

SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-036133-094

DATE: NOVEMBER 9, 2011

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

**JUDGMENT ON MOTION FOR AN ORDER AUTHORIZING THE PETITIONERS TO
ENTER INTO THE ABITIBI US SERP SETTLEMENT AGREEMENTS (# 961)**

[1] **CONSIDERING** the Motion for an Order authorizing the Petitioners to enter into the Abitibi US SERP Settlement Agreements dated October 27, 2011 (the "**Motion**");

[2] **CONSIDERING** the Seventy-Seventh Report of the Monitor dated October 17, 2011 (the "**Seventy-Seventh Report**") and the recommendations of the Monitor contained therein;

[3] **CONSIDERING** the representations of Counsel, the service of the Motion upon the Claimants and upon the service list, and the absence of any contestation by anyone;

[4] **CONSIDERING** the peculiar nature of the mechanism contemplated by the Petitioners and the requirement that they proceed with transparency towards all the Creditors other than the Claimants;

[5] **CONSIDERING** the explanations provided at hearing by the Monitor with respect to the absence of prejudice of the authorizations sought to either the Claimants who agree with such or the Creditors of the Petitioners other than the Claimants;

[6] **CONSIDERING** the authority of the Court to grant the authorizations sought as such arise as a consequence of the claims process set forth in the Claims Procedure Order issued, as well as from the Restructuring Plans sanctioned by the Court;

FOR THESE REASONS, THE COURT:

[1] **GRANTS** the Motion;

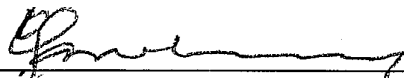
[2] **AUTHORIZES** the execution of the thirteen (13) Settlement Agreements included as Appendix G to the Seventy-Seventh Report filed in the Court Record and as Exhibit R-1 to the Motion (the "**Settlement Agreements**") by and between the Petitioners (other than Bowater Canada Finance Corporation) (hereinafter collectively the "**Applicants**"), AbitibiBowater Inc., Bowater Inc., certain of their direct and indirect U.S. and Canadian subsidiaries (including Bowater Canadian Holdings Incorporated and Bowater Canadian Forest Products) (hereinafter collectively the "**U.S. Debtors**"), the Monitor, Avidity LLC (the post-effective date claims agent in the proceedings in the United States under Chapter 11 of the United States Bankruptcy Code (the "**U.S. Claims Agent**") and certain participants of the Abitibi U.S. SERP (as more fully described in the Seventy-Seventh Report);

[3] **DECLARES** that this Order shall constitute the only authorization required by the Applicants and the Monitor, other than the corresponding approval of the Settlement Agreements by the United States Bankruptcy Court, to proceed with the settlement of the Abitibi U.S. SERP claims;

[4] **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian Federal Court or administrative body and other nations and states to give effect to this Order and to assist the Parties and their respective agents in carrying out the terms of this Order and any other Order in these proceedings. All courts or administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Parties and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Parties in any foreign proceedings and to assist the Parties and their respective agents in carrying out the terms of this Order and any other Order in these proceedings;

[5] **DECLARES** that the Parties shall be at liberty to apply for such further and other directions as may be necessary to carry out the terms of this Order;

[6] **WITHOUT COSTS.**



CLEMENT GASCON, J.S.C. J.S.C.

Me Stephen Hamilton
STIKEMAN, ELLIOTT
Attorneys for the Petitioners

Me Ronald Auclair and Me Martin Scheim
FLANZ FISHMAN MELAND PAQUIN
Attorneys for the Monitor

Dates of hearing: October 19, 2011 and November 9, 2011

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