAA

Plan (as defined hereinafter), if approved by the requisite majority of creditors and sanctioned by this Court, it is advisable to obtain the direction of this Court as to whether the Intercompany Claims have merit, since such direction will remove an overhanging issue from the hearing in respect of the Sanction Order and regard matters which have already been substantially briefed and prepared for argument before this Court on July 8, 2010 (as discussed below).

11. Absent advice and directions from this Court in regard to the Intercompany Claims, some or all of the following outcomes could occur which would be potentially harmful to the restructuring process:

(a) challenges by the Objecting BCFC Noteholders in respect of the fairness and reasonableness of the Plans, which compromise Intercompany Claims as they affect Petitioners other than BCFC;

(b) material risk of delay in the emergence of the Petitioners in co-ordination with the Chapter 11 Proceedings; and

(c) uncertainty in the planning for and implementation of the Plans, including expected rates of recovery thereunder because substantial portions of new equity of Reorganized ABH may have to be set aside for an undetermined period of time pending adjudication of the Intercompany Claims.

(d) Advice and directions sought

12. In these circumstances, the Petitioners, in order to avoid unnecessary difficulties, delays and expenses, turn to this Court for advice and directions as to the merit and treatment of the Intercompany Claims, insofar as they arise under Canadian law (which Petitioners believe to be the only law under which they could have arisen if at all), how they should be dealt with, and what actions, if any, should be taken by any of the Petitioners in that regard, including whether any of them should be approved, left uncompromised or pursued.

III. FACTS RELATING TO THIS MOTION

(a) The Objecting BCFC Noteholders

13. The Objecting BCFC Noteholders are sophisticated investors that specialize, *inter alia*, in investing in distressed companies.

14. The Objecting BCFC Noteholders have previously alleged on numerous occasions that they hold US$200 million of BCFC Notes but have, so far, provided no evidence whatsoever to support this allegation which cannot be verified as the Notes trade and there is no central register of beneficial owners. The Objecting BCFC Noteholders have similarly provided no evidence as to when they acquired their interest, if any, in the BCFC Notes they claim to hold beneficially.

(b) The Relevant Bowater Entities

15. BI is a Delaware corporation which directly or indirectly holds a substantial portion of the U.S. operating assets of the ABH Group.

16. Bowater Canadian Forest Products Inc. ("**BCFPI**") is a Nova Scotia company which directly or indirectly holds substantially all of the Canadian operating assets of the BI Group and is since 2007 the limited partner of Bowater Canada Finance Limited Partnership ("**BCFLP**"), which is described below.

17. BCFC is a Nova Scotia unlimited company which is wholly owned by BI and is the issuer of the BCFC Notes. BCFC is not an operating company and carries on no trade. It is a special purpose financing entity, whose sole material liability consists of the outstanding BCFC Notes. BCFC's sole material assets consist of preferred shares of BCHI.

18. Bowater Canadian Holdings Incorporated ("**BCHI**") is a Nova Scotia company which is the holding company for BI's Canadian activities, except for the Nova Scotia operations. BCHI holds an indirect equity interest in BCFPI.

19. Bowater Canada Treasury Corporation ("**BCTC**") is a Nova Scotia company which is since 2007 wholly owned by BCHI and is the general partner of BCFLP.

20. BCFLP is a New Brunswick limited partnership which was used for financing activities; its general partner is BCTC and its only limited partner is BCFPI.

21. Bowater Shelburne Corporation is a Nova Scotia company which is wholly owned by BCFLP and has no activities.

22. Bowater LaHave Corporation ("**Bowater LaHave**") is a Nova Scotia company which is wholly owned by BCFPI, and is the holding company of Bowater-Korea Ltd., the owner of the Mokpo mill located in South Korea.

(c) The BCFC Note Issuance

23. The proceeds of the BCFC Note issuance were used to repay bridge financing entered into by BI to complete its acquisition of Alliance Forest Products Inc. (now BCFI) in consideration for US$251 million in cash and US$235 million in shares, and to repay US$274.5 million in BCFPI third party debt.

24. The BCFC Notes were issued to qualified investors under an Offering Circular, a copy of which is communicated as **Exhibit R-3**.

25. As is commonly done, the BCFC Notes were then exchanged for more widely tradable but otherwise identical exchange notes pursuant to the exchange offer described in the Prospectus filed with the U.S. Securities and Exchange Commission on December 10, 2001, a copy of which is communicated as **Exhibit R-4**.

26. As appears from the Offering Circular and the Prospectus, investors in the Notes and BCFC Notes were advised of the use to be made of the proceeds thereof, and that BCFC would be dependent on amounts received from BI or its subsidiaries to make payments upon BCFC Notes.

(d) Proceedings and Issues raised by the Objecting BCFC Noteholders

27. On December 1, 2009, Aurelius filed a *Motion For the Issuance of an Order to Provide the Financial Information of Certain Petitioners*, the whole as appears from the record of the Court in this docket. An amended motion was filed on January 28, 2010. This motion has been postponed *sine die* at the request of Aurelius. The existence of the Intercompany Claims was one of the foundations for the relief sought in this motion.

28. On March 10, 2010, the Objecting BCFC Noteholders filed a *Motion for the Issuance of an Order Directing Bowater Canada Finance Corporation to File an Assignment in Bankruptcy or Alternatively, an Order seeking the Appointment of an Independent and Disinterested Third Party to Investigate, Assert, Protect and Pursue the Claim and Remedies of Bowater Canada Finance Corporation* (the "**A+C Motion**"), the whole as appears from the record of the Court in this docket. Once again, the supposed existence (and lack of prosecution of) the Intercompany Claims formed the foundation for this motion.

29. The A+C Motion was scheduled to be heard on the merits by this Court on July 8, 2010, when, after the Monitor filed its 49th Report and the Petitioners filed written argument regarding the Intercompany Claims, the Objecting BCFC Noteholders advised the Court of their intention to discontinue the A+C Motion on a without costs basis.

30. On July 8, 2010, this Court issued an order permitting the discontinuance of the A+C Motion subject to certain conditions, the whole as appears from the record of the Court in this docket.

(e) Independent Reviews of Intercompany Claims

31. As a result of the allegations made in respect of the Intercompany Claims by the Objecting BCFC Noteholders, the Monitor undertook an extensive review of the transactions made by BCFC and its affiliates since 2001, and on July 7, 2010, filed an interim report with this Court, as appears from the Monitor's 49th Report.

32. The Monitor has advised BCFC of its intention to finalize its 49th Report shortly after this motion is filed. The Petitioners understand that the Independent Officer has also reviewed the Intercompany Claims and in that process has consulted with the Monitor.

(f) The Intercompany Transactions

33. The Intercompany Claims relate to transactions which occurred between 2001 and 2007. While their implementation involved multiple and necessary intermediate steps extensively researched and described in the Monitor's Reports, they can be summarized as follows:

(a) In 2001, BCFC acquired 99% of BCFLP from BI (the other 1% was acquired by BCTC, a wholly-owned subsidiary of BCFC). BCFC's only interest in BCHI and/or BCFPI at that point was through receivables owing by them to BCFLP. This transaction and the existence of intercompany loans owed to BCFLP were disclosed in all material respects in the Offering Circular and Prospectus.

(b) In 2005, following the announcement of changes in US tax rules applicable to the 2001 financing structure, preferred shares in BCFPI were issued to BCFLP through the capitalization of debt owing by BCFPI to BCFLP. BCFC was not directly a party to this transaction. This was disclosed in all material respects in the BCFPI MD&A for 2005, a copy of which is communicated as **Exhibit R-5**.

(c) In 2006, BI transferred US$400 million in BCFPI receivables to BCHI against common shares of BCHI. This and other BCFPI debt to BCHI (totaling US$643 million) was converted in BCFPI Class A preferred shares. BCFC was not directly involved in this transaction, which had the effect of strengthening the value of the equity in BCFPI held by BCFLP (in turn directly or indirectly owned by BCFC). This was disclosed in all material respects in the BCFPI MD&A for 2006, a copy of which is communicated as **Exhibit R-6**.

(d) In 2007, BCFC's interest in BCFLP was exchanged for a preferred interest in BCHI through a series of steps which saw BCHI acquire BCFLP and the interests in BCFPI owned by it. Following completion of this transaction, BCHI indirectly owned (i) all of the common shares of BCFPI, (ii) all of the Class A and Class B preferred shares of BCFPI (through BCFLP and Shelburne) and (iii) all of the Class C preferred shares of BCFPI[6]. The value of BCFPI was further increased by the value of the BI Korean operations which were transferred to BCFPI from BI as part of this transaction. This was disclosed in all material respects in the BCFPI MD&A for 2007, a copy of which is communicated as **Exhibit R-7**.

34. All of the transactions described above were in compliance with the Indenture, were entered into for *bona fide* commercial purposes on fair and reasonable terms for all of the parties thereto (none of which was insolvent at the relevant times), were in the interest of the parties thereto at the relevant times, and were consistent with the 2001 offering documents relating to the BCFC Notes. Throughout the period, BCFC relied entirely upon BI to provide the funding necessary to make payments of interest on the BCFC Notes, and the transactions strengthened BI's consolidated investments in Canada.

[6] BI owned all of the Class D preferred shares of BCFPI.

(g) The CCAA and Chapter 11 Restructurings

35. The Petitioners have filed an amended Debtor's Joint Plan of Reorganization under Chapter 11 of the *U.S. Bankruptcy Code* with the U.S. Bankruptcy Court (the "**U.S. Plan**") and an amended CCAA Plan of Reorganization and Compromise with this Court (the "**CCAA Plan**" together with the CCAA Plan, the "**Plans**"), along with the related Disclosure Statement in the U.S. Bankruptcy Court and the Information Circular in this Court.

36. This Court has issued an order (the "**Creditors' Meeting Order**") in which, *inter alia*, (i) it authorized the Petitioners to convene, hold and conduct separate meetings of their creditors on September 14, 2010, in Montréal, Québec, to consider the CCAA Plan, and (ii) established the hearing date before this Court to consider and, if appropriate, grant an order sanctioning the CCAA Plan (the "**Sanction Hearing**").

IV. GROUNDS FOR THIS MOTION

37. As appears from the foregoing, the ABH Group is the final stages of its restructuring efforts under the CCAA and Chapter 11. The Offering Circular and the Disclosure Statement provide the estimated recoveries against each material entity of the ABH Group.

38. The Plans are the result of lengthy discussions and negotiations with the ABH Group's major stakeholders, who will be among the shareholders of Reorganized ABH upon emergence.

39. With respect to the Intercompany Claims, the Petitioners submit that:

    (a) There is simply no credible suggestion that BCFC or any other person has any valid claims arising from the Intercompany Transactions;

    (b) The allegations made by the Objecting BCFC Noteholders are utterly incoherent, relate to a host of different companies (including companies in which BCFC had neither a direct nor indirect interest at the time of the cited transactions), and simply provide no foundation for supposing that anything untoward has occurred at any time;

    (c) As appears from the Offering Circular (Exhibit R-2) and the Prospectus (Exhibit R-3), investors in the BCFC Notes were specifically advised of the intentions of BCFC and of its reliance on BI and its subsidiaries to make payments upon the BCFC Notes;

    (d) The only conceivable relevance of the vague allegations regarding the Intercompany Transactions would be to seek to establish a basis for a creditor-sponsored oppression application under the *Companies Act* (Nova Scotia). The oppression remedy requires demonstration, at minimum, of "reasonable expectations", and the Objecting BCFC Noteholders, provided they even were holders of BCFC Notes at the time, can have had no such expectations as to the conduct of the business and affairs of BCFC given the terms of the Indenture (Exhibit R-1), the Offering Circular (Exhibit R-2) and the Prospectus (Exhibit R-3). For example and without limitation:

(i) there are no covenants in the Indenture on BCFC restricting investments, dispositions or other actions in the nature complained of; and

(ii) it is clear from the Offering Circular (Exhibit R-2) and the Prospectus (Exhibit R-3) that the BCFC Note issuance was made on the basis of BI's consolidated business and credit, *not* BCFC's;

(e) Moreover, if there were a valid claim to be advanced by creditors of BCFC under the oppression remedy, it should have been claimed by the Objecting BCFC Noteholders or the trustee under the Indenture well before now pursuant to the claims process established under the CCAA. It was not, and to seek to hive off BCFC from the ABH Group restructuring in order to cause it to pursue a barred claim which should have been made through normal channels is a subversion of the objectives of the CCAA as applied to the restructuring of corporate groups.

40. From its inception, BCFC has only held equity investments in various other subsidiaries of BI, being BCFLP, its general partner BCTC, and BCHI. One transaction more than three years prior to the 2009 CCAA filing involved a disposition to BCHI of equity interests held by BCFC in BCFLP and BCTC in exchange for different preferred equity interests in BCHI, which was further enhanced by subordinations made by BI. However, there is no basis for challenging this transaction after the fact has been established, nor is there any basis to suppose that the equity interests disposed of have any greater or different value in the present group insolvency than the interests that were received.

41. There is thus no suggestion in the Monitors' report of any direct claims for the benefit of BCFC arising from the Intercompany Transactions.

42. To the extent that the Objecting BCFC Noteholders have made any coherent allegations regarding the Intercompany Transactions, these have all related solely and exclusively to transactions which took place in entities other than BCFC, and therefore (even if they had any merit or validity) are outside the scope of any available remedy.

43. To the extent that any Intercompany Claim may exist, no creditor of BCFC, including the Objecting BCFC Noteholders, has filed a claim against any of the other Petitioners alleging oppression or any other similar ground of direct claim for their benefit, although the facts giving rise to such alleged Intercompany Claims have been known (and indeed pleaded by the Objecting BCFC Noteholders in the motions they have previously filed) without claims being advanced under the Claims Procedure Orders of this Court.

The Plans

44. Subject to the outcome of the various creditor votes ordered pursuant to the Creditors Meetings Order, the Petitioners anticipate bringing forward the CCAA Plan which have been filed for sanction and approval as fair and reasonable.

45. The CCAA Plan, if approved, would compromise all of the Intercompany Claims and the Court's order, if granted, would declare the CCAA Plan as being fair and reasonable; accordingly, the existence and validity under Canadian law of such claims will necessarily be before the Court directly or indirectly at the time of the Sanction Hearing.

46. The Petitioners and all of their stakeholders have a real and present interest in having the genuine problems outlined above resolved, including:

(a) to have the rights, power and obligations they may have in respect of the Intercompany Claims and the CCAA determined by way of declaratory judgment of this Court;

(b) to help them emerge from these CCAA Proceedings to the fullest extent possible free of material contingencies, the unresolved existence of the Intercompany Claims potentially hindering or delaying such emergence; and

(c) to facilitate the completion of this cross-border restructuring by having the Court give advice and directions in connection with the Canadian law matters addressed herein.

47. Since the issuance of the Initial Order, the Petitioners have acted, and continue to act, in good faith and with due diligence in their restructuring efforts.

48. It is in the best interest of the Petitioners and all their stakeholders that this Motion be granted in accordance with its conclusions.

49. The Petitioners respectfully submit that the notices given of the presentation of this Motion are proper and sufficient and, given the urgency of the situation and timeline prior to emergence, request that the execution of the orders sought herein be granted notwithstanding appeal.

50. This Motion is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

GRANT this *Motion for Advice and Directions* (the "**Motion**");

DIRECT that BCFC shall not be required to take any further steps to advance or make any claims against any other person in respect of any of the transactions described in the Monitor's 49th Report and any other report of the Monitor filed in connection with the Motion; and

DECLARES that the proposed Plan of the Petitioners shall not be found unfair or unreasonable because it does not make provision for such Intercompany Claims.

PROVIDE any other advice and directions as this Honourable Court may determine to be appropriate.

ORDER the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security.

THE WHOLE, without costs save in case of contestation.

Montréal, September 7, 2010

Stikeman Elliott

STIKEMAN ELLIOTT LLP
Attorneys for the Petitioners

AFFIDAVIT

I, the undersigned, Bruce Robertson, having a place of business at 39, Wynford Dr., Toronto, Ontario, M3C 3K5 solemnly declare the following:

1. I am the Chief Restructuring Officer of AbitibiBowater Inc.;

2. All the facts alleged in the present *Motion for Advice and Directions* are true.

AND I HAVE SIGNED

BRUCE ROBERTSON

Solemnly declared before me at TORONTO
on the 7th day of September, 2010

Name: ALEXANDRA URBANSKI
Title: STUDENT-AT-LAW

Alexandra Maria Urbanski, a
Commi[illegible] Province of Ontario,
while [illegible] law.
Expires June 17, 2013.

NOTICE OF PRESENTATION

TO : SERVICE LIST

TAKE NOTICE that the *Motion for Advice and Directions* will be presented for adjudication before one of the Honourable Judges of the Superior Court, at the Montreal Courthouse, at a date and time to be determined and announced to the Service List.

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, September 7, 2010

Stikeman Elliott

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

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

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. *et al*

Petitioners

- and -

ERNST & YOUNG INC.

Monitor

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

MOTION FOR ADVICE AND DIRECTIONS

ORIGINAL

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