Court File No. 500-11-036133-094

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT (*CANADA)

AND IN THE MATTER OF A PLAN OF REORGANIZATION AND COMPROMISE

OF

ABITIBIBOWATER INC.,
AND CERTAIN OF ITS SUBSIDIARIES LISTED IN SCHEDULE "A" TO THE INFORMATION CIRCULAR DATED AUGUST 2, 2010

PLAN SUPPLEMENT 6.8(b)

TO THE PLAN OF REORGANIZATION AND COMPROMISE DATED AUGUST 2, 2010

UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT* (CANADA),

SECTION 191 OF THE *CANADA BUSINESS CORPORATIONS ACT*,

AND SUCH OTHER SECTIONS AND LEGISLATION TO BE SET FORTH IN THE RESTRUCTURING TRANSACTIONS NOTICE TO BE DATED SEPTEMBER 3, 2010

September 3, 2010

NOTICE OF FILING OF CCAA PLAN SUPPLEMENT 6.8(b)

PLEASE TAKE NOTICE that, pursuant to the Plan of Reorganization and Compromise jointly filed by the Applicants pursuant to the provisions of the CCAA, Section 191 of the CBCA and such other legislation to be set forth in the Restructuring Transactions Notice (the "**CCAA Plan**") and as set forth in the Information Circular pertaining to a Plan of Reorganization and Compromise under the *Companies' Creditors Arrangement Act* (Canada), the *Canada Business Corporations Act* and such other legislation to be set forth in the Restructuring Transactions Notice involving AbitibiBowater Inc. and certain of its subsidiaries dated August 2, 2010 (the "**Circular**"), this CCAA Plan Supplement (the "**CCAA Plan Supplement 6.8(b)**") is to be posted on the Monitor's Website on or before the CCAA Plan Supplement Filing Date with notice of such posting to be provided to the Service List (as such CCAA Plan Supplement 6.8(b) may be thereafter modified, amended, varied or supplemented in accordance with the CCAA Plan). All capitalized terms not otherwise defined in this CCAA Plan Supplement 6.8(b) shall have the meanings ascribed to them in the Circular.

PLEASE TAKE FURTHER NOTICE that this CCAA Plan Supplement 6.8(b) supplements Section 6.8(b) of the CCAA Plan with the material terms of each of the 2010 Short-Term Incentive Plan and the 2011 Short-Term Incentive Plan of Reorganized ABH, respectively attached hereto as Exhibit I and Exhibit II.

PLEASE TAKE FURTHER NOTICE that you are advised and encouraged to read this CCAA Plan Supplement 6.8(b) and its Exhibits I and II in conjunction with the Circular, the CCAA Plan and the Creditors' Meeting Order.

PLEASE TAKE FURTHER NOTICE that a true and complete copy of the CCAA Plan Supplement 6.8(b) is attached hereto.

PLEASE TAKE FURTHER NOTICE that copies of the CCAA Plan Supplement 6.8(b) as well as the CCAA Plan and the Circular may be obtained from the Monitor's website at www.ey.com/ca/abitibibowater.

EXHIBIT I

2010 SHORT-TERM INCENTIVE PLAN

SUMMARY OF MATERIAL TERMS

2010 Short-Term Incentive Plan

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Purpose

As a means of special recognition for the contribution of employees toward the success of the Company, a 2010 Short-Term Incentive Plan (STIP) has been instituted. It is designed to link a portion of employees' total compensation to the attainment of specific, measurable, and bottom-line oriented key company performance indicators.

Eligibility

The employee's role, level of responsibilities, and job grade determine eligibility to the 2010 STIP. The 2010 STIP applies to all non-unionized, regular, employees of the Company in grades 25 and above. There are approximately 550 eligible employees.

Performance Period

The 2010 STIP relates to the achievement of performance goals over the period from July 1, 2010 to December 31, 2010.

Bonus Payouts

The amount of award a participant is eligible to receive is expressed as a certain percentage of the employee's base salary (after giving effect to the Company-wide salary reduction program) as determined by his or her grade level. The threshold, target and maximum award bonus payouts to participants under the 2010 STIP as a percentage of such participant's base salary are as follows:

	Minimum	Target	Maximum
CEO and Direct Reports (Grades 43-46)	25%	50%	75%
Grades 40-42	15%	30%	45%
Grades 29-32	12.5%	25%	37.5%
Grades 26-28	8.75%	17.5%	26.25%
Grades 25	5%	10%	15%

The Human Resources and Compensation/Nominating and Governance Committee of the Board of Directors of the Company (the Committee) will approve all awards before payments are made. Award payments will be made in cash no later than March 15, 2011.

Performance Metric

Payout potential for the 2010 STIP is based on Operating Profit (EBITDA) results, for the last six months of 2010 compared with the EBITDA forecast. The design provides for the calculation factors to apply as follows to participant categories:

	Operating Profit Payout Schedule		
	50%	100%	150%
EBITDA	$165 million	$246 million	$327 million

The threshold and maximum performance targets and payouts under the 2010 STIP are subject to ratification by the Board of Directors of the Company post-emergence.

The Company reserves the right to reduce or even cancel the bonus payment in the event an employee has demonstrated a lower level of performance than expected.

Cost

Overall cost of the plan at target is $11 million.

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Administrative Guidelines

New Hires

An employee hired into a regular position after October 1, 2010 is not eligible to participate in the 2010 STIP.

Promotion or Status Changes After October 1, 2010

- If an employee is promoted into one of the grade levels covered by this plan, the employee will be eligible to participate pro rata for time spent in that grade.
- If an employee is promoted to a position covered by a higher target level, the individual's salary and position for the award calculation will be prorated for time spent in respective positions.
- If an employee's status changes from temporary to regular, the employee will be eligible to participate prorated for time as a regular employee.

Termination

- An employee who elects to retire, is terminated for reasons other than cause, or who dies during the performance period prior to the payment date will be eligible to participate pro rata for his or her time during the performance period as an active employee.
- An employee who voluntarily resigns or is terminated for cause from the Company during the performance period prior to payment date will forfeit their award under the 2010 STIP.

Other leaves

- Maternity/parental/adoption leave: The date at which the leave starts defines the date at which the calculation of the bonus ends.
- Leave without pay: The bonus is calculated on a prorated basis based on number of months actively at work during the year.
- Short-term absence due to illness: The length of the absence is included in the calculation of the bonus if it is a bona fide absence as mentioned in the disability medical leave procedure.
- Long-term absence due to illness (time on long-term disability): The length of the absence is not included in the calculation of the bonus.

Plan Administration

- The Committee has the right to adjust any or all awards; this includes the right to eliminate any or all awards for any year despite achievement of performance measures. The Board of Directors of the Company may alter, amend or terminate the 2010 STIP at any time.

EXHIBIT II

2011 SHORT-TERM INCENTIVE PLAN

SUMMARY OF MATERIAL TERMS

2011 Short-Term Incentive Plan

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Purpose

As a means of special recognition for the contribution of employees toward the success of the Company, a 2011 Short-Term Incentive Plan (2011 STIP) has been instituted. It is designed to link a portion of employees' total compensation to the attainment of specific, measurable, and bottom-line oriented key company performance indicators.

Eligibility

The employee's role, level of responsibilities, and job grade determine eligibility to the 2011 STIP. The 2011 STIP applies to all non-unionized, regular, employees of the Company in grades 25 and above. There are approximately 550 eligible employees.

Performance Period

The 2011 STIP relates to the achievement of performance goals over the period from January 1, 2011 to December 31, 2011.

Plan Design

To reflect the different employee accountabilities and diversity of positions, the 2011 STIP is designed to address three groups of employees: Sales, Operations, and Corporate. Payments will be paid in cash with the option of converting totally or partially to RSUs with a premium multiplier.

Bonus Payouts

The amount of award a participant is eligible to receive is expressed as a certain percentage of the employee's base salary (after giving effect to the Company-wide salary reduction program) as determined by his or her grade level. The threshold, target and maximum award bonus payouts to participants under the 2011 STIP as a percentage of such participant's base salary are as follows:

	Minimum	Target	Maximum
CEO and Direct Reports (Grades 43-46)	50%	100%	150%
Grades 40-43	30%	60%	90%
Grades 29-32	25%	50%	75%
Grades 26-28	17.5%	35%	52.5%
Grades 25	10%	20%	30%

The Human Resources and Compensation/Nominating and Governance Committee of the Board of Directors of the Company (the Committee) will approve all awards before payments are made.

Performance Metric

Performance targets to be set by the new Board of Directors of the Company post-emergence.

The Company reserves the right to reduce or even cancel the bonus payment in the event an employee has demonstrated a lower level of performance than expected.

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Administrative Guidelines

New Hires

An employee hired into a regular position after October 1, 2011 is not eligible for participation in the 2011 STIP.

Promotion or Status Changes

- If an employee is promoted into one of the grade levels covered by this 2011 STIP, the employee will be eligible to participate prorated for time in that grade.
- If an employee is promoted to a position covered by a higher target level, the individual's salary and position for the award calculation will be prorated for time spent in respective positions.
- If an employee's status changes from temporary to regular, the employee will be eligible to participate prorated for time as a regular employee.

Termination

- An employee, who elects to retire, is terminated for reasons other than cause, or who dies, will be eligible to participate prorated for time as an active employee.
- An employee who voluntarily resigns or is terminated for cause from the Company will be ineligible for the respective quarter's 2011 STIP payout.

Other leaves

- Maternity/parental/adoption leave: The date at which the leave starts defines the date at which the calculation of the bonus ends.
- Leave without pay: The bonus is calculated on a prorated basis based on number of months actively at work during the year.
- Short-term absence due to illness: The length of the absence is included in the calculation of the bonus if it is a bona fide absence as mentioned in the disability medical leave procedure.
- Long-term absence due to illness (time on long-term disability): The length of the absence is not included in the calculation of the bonus.

Plan Administratin

- The Committee has the right to adjust any or all awards; this includes the right to eliminate any or all awards for any year despite achievement of performance measures. The Board of Directors of the Company may alter, amend or terminate the 2011 STIP at any time.