

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 THE ISSUANCE OF A RE-RE-AMENDED RECEIVERSHIP ORDER
IN RESPECT OF 4513541 CANADA INC.
(Section 11 of the *Companies' Creditors Arrangement Act* ("CCAA") and 243(1) of the
Bankruptcy and Insolvency Act ("BIA"))

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

A. PREAMBLE

1. On April 17, 2009, this Honourable Court issued an order (as amended and restated, the "Initial Order") pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") in respect of (i) Abitibi-Consolidated Inc. ("ACI") and subsidiaries thereof¹

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

(collectively with ACI, the "**Abitibi Petitioners**"); (ii) Bowater Canadian Holdings Inc. and subsidiaries and affiliates thereof² (excluding Bowater Canada Finance Corporation, the "**Bowater Petitioners**" and together with the Abitibi Petitioners, the "**Petitioners**") and (iii) certain partnerships.³

2. Pursuant to the terms of the Initial Order, Ernst & Young Inc. (the "**Monitor**") was appointed as monitor of the Petitioners.
3. On April 16, 2009, AbitibiBowater Inc., Bowater Inc. and certain of their U.S. and Canadian subsidiaries⁴ (the "**U.S. Debtors**") filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code before the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**").
4. On September 23, 2010, this Court issued an order (the "**Sanction Order**") sanctioning the Petitioners' *Plan of Reorganization and Compromise* (as amended, the "**CCAA Plan**"). The CCAA Plan had previously been approved by the requisite majorities of the Petitioners' creditors.
5. The U.S. Debtors have filed with the U.S. Bankruptcy Court a plan related to the joint reorganization of the U.S. Debtors under the U.S. Bankruptcy Code (the "**U.S. Plan**").
6. As of the date hereof, a confirmation hearing in respect of the U.S. Plan is ongoing

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.

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.

before the U.S. Bankruptcy Court.

7. The joint implementation of the CCAA Plan and the U.S. Plan will only be possible once the CCAA Plan and the U.S. Plan have been sanctioned by the CCAA Court and the U.S. Bankruptcy Court respectively. Despite the issuance of the Sanction Order, since the confirmation order has yet to be issued by the U.S. Bankruptcy Court, the Implementation Date (as defined in the CCAA Plan) has been pushed back and to this day, the Petitioners remain under this Court's jurisdiction.
8. Any undefined capitalized expressions used herein shall have the meaning set forth in the Initial Order and in the Re-Re-Amended Receivership Order (as defined hereinafter).

B. ORDERS SOUGHT

9. The Petitioners hereby seek certain amendments to the Re-Amended Receivership Order (as defined hereafter) issued by this Court to:
 - (a) increase the funding of the receivership to a maximum of \$2,200,000;
 - (b) modify the definition of "Debtor" and "Property" as set forth in the Re-Amended Receivership Order to include any subsidiaries of 4513541 Canada Inc. (the "Purchaser") and any and all of their assets, all in connection with the upcoming transfer to the Purchaser of various corporate entities;
 - (c) to clarify the abandonment procedure set out in the Re-Amended Receivership Order in respect of the Property (as this term's definition will be modified); and
 - (d) to clarify the entitlement of the Receiver to proceed to bankrupt, liquidate or dissolve the Debtor (as this term's definition will be modified);

the whole as more fully explained below and as set forth in the draft order (the "Re-Re-Amended Receivership Order") communicated herewith as **Exhibit R-1**.

C. GROUND FOR THIS MOTION

10. On April 27, 2010, this Court issued an order approving the transfer of certain non-core properties of ACI and ACCC to the Purchaser and vesting all right, title and interest in and to those non-core properties in and with the Purchaser, free and clear of and from all rights, claims, obligations, etc. (the "**First Vesting Order**"), the whole as appears from the record of this Court.
11. The same day, this Court issued an order appointing Ernst & Young Inc. as receiver, without security, of all the assets, undertakings and properties of the Purchaser, including the non-core properties contemplated in the First Vesting Order (the "**Receivership Order**"), the whole as appears from the record of this Court.
12. On July 21st, 2010, this Court issued an order amending the Receivership Order to

discharging Ernst & Young Inc. as receiver and replaced it by Samson Bélair/Deloitte & Touche Inc. (the "**Receiver**") (the "**Amended Receivership Order**"), the whole as appears from the record of this Court.

13. On September 1st, 2010, this Court issued various orders approving the transfer of certain non-core properties of the Petitioners located in the Province of Québec to the Purchaser and vesting, upon payment, all right, title and interest in and to those non-core properties in and with the Purchaser, free and clear of and from all rights, claims, obligations, etc. (the "**Québec Vesting Orders**"), the whole as appears from the record of this Court.
14. The same day, this Court issued an order amending the Amended Receivership Order to increase the maximum funding of the Receiver to \$1,700,000 (the "**Re-Amended Receivership Order**"), the whole as appears from the record of this Court.
15. On September 10, 2010, this Court issued various orders approving the transfer of certain non-core properties of the Petitioners located in the Provinces of New-Brunswick, Ontario and British Columbia, to the Purchaser and vesting, upon payment, all right, title and interest in and to those non-core properties in and with the Purchaser, free and clear of and from all rights, claims, obligations, etc. (the "**Off-Québec Vesting Orders**"), the whole as appears from the record of this Court.
16. The Petitioners submit that the amendments as contemplated in the Re-Re-Amended Receivership Order are necessary and in the best interest of and will generally benefit all of their stakeholders, in that, *inter alia*:
 - (a) following the issuance of the Off-Québec Vesting Orders and further discussions with the Receiver, it appears that the budgeted funding necessary to the exercise of the powers of the Receiver, including the completion of the transfers and management of the non-core properties, is insufficient and needs to be increased;
 - (b) the Petitioners settled a contestation brought by the Minister of the Environment of the Province of New-Brunswick against the issuance of the Off-Québec Vesting Orders by accepting a further increase of \$95,000.00 of the funding of the receivership;
 - (c) the CCAA Plan, at paragraphs 26 to 29 of the Amended and Restated CCAA Plan Supplement 6.1 (a) (i), provides for the vesting of various corporate entities currently owned by the Petitioners to the Purchaser. The transfer of these corporate entities, including St.-Maurice River Drive Company which owns various immovable properties which are considered to be non-core properties by the Petitioners and which are listed in **Exhibit R-2** to this Motion, will also require additional funding of the receivership;
 - (d) for greater certainty and further to discussions with the Receiver:

- (i) the definition of "Debtor" and "Property" set forth in the Re-Amended Receivership Order must be modified to include any subsidiaries of the Purchaser and any and all of their assets, all in connection with the transfer of the corporate entities as mentioned above;
 - (ii) it would be advisable to clarify the abandonment procedure set out in the Re-Amended Receivership Order in respect of the Property (as this term's definition will be modified); and
 - (iii) it would be advisable to clarify the entitlement of the Receiver to proceed to bankrupt, liquidate or dissolve the Debtor (as this term's definition will be modified);
17. In consideration of the above, the Petitioners submit that the funding of the receivership must be increased up to a maximum of \$2,200,000, and that the Re-Amended Receivership Order should be amended as suggested;
18. The Monitor, the Receiver and the Purchaser consent to this Motion;
19. The Petitioners respectfully submit that this Motion should be granted in accordance with its conclusions.
20. The present Motion is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

- [1] **GRANT** this *Motion for the Issuance of a Re-Re-Amended Receivership Order In Respect of 4513541 Canada Inc.* (the "**Motion**").
- [2] **EXEMPT**, if applicable, the Petitioners from having to serve this Motion and from any notice or delay of presentation.
- [3] **ISSUE** an order substantially in the form of the draft order communicated as **Exhibit R-1** in support of the Motion.

WITHOUT COSTS, save in case of contestation.

Montréal, November 17, 2010

Stikeman Elliott LLP
Stikeman Elliott LLP
Attorneys for the Petitioners

AFFIDAVIT

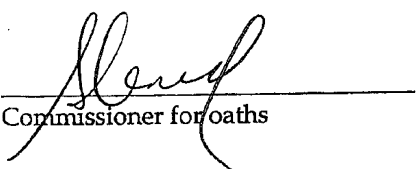
I, the undersigned, Mélanie Allaire, having my principal place of business at Suite 800, 1155 Metcalfe Street, Montréal, Quebec, H3B 5H2 solemnly declare the following:

1. I am a Senior Legal Counsel of AbitibiBowater Inc.
2. All the facts alleged in the *Motion for the Issuance of a Re-Re-Amended Receivership Order in respect of 4513541 Canada Inc.* are true.

AND I HAVE SIGNED


Mélanie Allaire

Solemnly declared before me at Montréal,
on the 17th day of November, 2010


Commissioner for oaths



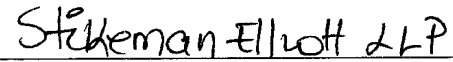
NOTICE OF PRESENTATION

TO : SERVICE LIST

TAKE NOTICE that the *Motion for the Issuance of a Re-Re-Amended Receivership Order in respect of 4513541 Canada Inc.* will be presented for adjudication before the Honourable Judge Clément Gascon of the Superior Court, sitting in practice in and for the District of Montreal, in the Montreal Court House, 1 Notre-Dame Street East, on a date and time to be determined by the Court and announced to the Service List.

DO GOVERN YOURSELVES ACCORDINGLY.

Montreal, November 17, 2010


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:

ABITIBOWATER INC. *et al*

Petitioners

- and -

ERNST & YOUNG INC.

Monitor

BS0350

n/dos.: 041053-1170

MOTION FOR THE ISSUANCE OF A
RE-RE-AMENDED RECEIVERSHIP ORDER
IN RESPECT OF 4513541 CANADA INC.

ORIGINAL

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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

LIST OF EXHIBITS OF THE PETITIONERS

(In support of *Motion for the Issuance of a Re-Re-Amended Receivership Order in
Respect of 4513541 Canada Inc.*)

DESCRIPTION		TAB
R-1	Copy of the draft of the <u>Re-Re-Amended Receivership Order</u>	1
R-2	Copy of the Legal Description of the non-core Properties of St-Maurice River Drive Company	2

Montréal, this 17th day of November 2010

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

EXHIBIT R-1

SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-036133-094

DATE: _____, 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-RE-AMENDED RECEIVERSHIP ORDER IN RESPECT OF 4513541 CANADA INC.

- [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. and Petitioners' Motion for the Issuance of a Re-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. and its subsidiaries (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 for 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 either unable (i) to sell it, or (ii) to reach an accommodation on a environmental remediation plan in regard thereof within a reasonable period of time, or (iii) to perform the necessary maintenance thereof, it may decide to abandon such Property (...) to the Provincial Crown in the Province in which it is situated by providing notice to the relevant provincial Ministry/Department of the Environment to that effect (the "Notice of Abandonment") and without the need for any further order from this Court (unless the Receiver requires, given the circumstances, directions from the Court);
- (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 or of any Notice of Abandonment 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; (...)
- (p) to take any steps required to bankrupt, liquidate or dissolve the Debtor;

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 \$2,200,000 (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.

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.

SCHEDULE "C"

18.6 CCAA PETITIONERS

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 (...) of the assets, undertakings and properties (...) (the "Receiver") of [PURCHASER'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 (...) Québec Superior Court (...) (Commercial (...) Division) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number (...) _____, 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.

(...)

1. Such principal sum (...) is, by the terms of the Order, together with the principal sums and any 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 (...).

2. All sums payable in respect of principal (...) under this certificate are payable at the main office of the Lender (...) in the city of Montreal, Quebec.

3. 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.

4. 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.

5. 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

By:

Name:

Title:

SUPERIOR COURT

Commercial Division

(Sitting as a court designated pursuant to the Companies
Creditors Arrangement Act)

Nº. 500-11-036133-094

CANADA

PROVINCE OF QUEBEC

DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBOWATER INC. *et al*

Petitioners

- and -

ERNST & YOUNG INC.

Monitor

BS0350

EXHIBIT R-1

ORIGINAL

Me Guy P. Martel

(514) 397-3163

Fax: (514) 397-33493

STIKEMAN ELLIOTT

Stikeman Elliott S.E.N.C.R.L., s.r.l. AVOCATS

40^e Étage

1155, boul. René-Lévesque Ouest

Montréal, Canada H3B 3V2

EXHIBIT R-2

**ST. MAURICE RIVER DRIVE COMPANY LIMITED/COMPAGNIE
DE FLOTTAGE DU ST-MAURICE LTÉE (« Company »)**

1. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lots THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND FIFTEEN (3 982 015) and THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND SIXTEEN (3 982 016), both of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$142,600.

2. An emplacement located on Chemin Pointe-A-Comeau, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND TWO HUNDRED AND TWENTY-SEVEN (2 749 227) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$8,900.

3. An emplacement located on Chemin Pointe-A-Comeau, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND TWO HUNDRED AND FIFTY-SIX (2 749 256) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$800.

4. An emplacement located on Chemin Pointe-A-Comeau, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lots TWO MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND NINE HUNDRED AND NINETY

(2 861 990), TWO MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND NINE HUNDRED AND NINETY-ONE (2 861 991) and TWO MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND NINE HUNDRED AND NINETY-TWO (2 861 992), all of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

5. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lots THREE MILLION NINE HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED AND FIFTEEN (3 924 215), THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND THREE (3 982 003), THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND FOUR (3 982 004), THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND FIVE (3 982 005) and FOUR MILLION ONE HUNDRED SEVEN THOUSAND EIGHT HUNDRED AND THIRTY-FIVE (4 107 835), all of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$85,300.

Note: According to the indexes there would be no inscription in the name of the Company as to lot 4 107 835 (former parts of lots 3 and 4 Township of Radnor) but said lot is in the name of the Company and Abitibi Consolidated Inc. (“ACI”) according to the municipal tax statement.

6. An emplacement located on Chemin de la Rivière, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND TWO HUNDRED AND SIXTY-SIX (2 749 266) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$2,100.

7. An emplacement located on Chemin de la Rivière, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND TWO HUNDRED AND SEVENTY-TWO (2 749 272) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$6,800.

8. An emplacement located on Chemin de la Rivière, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND TWO HUNDRED AND EIGHTY-THREE (2 749 283) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$1,000.

9. An emplacement located on 50th Avenue, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND TWO HUNDRED AND NINETY-SIX (2 749 296) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$1,400.

10. An emplacement located on Chemin Domaine Saint-Maurice, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lots TWO MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND NINE HUNDRED AND SEVENTY-THREE (2 861 973), TWO MILLION EIGHT HUNDRED SIXTY-TWO THOUSAND TWELVE (2 862 012), TWO MILLION EIGHT HUNDRED SIXTY-TWO THOUSAND ELEVEN (2 862 011), TWO MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND NINE HUNDRED AND SEVENTY-SIX (2 861 976) and TWO MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND NINE HUNDRED AND SEVENTY-FOUR (2 861 974), all of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

11. An emplacement located on Chemin Lavergne, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND THREE HUNDRED AND ONE (2 749 301) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$16,500.

12. An emplacement located on Chemin Lavergne, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot TWO MILLION SEVEN HUNDRED FORTY-NINE THOUSAND THREE HUNDRED AND TWELVE (2 749 312) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$5,100.

13. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION NINE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED AND SIXTY-SEVEN (3 925 767) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

Note: According to the indexes there would be no inscription in the name of the Company as to lot to lot 126 Township of Radnor being one of the three lots parts of which were replaced by said lot 3 925 767 but said lot is in the name of the Company and Abitibi Consolidated Inc. (“ACI”) according to the municipal tax statement.

14. An emplacement located on Chemin Laurentides, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION FOUR HUNDRED THOUSAND FIVE HUNDRED AND SEVENTY-THREE (3 400 573) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

Note: According to the indexes, St-Maurice River Drive acquired lot 1041 Parish Notre-Dame-du-Mont-Carmel (replaced by said lot 3 400 573) from the Shawinigan Water Power Company (17417 - published April 3, 1969 but Letters Patent were granted by the Crown to the Laurentide Pulp Co. Ltd. (#169 777, published September 13, 1991).

15. An emplacement located on Route 153 West, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION FOUR HUNDRED THOUSAND SIX HUNDRED AND SEVENTY-THREE (3 400 673) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$45,800.

16. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION NINE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED AND SIXTY-SIX (3 925 766) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$2,100.

Note: *According to the indexes there would be no inscription in the name of the Company as to lot to lot 3 925 766 (former part of said lot 126 Township of Radnor) but said lot is in the name of the Company and Abitibi Consolidated Inc. (“ACI”) according to the municipal tax statement.*

17. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND TEN (3 982 010) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

18. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND ELEVEN (3 982 011) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

19. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND TWELVE (3 982 012) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$11,200.

20. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lots THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND THIRTEEN (3 982 013) and THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND FOURTEEN (3 982 014), both of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

21. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot FOUR MILLION ONE HUNDRED SEVEN THOUSAND SEVEN HUNDRED AND SEVENTY-SEVEN (4 107 777) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$100.

22. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lots THREE MILLION NINE HUNDRED TWENTY-FIVE THOUSAND NINE HUNDRED AND THIRTY-ONE (3 925 931) and THREE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND AND SEVENTEEN (3 982 017) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$48,000.

23. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot FOUR MILLION ONE HUNDRED SEVEN THOUSAND EIGHT HUNDRED AND TWENTY-THREE (4 107 823) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$5,500.

24. An emplacement located on Principale Street, in the City of Shawinigan, Province of Quebec, known and designated as being composed of lot THREE MILLION NINE HUNDRED TWENTY-FOUR THOUSAND AND EIGHTY-FIVE (3 924 085) of the Cadastre du Québec, Registration Division of Shawinigan.

“Valeur uniformisée”: \$2,200.

(Sitting as a court designated pursuant to the Companies
Creditors Arrangement Act)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

ABITIBOWATER INC. *et al*

(Sitting as a court designated pursuant to the Companies
Creditors Arrangement Act)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

ABITIBOWATER INC. et al

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