EXHIBIT H-1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
ABITIBIBOWATER INC., *et al.*,[1]	)	Case No. 09-11296 (KJC)
	)	
	)	(Jointly Administered)
	)	

AND

IN THE MATTER OF THE PROPOSED CCAA PLAN OF REORGANIZATION AND COMPROMISE

Involving

ABITIBIBOWATER INC. AND CERTAIN OF ITS SUBSIDIARIES

INSTRUCTIONS FOR RIGHTS SUBCRIPTION FORM

All Subscription Forms[2] must be received by Epiq Bankruptcy Solutions no later than 4:00 p.m., Eastern Time on September 10, 2010 (the "Rights Offering Expiration Date")

THE ATTACHED RIGHTS SUBSCRIPTION FORM SHOULD ONLY BE SUBMITTED BY RECIPIENT AND SHOULD NOT BE SUBMITTED IF THE RECIPIENT HAS ELECTED TO HAVE THE BELOW-REFERENCED CLAIM TREATED AS A CLASS 7 CONVENIENCE CLAIM

---

1 The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: AbitibiBowater Inc. (6415), AbitibiBowater US Holding 1 Corp. (N/A), AbitibiBowater US Holding LLC (N/A), AbitibiBowater Canada Inc. (N/A), Abitibi-Consolidated Alabama Corporation (4396), Abitibi-Consolidated Corporation (9050), Abitibi-Consolidated Finance LP (4528), Abitibi Consolidated Sales Corporation (7144), Alabama River Newsprint Company (7247), Augusta Woodlands, LLC (9050), Bowater Alabama LLC (7106), Bowater America Inc. (8645), Bowater Canada Finance Corporation (N/A), Bowater Canadian Forest Products Inc. (N/A), Bowater Canadian Holdings Incorporated (N/A), Bowater Canadian Limited (N/A), Bowater Finance Company Inc. (1715), Bowater Finance II LLC (7886), Bowater Incorporated (1803), Bowater LaHave Corporation (N/A), Bowater Maritimes Inc. (N/A), Bowater Newsprint South LLC (1947), Bowater Newsprint South Operations LLC (0168), Bowater Nuway Inc. (8073), Bowater Nuway Mid-States Inc. (8290), Bowater South American Holdings Incorporated (N/A), Bowater Ventures Inc. (8343), Catawba Property Holdings, LLC (N/A), Coosa Pines Golf Club Holdings LLC (8702), Donohue Corp. (9051), Lake Superior Forest Products Inc. (9305) and Tenex Data Inc. (5913). On December 21, 2009, ABH LLC 1 (2280) and ABH Holding Company LLC (2398) (the "SPV Debtors") commenced chapter 11 cases, which cases are jointly administered with the above-captioned Debtors. The Debtors' and SPV Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 1155 Metcalfe Street, Suite 800, Montreal, Quebec H3B 5H2, Canada.

2 Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Plans or in the rights offering notice sent contemporaneously herewith.

OR IS AN AFFECTED UNSECURED CREDITOR THAT HAS ELECTED TO RECEIVE A CASH DISTRIBUTION

To the Holders of Class 6 Claims in the U.S. Plan and Affected Unsecured Claims that will not, or have elected to not, receive a cash distribution in the CCAA Plan:

On August 2, 2010, AbitibiBowater Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (each a "U.S. Debtor" and collectively, the "U.S. Debtors"), filed AbitibiBowater's *Second Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code* (the "U.S. Plan"). AbitibiBowater Inc. and certain of its subsidiaries and affiliates who have filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act* (collectively, the "CCAA Debtors" and together with the U.S. Debtors, the "Debtors") filed AbitibiBowater's *Plan of Reorganization and Compromise of AbitibiBowater Inc. and Certain of Its Subsidiaries* accepted for filing on July 9, 2010 (the "CCAA Plan" and, together with the US. Plan, the "Plans"). The Plans provide holders of Class 6 Claims in the U.S. Plan, excluding holders that receive distributions in cash pursuant to any convenience class, and holders of Affected Unsecured Claims in the CCAA Plan other than those who will receive a cash distribution (each an "Eligible Holder") with the right to subscribe for its proportionate share, based on an Eligible Holder's Claims in the amount allowed for voting purposes, of Convertible Unsecured Subordinated Notes allocated to the Debtor or CCAA Debtor based on the allocation of common stock in the Reorganized Debtors to the Debtor or CCAA Debtor against which such Eligible Holders have claims (as described in Item 1 of the Subscription Form, the "Rights Participation Claim Amount") in accordance with the backstop commitment agreement (the "Backstop Commitment Agreement"). In addition, Eligible Holders that are creditors of certain Debtors under the U.S. Plan will be given rights to subscribe for additional Convertible Unsecured Subordinated Notes (such rights, the "Oversubscription Amount"). Convertible Unsecured Subordinated Notes will only be distributed on account of Oversubscription Amounts if the underlying claims are Allowed as of the effective date of the U.S. Plan. For a complete description of the Rights Offering see Sections I.F, VI.E.12, VIII.E-F and Exhibits D and E of the disclosure statement approved by the U.S. Bankruptcy Court with respect to the U.S. Plan or the information circular mailed to Eligible Holders pursuant to an order by the Canadian Court with respect to the CCAA Plan, as applicable, and the Backstop Commitment Agreement, each of which can be obtained from Epiq Bankruptcy Solutions, LLC, 757 Third Avenue, 3rd Floor, New York, NY 10017 or at http://dm.epiq11.com/abitibibowater, or from Ernst & Young Inc. (the "Monitor") at 800 Rene-Levesque Blvd. West, Suite 2000, Montreal, Quebec, H3B 1X9 Canada or at www.ey.com/ca/abitibibowater.

You have received the attached Subscription Form because you have been identified as a holder of a Class 6 Claim in the U.S. Plan or a holder of an Affected Unsecured Claim in the CCAA Plan that is eligible to participate in the Rights Offering. If you would like to participate in the Rights Offering, please follow the instructions provided below to (i) complete and submit the attached Subscription Form to Epiq Bankruptcy Solutions, LLC and (ii) pay the Total Subscription Purchase Price by wire transfer to the escrow agent identified below (the "Escrow Agent"), so that each is actually received **on or before 4:00 P.M. on September 10, 2010** (the "Rights Offering Expiration Date").

Questions. If you have any questions about the Subscription Form or the exercise procedures described herein, please contact Epiq Bankruptcy Solutions, LLC at 1-888-266-9280 (for U.S. / Canada calls) or (503)-597-7698 (for non-U.S. / Canada calls) or the Monitor at 1-866-246-7889.

To purchase Convertible Unsecured Subordinated Notes pursuant to the Rights Offering:

1. Review the amount in Item 1 below
2. Review the calculation of your "Maximum Number of Convertible Unsecured Subordinated Notes" in Item 2a below.
3. Complete Item 2b, indicating the whole number of Subscription Rights (not greater than your Maximum Number of Convertible Unsecured Subordinated Notes) which you wish to exercise and the Subscription Purchase Price for such notes.
4. Review the calculation of your "Maximum Oversubscription Amount" in item 2c below.
5. Complete, if applicable, Item 2d, if you have elected to exercise the full amount of your Subscription Rights (equal to your Maximum Number of Convertible Unsecured Subordinated Notes), you may indicate the whole number of the Oversubscription Amount (not greater than your Maximum Oversubscription Amount) which you wish to exercise and the Purchase Price for such additional Convertible Unsecured Subordinated Notes.
6. Review Item 2e and take note of the Rights Reference Number provided therein.
7. Complete Item 2f, providing wire transfer or account payment information for the return of any funds.
8. Read and Complete the certifications in Item 3 and provide your fax number and email address in the spaces provided.
9. Mail the Subscription Form in the pre-addressed envelope or at the address below so that it is received by Epiq on or before the Rights Offering Expiration Date. **Do not fax or email Subscription Forms.** Forms received after the Rights Offering Expiration Date may be rejected.

   Epiq Bankruptcy Solutions, LLC
   757 Third Avenue, 3rd Floor
   New York, New York 10017

10. Pay or Arrange to Pay the Total Subscription Price in respect of the rights that you wish to exercise***. Payment must be made only by wire transfer in U.S. dollars to the account listed below.*** Your payment of the Total Subscription Purchase Price must be received by the Escrow Agent on or before the Rights Offering Expiration Date. Your wire transfer must include the Rights Reference Number listed in Item 2e of the Subscription Form. ***Failure to include this Rights Reference Number could result in cancellation of your Subscription Rights.***

    RBK: US Bank N.A.
    ABA: 091000022
    BNF: USBANK CT SOUTHEAST WIRE CLRG
    BNF ACCOUNT NUMBER: 173103781824
    BNF ACCOUNT ADDRESS: 777 E. Wisconsin Ave
    Milwaukee, WI 53202-5300
    OBI: Abitibibowater Inc. escrow
    REF: 141693000
    Rights Reference Number: < idnum>

If your completed Subscription Form is not received by Epiq and your Total Subscription Purchase Price is not received by the Escrow Agent, in each case, on or before the Rights Offering Expiration Date, your Subscription Rights will terminate and be cancelled. Once an Eligible Holder has

properly exercised its Subscription Rights and any Oversubscription Amount, if applicable, such exercise will be binding on any transferee and may only be amended, revoked, rescinded or modified in the sole discretion of the Debtors or Reorganized Debtors.

All questions concerning the timeliness, viability, form and eligibility of any exercise of Subscription Rights and Oversubscription Amounts will be determined by the Debtors in consultation with the Monitor where appropriate, whose good faith determinations will be final and binding. The Debtors may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as the Debtors determine, or reject the purported exercise of any Subscription Rights and any Oversubscription Amount. Subscription Forms will be deemed not to have been received or accepted until all irregularities have been waived or corrected within such time as the Debtors determine in their reasonable discretion in consultation with the Monitor. Neither the Debtors, the Monitor nor Epiq will be under any duty to give notification of any fact or irregularity in connection with the submission of Subscription Forms or incur any liability for failure to give such notification.

Before exercising any Subscription Rights and Oversubscription Amounts: Eligible Holders under the U.S. Plan should read the Disclosure Statement, including the sections entitled "Risks Related to the Rights Offering," "Risks Related to the Rights Offering Notes," "Certain Tax Consequences of the Plan" and the valuation of the Reorganized Debtors contained therein; and Eligible Holders under the CCAA Plan should read the Information Circular, including the sections entitled "Rights Offering", "Risk Factors – Risk Factors Relating to the Rights Offering – Generally", and "Income Tax Considerations."

The Debtors reserve the right to seek amendments of the Backstop Commitment Agreement and terms of the Convertible Unsecured Subordinated Notes, without any additional disclosure. Subject to agreement among the requisite Backstop Investors and the Debtors, such amendments may include changes to the material terms of the Convertible Unsecured Subordinated Notes, including increasing the principal amount of Convertible Unsecured Subordinated Notes outstanding, changing the maturity date and redemption terms.

Neither these instructions, the Subscription Form nor any other document related to the Rights Offering has been approved or disapproved by the Securities and Exchange Commission, the securities regulators of any state or the securities regulatory authorities of any Canadian jurisdiction. You should evaluate such documents in light of the purpose for which they were prepared.

Summary of Convertible Unsecured Subordinated Notes [3]

The following is a summary of certain key terms of the Convertible Unsecured Subordinated Notes available for purchase through the Rights Offering. Further details regarding the Convertible Unsecured Subordinated Notes are set forth in the Backstop Commitment Agreement, which is attached as an exhibit to the Disclosure Statement and which may be found on the Monitor's website at www.ey.com/ca/abitibibowater.

Terms of New Notes	
Issuer:	AbitibiBowater Inc., a holding company incorporated under the laws of the United States or Canada, as formed or reorganized pursuant to the Plans (the "Company").
Form of Offering:	The Debtors will issue rights to purchase new notes (the "New Notes") of the Company (the "Rights") to Eligible Holders of Eligible Claims against the Debtors in connection with the Plans (the "Rights Offering"). The Rights Offering terms are described in the Backstop Commitment Agreement.
Issue Amount:	§1145 Notes and Backstop Notes, collectively, shall be issued in an amount (the "Amount") not to exceed the lesser of: A) US$500 million; and B) the sum of: (i) US$325 million; and (ii) US$1,400 million less the sum of the Available Cash (as defined below) of the Company as of the Effective Date and aggregate principal amount of term indebtedness outstanding under the Exit Financing Facilities (as described in the Plans) and any other available facilities at such time. The Amount is subject to further reduction by the amount of Liquidity (as defined below) of the Company at the Effective Date in excess of $600 million. Any such reduction will be made as provided by the Backstop Commitment Agreement. Available Cash and Liquidity shall have the meaning set forth in the Backstop Commitment Agreement. The Company is allowed to issue Escrowed Notes incremental and in addition to the §1145 Notes and Backstop Notes, up to the maximum principal amount as described in the Backstop Commitment Agreement.

[3] The Debtors reserve the right to seek amendments of the Backstop Commitment Agreement and terms of the Convertible Unsecured Subordinated Notes, without any additional disclosure. Subject to agreement among the requisite Backstop Investors and the Debtors, such amendments may include changes to the material terms of the Convertible Unsecured Subordinated Notes, including increasing the principal amount of Convertible Unsecured Subordinated Notes outstanding, changing the maturity date and redemption terms.

	Therefore, the total aggregate principal amount of the New Notes may exceed the Amount by the aggregate principal amount of the Escrowed Notes issued. Escrowed Notes subscribed for and issued to Unresolved Claimholders in accordance with the terms of the Backstop Commitment Agreement shall be issued under the same indenture and on the same terms as the §1145 Notes. References to the "New Notes" shall include the §1145 Notes, the Backstop Notes and the Escrowed Notes, unless the context otherwise requires.
Purchase Price:	100% of the principal amount.
Upfront Payment:	The Company will pay to each Eligible Holder that exercises its Rights to purchase New Notes an amount equal to 4% of the aggregate principal amount of such New Notes on the Effective Date, upon issuance of the New Notes.
Coupon:	10%, payable semi-annually in arrears commencing on the date that is six months after the Closing Date, computed on the basis of a 360-day year composed of twelve 30-day months. Subject to any required regulatory approval and provided no event of default has occurred and is continuing, with respect to any interest period, the Company shall have the option to pay half (i.e., 5%) of such interest by issuing additional New Notes ("PIK Notes"), *provided* that if the Company so elects to pay half of the coupon in PIK Notes, the portion of the coupon so payable with respect to such interest period shall be 6% rather than the 5% that would have been payable by the Company had it paid in cash.
Use of Proceeds:	The proceeds from the issuance and sale of the New Notes shall be used to fund the Debtors' cash needs in connection with consummation of the Plans.
Closing Date:	The date of the consummation of the Plans in form and substance reasonably acceptable to the Investors and consistent with the Backstop Commitment Agreement, and this New Notes Term Sheet (the "Closing"), which date shall be the later to occur of (A) October 15, 2010 and (B) the date that is the earlier to occur of (x) December 31, 2010 and (y) the latest date on which any of the Company's commitments for Exit Financing Facilities are scheduled to expire so long as the Company's commitments for the Exit Financing Facilities are acceptable to Majority Investors (as defined in the Backstop Commitment Agreement).
Investors:	The Company shall offer New Notes to the Eligible Holders (such New Notes being collectively referred to as the "§1145 Notes"), with each of the

	Eligible Holders entitled to purchase the New Notes (such purchasing Eligible Holders, collectively, the "New Notes Investors") on the terms set forth in the Backstop Commitment Agreement. The Investors shall enter into agreement(s) to subscribe, in accordance with Schedule 1(h) to the Backstop Commitment Agreement, for any portion of the New Notes not subscribed for by the Eligible Holders (the "Backstop Notes"). As consideration for their commitment to subscribe for such Backstop Notes, the Investors shall be entitled to receive the payments as set forth in, and in accordance with the terms of, the Backstop Commitment Agreement. The Company may issue Escrowed Notes to the Unresolved Claimholders who elect to subscribe for such notes on the terms set forth in the Backstop Commitment Agreement. All references herein to the New Notes Investors shall include the Unresolved Claimholders, unless the context requires otherwise.
Exemptions / Transfer:	The issuance of Rights to the creditors and the exercise of the Rights are intended to be exempt from registration under the Securities Act pursuant to Section 1145 of the Bankruptcy Code and exempt from any prospectus requirement under corresponding Canadian securities laws exemptions. The amount of New Rights that each Eligible Holder may subscribe for in the Rights Offering may be decreased by the Issuer to the extent required to allow the Rights Offering to be exempt from registration under the Securities Act pursuant to Section 1145 of the Bankruptcy Code. After the consummation of the Rights Offering, subject to applicable securities laws, the New Notes Investors and their respective permitted transferees shall have the right to transfer freely the §1145 Notes or the Common Shares received upon conversion of the §1145 Notes at any time. The issuance of Backstop Notes to the Investors pursuant to the Backstop Commitment Agreement is intended to be exempt from Securities Act registration under Section 4(2) of the Securities Act and exempt from any prospectus requirement under Canadian securities laws. The Backstop Notes are intended to be eligible for resale under Rule 144A under the Securities Act. After consummation of the Rights Offering, the Backstop Notes may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act or any applicable state laws or pursuant to a registration statement.
Denomination:	New Notes shall be issued in a minimum denomination of US$1.00 per New Note (and integral multiples thereof).

Conversion Price:	The New Notes shall be convertible as described below into the common stock, par value $0.001 per share, of the Company (the "Common Shares") at the Conversion Price. The "Conversion Price" shall equal (x) $1,800 million (plus any consideration to be received upon issuance of Common Shares pursuant to the terms of any instrument included in the denominator of this conversion price calculation) divided by (y) the number of Common Shares outstanding on a fully diluted basis on the Effective Date after giving effect to the consummation of the Plans, other than Common Shares issuable upon conversion of the New Notes and any Common Shares issued as part of the backstop payment described below and Common Shares, the issuance of which would be anti-dilutive as of the Effective Date.
Maturity Date:	The New Notes will mature seven (7) years from the date of Closing (the "Issue Date").
Guarantees:	The New Notes will be guaranteed by the wholly-owned U.S. subsidiaries of the Company (the "Guarantees").
Ranking:	The New Notes and the Guarantees shall be subordinated in right of payment to the Company's and the Guarantors' obligations under the Company's Exit Financing Facilities, which may include unsecured financings (or replacements or refinancings thereof), and any other unsecured or secured senior debt in an amount not to exceed $200 million in the aggregate. Except as provided in the preceding sentence, the New Notes and the Guarantees shall be pari passu in right of payment with all senior unsecured obligations of the Company or the relevant Guarantor.
Conversion Rights:	The New Notes will be convertible at the option of the holder (i) in the event of a redemption at the option of the Company, and otherwise, (ii) after the 6-month period following the Issue Date, and in each case, prior to the close of business on the earlier of the Maturity Date and the last business day immediately preceding any date fixed for redemption, into a number of Common Shares based on the Conversion Price, as adjusted from time to time. Holders of the Backstop Notes will receive restricted Common Shares under U.S. securities laws upon conversion of the Backstop Notes and will not be able to convert unless they are eligible to receive the Common Shares in accordance with applicable law. Upon conversion, holders of New Notes will receive a separate payment for accrued and unpaid interest to, but excluding, the date of conversion, except as described below. If New Notes are converted after a regular record date for the payment of interest, holders of record of such New Notes will receive all of the interest payable on such New Notes on the corresponding interest payment date

	notwithstanding the conversion. New Notes, upon surrender for conversion during the period beginning after any record date to the immediately following interest payment date, must be accompanied by funds equal to the amount of interest that would accrue from the date of conversion to, but excluding, the interest payment date, unless (i) such New Notes have been called for redemption by the Company or (ii) such interest payment date is the maturity date of the New Notes.
Conversion Adjustments:	The indenture will provide for the adjustment of the Conversion Price in certain events including, without limitation, (i) the subdivision or consolidation of the outstanding Common Shares; (ii) the issue of Common Shares or securities convertible into Common Shares by way of stock dividend or other distribution; (iii) the issue of rights, options or warrants with an exercise period of less than 60 days to all of the holders of Common Shares entitling them to acquire Common Shares or other securities convertible into Common Shares at less than 95% of the then market price; (iv) the distribution to all holders of Common Shares of any other securities or assets (including through a spin-off); (v) the payment to all holders of Common Shares in respect of an issuer tender offer or exchange offer for Common Shares by the Company to the extent that the market value of the payment exceeds the then market price of the Common Shares on the date of expiry of the bid; and (vi) the payment of cash dividends that exceed ordinary-course periodic dividends on the Common Shares.
Redemption:	<u>Mandatory</u>: On the six month anniversary of the Issue Date (the "<u>Mandatory Redemption Date</u>"), in the event of an Asset Sale (to be defined) with more than $100 million of net cash proceeds from such Asset Sale occurring before the Mandatory Redemption Date or, if no Asset Sale occurs prior to the Mandatory Redemption Date but the Company receives before such date at least $20 million of Subscription Price on account of the Escrowed Notes (as defined in the Backstop Commitment Agreement) issued to holders of Allowed Disputed Claims (as defined in the Backstop Commitment Agreement), the Company shall apply the net cash proceeds from any such Asset Sale and the aggregate Subscription Price (if any) received by the Company after the Issue Date but before the Mandatory Redemption Date to redeem New Notes (for the avoidance of doubt, including Escrowed Notes in the Escrowed Notes Account) at a price equal to 105% of the par value of the New Notes, plus accrued and unpaid interest to the redemption date; provided that (i) the Company has minimum Liquidity, after giving effect to such Asset Sale and application of the net cash proceeds thereof and repayment of Subscription Price (as applicable), of at least $600 million, and (ii) the Company is permitted to make such redemption by the agreements governing its outstanding

	indebtedness, which the Company will use commercially reasonable efforts to permit such redemption, subject to compliance with the foregoing liquidity requirement. The net cash proceeds received from an Asset Sale and any Subscription Price received by the Company on account of Escrowed Notes prior to the Mandatory Redemption Date will be deposited by the Company into escrow until the Mandatory Redemption Date. Optional: During the period commencing on the 61st day following the Issue Date and ending on the first interest payment date, if US$100 million or less of the New Notes are outstanding, the Company may, from time to time, optionally redeem such New Notes at a price of 105% of the par value of the New Notes, plus accrued and unpaid interest to the redemption date. Otherwise, three-year non-call, callable at the greater of Market and 110% of par in year 4, 112% of par in year 5, 115% of par in year 6 and par thereafter, in each case, plus accrued and unpaid interest to the redemption date. "Market" means a value to be determined by the Board, which will retain a nationally recognized investment bank to make a reasonable determination of market value, which will assume, among other factors, a 35% volatility and a market price for the Common Share based on the trailing 20-day VWAP on the Primary Trading Market immediately prior to the date of the notice of the call.
Fundamental Change:	Upon a Fundamental Change (as defined below), holders of the New Notes will have the right to require the Company to repurchase their New Notes, in whole or in part, at a price equal to the accreted value of the principal amount of the New Notes based on the original issue price (less the Upfront Payment) plus accrued and unpaid interest thereon to such repurchase date. A "Fundamental Change" shall mean the occurrence of any of the following: (i) the acquisition of 50% or more of the Common Shares by any person or group, (ii) a merger, sale of all or substantially all of the Company's assets, share exchange or recapitalization the result of which less than 50% of common equity of the continuing entity is held by holders of the common equity of the Company immediately prior to such transaction, (iii) a majority of directors cease to be "continuing directors" as customarily defined, (iv) stockholders of the Company approve a plan of liquidation or dissolution of the Company, or (v) after the Common Shares are listed, they cease to be listed, *provided, however,* a Fundamental Change under clause (i) or (ii) shall not be deemed to have occurred if at least 90% of the consideration received or to be received by holders of Common Shares, excluding cash payments for fractional shares, in connection with the transaction or transactions constituting the Fundamental Change consists of shares of common stock, American Depositary Receipts, American Depositary Shares (or other similar instruments) traded on a national securities exchange in the United States or Canada or which will be so traded or quoted when issued or exchanged in

	connection with a Fundamental Change (these securities being referred to as "Publicly Traded Securities") and as a result of this transaction or transactions the debentures become convertible into such Publicly Traded Securities, excluding cash payments for fractional shares. If the holders of the majority of the aggregate principal amount of the New Notes outstanding (for the avoidance of doubt, excluding any Escrowed Notes, if any remain at such time) elect to exercise their right to require the Company to repurchase their New Notes upon a Fundamental Change, as more fully described in the first paragraph above, then all Unresolved Claimholders whose Escrowed Notes are held in the Escrowed Notes Account will be deemed to have exercised the same right as if they were the holders of the New Notes, except that the proceeds resulting from the repurchase by the Company of the Escrowed Notes will be held in the Escrowed Notes Account pending their distribution to the Unresolved Claimholders in accordance with the Backstop Commitment Agreement.
Covenants; Events of Default:	Will contain a customary SEC and Canadian Commission reporting covenant. Will contain events of default customary for market converts. Will permit the Company to elect that the sole remedy for a default caused by a failure to comply with the reporting covenant be the payment of additional interest on the Notes for up to 180 days, rather than acceleration.
Registration Rights for the Backstop Notes:	With respect to the Backstop Notes and the Common Shares issuable upon conversion thereof, the Company will: • file with SEC within 30 days after the earlier of (i) the date the Company becomes S-3 eligible (and has filed the information required by Part III of Form 10-K) and (ii) April 30, 2011, and • use commercially reasonable efforts to cause to become effective within 75 days after the earlier of (i) the date the Company becomes S-3 eligible (and has filed the information required by Part III of Form 10-K) and (ii) April 30, 2011, a shelf registration statement with respect to the resale of the Backstop Notes and the underlying Common Shares upon conversion of the Backstop Notes. If the Company fails to file such shelf registration statement or register the Backstop Notes and the underlying Common Shares upon conversion of the Backstop Notes by the dates set forth above, the Company will be required to pay additional interest of 0.25% per annum to the holders of the Backstop Notes until such time as the registration statement becomes

	effective. The Company will keep the registration statement effective until the date that is two years from the date of effectiveness of the registration statement.
Voting:	For purposes of any vote, waiver or consent under the indenture governing the New Notes, Escrowed Notes held in the Escrowed Notes Account shall not vote and shall not be included in the aggregate principal amount of issued and outstanding Notes permitted to vote.
Documentation and Listing:	The terms of the indenture, the form of New Notes, and other applicable documentation related to the New Notes are to be proposed by and in form and substance reasonably satisfactory to the Company and the Investors. Company will make an application to list the Common Shares to be issued pursuant to the Plans and upon conversion or otherwise on (i) either the NASDAQ or the NYSE and (ii) the TSX.
Choice of Law:	New York.
Backstop Payment:	If as of the Effective Date the Backstop Commitment Agreement has not been terminated, the Backstop Payment shall be paid on the Effective Date in an amount equal to the greater of (x) $15 million (payable in cash) and (y) 6% of the Amount (50% paid in cash and 50% in the form of Common Shares, based on the Conversion Price).
Termination Payment:	For termination after the date on which the Bankruptcy Court approves the Termination Payment but on or before the date on which the Bankruptcy Court or the Canadian Court approves the Backstop Commitment Agreement or an alternative transaction (such date, the "Approval Date"), the Termination Payment shall be an amount (not to be less than $7.5 million) equal to the lesser of (x) $15 million and (y) 5% of the capital raised in the alternative transaction. For termination after the Approval Date but on or before October 15, 2010, the Termination Payment shall be $15 million. For termination after October 15, 2010, the Termination Payment shall be an amount equal to the greater of (x) $15 million and (y) 6% of the Amount as in effect as of October 15, 2010 (payable in cash). In each case, the Termination Payment shall be payable upon consummation of the Plans or, if applicable, consummation of the alternative transaction. Additional conditions to payment of the Termination Payment shall be specified in the Backstop Commitment Agreement.

SUBSCRIPTION FORM FOR RIGHTS OFFERING

DO NOT COMPLETE FORM IF YOU ARE NOT THE ORIGINAL RECIPIENT OF THIS FORM, IF YOUR CLAIM IS TO BE TREATED AS A CLASS 7 CONVENIENCE CLAIM IN THE U.S. PLAN OR IF YOU ARE AN AFFECTED UNSECURED CREDITOR THAT HAS ELECTED TO RECEIVE A CASH DISTRIBUTION IN THE CCAA PLAN

Please consult the Disclosure Statement or the Information Circular for additional information with respect to this Subscription Form.

THE RIGHTS OFFERING EXPIRATION DATE IS 4:00 P.M., EASTERN TIME ON SEPTEMBER 10, 2010, UNLESS EXTENDED BY THE DEBTORS.

Please provide your email address and fax number in Item 3 to ensure you receive any notices regarding your Subscription Rights in a timely manner.

Item 1. Rights Participation Claim Amount. Pursuant to the Plans, and in accordance with the terms of the Backstop Commitment Agreement, you are entitled to participate in the Rights Offering to the extent of your "Rights Participation Claim Amount." Your Rights Participation Claim Amount is the amount of your Class 6 Claim in the U.S. Plan or Affected Unsecured Claim in the CCAA Plan that is allowed for voting purposes as of June 30, 2010, or as otherwise determined by the Monitor with respect to Claims under the CCAA Plan. Specifically, for purposes of this Subscription Form, your Rights Participation Claim Amount is:

US$_______________________________

CAN$_____________________________

Holders of Class 6 Claims in the U.S. Plan who wish to challenge the allowance of their Claim for voting purposes and determination of their Rights Participation Claim Amount should refer to the voting instructions set forth in the Ballot for instructions with regard to the procedures for doing so.

A holder of Affected Unsecured Claims under the CCAA Plan who receives a Notice of Revision or Disallowance and wishes to dispute it shall, within 10 business days of the Notice of Revision or Disallowance, send by registered mail or courier a Notice of Dispute to the Monitor setting out the basis for its dispute.

Item 2.

2a. Calculation of Maximum Number of Convertible Unsecured Subordinated Notes.[4] Review the calculation of the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe set forth below:

U.S.$________________________	X [ ][5]	= _____________________________
Rights Participation Claim Amount (in U.S. dollars, from Item 1 above,		Maximum Number of Convertible Unsecured Subordinated Notes

4 To be completed as of the Record Date.

5 This rate has been calculated to include the benefit of any guarantees issued by a Debtor or CCAA Debtor on behalf of your claim.

or as converted into U.S. dollars from Item 1 using the applicable conversion rate) (rounded down to nearest whole number)

2b. Exercise Amount. By completing the following section, you are agreeing to purchase the number of Convertible Unsecured Subordinated Notes specified below (specify a whole number of Convertible Unsecured Subordinated Notes not greater than the figure in Item 2a), at a price of US$1.00 per note, on the terms of and subject to the conditions set forth in the Plans and the Backstop Commitment Agreement.

___________________________ X US$1.00 = $______________________________

(Indicate number of Convertible Unsecured Subordinated Notes you elect to purchase)

Subscription Purchase Price

Modification of Number of Subscription Rights. Under certain circumstances, on or before August, 17, 2010, the number of Subscription Rights that are allocated to a particular Eligible Holder may increase or decrease. To the extent that a reallocation increases the total number of Notes that you may elect to purchase, the Debtors will send you a supplemental Subscription Form that sets forth the additional number of Notes that you may elect to purchase. To the extent a reallocation decreases the total number of Notes that you may elect to purchase and you provide payment on account of Subscription Rights in excess of the modified amount, such payment will be returned as described below. However, the Debtors are also authorized, but not required, to refrain from modifying an Eligible Holder's Subscription Rights in the event that the amount of Notes that such Eligible Holder could otherwise subscribe for would be increased or decreased by $10,000 or less, or as otherwise determined by the Debtors.

2c. Calculation of Maximum Oversubscription Amount.[6] Review the calculation of the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe pursuant to your Oversubscription Amounts, if any (please note, that if such amount has been calculated as zero (0) then you have not been allocated any Oversubscription Amounts pursuant to the Backstop Commitment Agreement) set forth below:

U.S.$_______________________ X [ ][7] = ____________________________

Rights Participation Claim Amount (in U.S. dollars, from Item 1 above, or as converted into U.S. dollars from Item 1 using the applicable conversion rate)

Maximum Oversubscription Amount (rounded down to nearest whole number)

2d. Oversubscription Exercise Amount. If you have validly exercised your Subscription Rights in full by indicating that you are interested in purchasing (in Item 2b) the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe (as calculated in Item 2a), you are entitled to exercise any applicable Oversubscription Amounts that have been allocated to you. By completing the following section, you are agreeing to purchase the number of Convertible Unsecured Subordinated Notes specified below (specify a whole number of Convertible Unsecured Subordinated Notes not greater than the figure in Item 2c), at a price of US$1.00 per note, on the terms of and subject to the conditions set forth in the Plans and the Backstop Commitment Agreement.

6 To be completed as of the Record Date.

7 This rate has been calculated to include the benefit of any guarantees issued by a Debtor or CCAA Debtor on behalf of your claim.

______________________________ X US$1.00 = $________________________________

(Indicate number of Convertible Unsecured Subordinated Notes you elect to purchase)

Oversubscription Purchase Price

2e. Rights Reference Number. The Rights Reference Number contained in this section is a unique number which has been assigned to the Rights Claim upon which Subscription Rights and Oversubscription Amounts, if any, have been allocated to you and will be used to track the Total Subscription Purchase Price you submit along with this form. Failure to include this Rights Reference Number as part of the wire of the Total Subscription Purchase Price will result in cancellation of your Subscription Rights and any Oversubscription Amount. Please maintain the Rights Reference Number for your records.

Rights Reference Number: ____________________________

THIS RIGHTS REFERENCE NUMBER MUST BE INCLUDED IN YOUR WIRE TRANSFER INSTRUCTIONS

2f. Return of Funds. If it is necessary to return some or all of the Total Subscription Purchase Price that you have submitted because, for instance, the number of Subscription Rights you have been allocated has been decreased or because you have not fully complied with the terms of the Rights Offering, the Debtors will return such payments, if necessary as soon as reasonably practicable after such a determination is made. Accordingly, please provide wire transfer or account payment information for any return of funds:

Beneficiary Account Name:____
(Print or Type)

Beneficiary Account Number:____

Bank Name:____

Bank Mailing Address (street/city/state/zip):_______________________________

____

ABA Routing Number:____

FFC Account Name (if applicable):_______________________________________

FFC Account Number (if applicable):_____________________________________

First/Last Name of Contact Person at Bank: __________________________________

Your Reference (if any):____

Item 3. Certifications.

By returning the Subscription Form, I certify to the Debtors that (A) I am the Eligible Holder, or the authorized signatory of an Eligible Holder, of the Claim identified in Item 1 as of the Rights Offering Record Date; (B) I agree, or such Eligible Holder agrees, to be bound by all the terms and conditions described in the instructions and as set forth in this Subscription Form; (C) I have, or such Eligible Holder has, received a copy of the Disclosure Statement (including the exhibits thereto) or the Information Circular (including the exhibits thereto) and understand that the exercise of Subscription Rights pursuant to the Rights Offering is subject to all the terms and conditions set forth therein and in the Plans. This certification is not an admission by me, the Eligible Holder, or the Debtors, the CCAA Debtors or their estates as to the ultimate allowed amount of my claim.

By returning this Subscription Form, I further certify that I recognize and understand that the rights to subscribe for Convertible Unsecured Subordinated Notes are not transferable. The benefit of the Subscription Rights and Oversubscription Amounts, if any, are not separable from the claim with respect to which the Subscription Rights and Oversubscription Amounts, if any, have been granted (a "Rights Claim").

By returning this Subscription Form, I represent and warrant that I have not entered into and agree that, prior to the Effective Date of the U.S. Plan and the Implementation Date of the CCAA Plan, I will not enter into any transaction involving a direct or indirect transfer of rights, including (i) derivatives, options, swaps, pledges, forward sales or other transactions in which any person receives the right to own or acquire a right, a Rights Claim or a Convertible Unsecured Subordinated Note; any current or future interest in any such right, Rights Claim or a Convertible Unsecured Subordinated Note or the right to receive any economic benefit in respect of any such right, Rights Claim or a Convertible Unsecured Subordinated Note other than through a sale of a Rights Claim together with the rights related thereto and (ii) any direct or indirect transfer of a Rights Claim, whether through a direct transfer or through a derivative, option, swap, pledge, forward sale or other transaction, in which the transferor would retain (or, in connection with such transfer, repurchase or agree to repurchase), directly or indirectly, any related rights, Convertible Unsecured Subordinated Notes or otherwise have the right, directly or indirectly, to acquire or own any current or future interest in any related rights, Convertible Unsecured Subordinated Notes or economic benefit in respect of any related rights. I represent and warrant that I will not accept a distribution of Convertible Unsecured Subordinated Notes, if at such time, I do not own the Rights Claim and by accepting a distribution of Convertible Unsecured Subordinated Notes, I will be deemed to be the owner of the Rights Claim. **For avoidance of doubt, if a transferor who held a Rights Claim as of the record date for the Rights Offering has transferred such Rights Claim, the benefit of the rights related thereto must be transferred as well and cannot be transferred independently (the initial Eligible Holder of the Rights Claim is the only party that can validly exercise the rights), such transferor shall not be in violation of the foregoing so long as, immediately following the Effective Date of the U.S. Plan and the Implementation Date of the CCAA Plan, it transfers to the transferee of such Rights Claim (i) any and all Convertible Unsecured Subordinated Notes issued in respect of any such validly exercised rights and (ii) any and all shares issued in respect of such Rights Claim.**

Item 4. Distributions.

On or before the Effective Date, a notice will be sent to you setting forth the number of Convertible Unsecured Subordinated Notes you have validly elected to purchase.

NOTE TO ELIGIBLE HOLDERS WHOSE CLAIMS ARE SUBJECT TO THE U.S. PLAN: TO THE EXTENT YOUR RIGHTS CLAIM IS NOT FULLY ALLOWED UNDER THE U.S. PLAN AS OF THE EFFECTIVE DATE ALL OR A PORTION OF YOUR SUBSCRIPTION PURCHASE PRICE AND ALL OR A PORTION OF THE SUBSCRIPTION NOTES YOU HAVE VALIDLY ELECTED TO PURCHASE MAY BE PLACED INTO ESCROW PENDING ALLOWANCE OF YOUR RIGHTS CLAIM. TO THE EXTENT YOUR RIGHTS CLAIM IS DISALLOWED UNDER THE U.S. PLAN YOUR SUBSCRIPTION PURCHASE PRICE WILL BE RETURNED AND ANY NOTES HELD IN ESCROW ON ACCOUNT OF YOUR CLAIM WILL BE CANCELLED. THERE CANNOT BE ANY ASSURANCE OF THE TIME PERIOD NECESSARY TO RESOLVE CLAIMS, ISSUE ESCROWED NOTES (IF ANY) OR RETURN PURCHASE PRICE, AS APPLICABLE.

TO THE EXTENT YOUR RIGHTS CLAIM IS NOT FULLY ALLOWED UNDER THE U.S. PLAN AS OF THE EFFECTIVE DATE ALL OF YOUR OVERSUBSCRIPTION PURCHASE PRICE WILL BE RETURNED.

Notwithstanding the foregoing, any Convertible Unsecured Subordinated Notes to be distributed in connection with the submission of this Subscription Form will be distributed to the holder of the Rights Claim associated with the Rights Reference Number located in Item 2e above on the Distribution Record Date, as reflected in the Claims register maintained by the Claims and Noticing Agent, the Debtors or the Monitor, as applicable.

Date: ___________, 2010

Name of Holder:____
(Print or Type)

Social Security or Federal Tax I.D. No.:__________________________

Signature:____

Name of Person Signing:__________________________________
(If other than holder)

Title (if corporation, partnership or LLC):________________________

Facsimile Number[8]:____________________________________

Email Address:____

Street Address:____

City, State/Province:_____________________________________

Zip Code/Postal Code:____________________________________

Telephone Number:______________________________________

PLEASE NOTE: NO EXERCISE OF SUBSCRIPTION RIGHTS OR OVERSUBSCRIPTION AMOUNTS WILL BE VALID UNLESS (1) EPIQ ACTUALLY RECEIVES A PROPERLY COMPLETED AND SIGNED SUBSCRIPTION FORM AND (2) THE ESCROW AGENT ACTUALLY RECEIVES FULL PAYMENT OF THE TOTAL SUBSCRIPTION PURCHASE PRICE FOR THE SUBSCRIPTION RIGHTS AND ANY OVERSUBSCRIPTION AMOUNTS ELECTED, IF ANY, YOU ARE CHOOSING TO EXERCISE, IN EACH CASE, ON OR BEFORE 4:00 P.M. EASTERN TIME, ON SEPTEMBER 10, 2010 TO THE ACCOUNT LISTED BELOW, REFERENCING THE RIGHTS REFERENCE NUMBER PRINTED AT ITEM 2E.

RBK: US Bank N.A.
ABA: 091000022
BNF: USBANK CT SOUTHEAST WIRE CLRG
BNF ACCOUNT NUMBER: 173103781824
BNF ACCOUNT ADDRESS: 777 E. Wisconsin Ave
Milwaukee, WI 53202-5300
OBI: Abitibibowater Inc. escrow

8 To ensure receipt of the notice regarding the Subscription Rights you are eligible to purchase, please provide your fax number and email address.

REF: 141693000
Rights Reference Number: < idnum>

If your completed Subscription Form is not received by Epiq and your Total Subscription Purchase Price is not received by the Escrow Agent, in each case, on or before the Rights Offering Expiration Date, your Subscription Rights and any Oversubscription Amount allocated to you will terminate and be cancelled. Once an Eligible Holder has properly exercised its Subscription Rights and elected to participated in the Oversubscription Amount, such exercise will be binding on any transferee and may only be amended, revoked, rescinded or modified in the sole discretion of the Debtors or Reorganized Debtors.

EXHIBIT H-2

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

	)	Chapter 11
In re:	)	
	)	Case No. 09-11296 (KJC)
ABITIBIBOWATER INC., *et al.*,[1]	)	
	)	(Jointly Administered)
	)	

AND

IN THE MATTER OF THE PROPOSED
CCAA PLAN OF REORGANIZATION AND COMPROMISE

Involving

ABITIBIBOWATER INC. AND CERTAIN OF ITS SUBSIDIARIES

INSTRUCTIONS TO RIGHTS OFFERING SUBSCRIPTION FORM FOR ELIGIBLE BENEFICIAL HOLDERS OF SECURITIES THROUGH VOTING NOMINEES UNDER THE U.S. PLAN AND NON-REGISTERED NOTEHOLDERS UNDER THE CCAA PLAN

All Subscriptions must be effected in accordance with the directions contained herein by no later than 4:00 PM Eastern Time on September 10, 2010

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: AbitibiBowater Inc. (6415), AbitibiBowater US Holding 1 Corp. (N/A), AbitibiBowater US Holding LLC (N/A), AbitibiBowater Canada Inc. (N/A), Abitibi-Consolidated Alabama Corporation (4396), Abitibi-Consolidated Corporation (9050), Abitibi-Consolidated Finance LP (4528), Abitibi Consolidated Sales Corporation (7144), Alabama River Newsprint Company (7247), Augusta Woodlands, LLC (9050), Bowater Alabama LLC (7106), Bowater America Inc. (8645), Bowater Canada Finance Corporation (N/A), Bowater Canadian Forest Products Inc. (N/A), Bowater Canadian Holdings Incorporated (N/A), Bowater Canadian Limited (N/A), Bowater Finance Company Inc. (1715), Bowater Finance II LLC (7886), Bowater Incorporated (1803), Bowater LaHave Corporation (N/A), Bowater Maritimes Inc. (N/A), Bowater Newsprint South LLC (1947), Bowater Newsprint South Operations LLC (0168), Bowater Nuway Inc. (8073), Bowater Nuway Mid-States Inc. (8290), Bowater South American Holdings Incorporated (N/A), Bowater Ventures Inc. (8343), Catawba Property Holdings, LLC (N/A), Coosa Pines Golf Club Holdings LLC (8702), Donohue Corp. (9051), Lake Superior Forest Products Inc. (9305) and Tenex Data Inc. (5913). On December 21, 2009, ABH LLC 1 (2280) and ABH Holding Company LLC (2398) (the "SPV Debtors") commenced chapter 11 cases, which cases are jointly administered with the above-captioned Debtors. The Debtors' and SPV Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 1155 Metcalfe Street, Suite 800, Montreal, Quebec H3B 5H2, Canada.

SF [CODE]

[Note Description, if applicable]
[CUSIP Number [], if applicable]

THE ATTACHED RIGHTS SUBSCRIPTION FORM SHOULD ONLY BE SUBMITTED BY RECIPIENT OR THE VOTING NOMINEE OF THE ORIGINAL RECIPIENT

To the Holders of Class 6 Claims in the U.S. Plan and Affected Unsecured Claims that will not, or have elected to not, receive a cash distribution in the CCAA Plan:

On August 2, 2010, AbitibiBowater Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (each a "U.S. Debtor" and collectively, the "U.S. Debtors"), filed AbitibiBowater's *Second Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code* (the "U.S. Plan"). AbitibiBowater Inc. and certain of its subsidiaries and affiliates who have filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act* (collectively, the "CCAA Debtors" and together with the U.S. Debtors, the "Debtors") filed AbitibiBowater's *Plan of Reorganization and Compromise of AbitibiBowater Inc. and Certain of Its Subsidiaries* accepted for filing on July 9, 2010 (the "CCAA Plan" and, together with the US. Plan, the "Plans"). The Plans provide holders of Class 6 Claims in the U.S. Plan, excluding holders that receive distributions in cash pursuant to any convenience class, and holders of Affected Unsecured Claims in the CCAA Plan other than those who will receive a cash distribution (each an "Eligible Holder") with the right to subscribe for its proportionate share, based on an Eligible Holder's Claims in the amount allowed for voting purposes, of Convertible Unsecured Subordinated Notes allocated to the Debtor or CCAA Debtor based on the allocation of common stock in the Reorganized Debtors to the Debtor or CCAA Debtor against which such Eligible Holders have claims (as described in Item 1 of the Subscription Form, the "Rights Participation Claim Amount") in accordance with the backstop commitment agreement (the "Backstop Commitment Agreement"). In addition, Eligible Holders that are creditors of certain Debtors under the U.S. Plan will be given rights to subscribe for additional Convertible Unsecured Subordinated Notes (such rights, the "Oversubscription Amount"). Convertible Unsecured Subordinated Notes will only be distributed on account of Oversubscription Amounts if the underlying claims are Allowed as of the effective date of the U.S. Plan. For a complete description of the Rights Offering see Sections I.F, VI.E.12, VIII.E-F and Exhibits D and E of the disclosure statement approved by the U.S. Bankruptcy Court with respect to the U.S. Plan or the information circular mailed to Eligible Holders pursuant to an order by the Canadian Court with respect to the CCAA Plan, as applicable, and the Backstop Commitment Agreement, each of which can be obtained from Epiq Bankruptcy Solutions, LLC, 757 Third Avenue, 3rd Floor, New York, NY 10017 or at http://dm.epiq11.com/abitibibowater, or from Ernst & Young Inc. (the "Monitor") at 800 Rene-Levesque Blvd. West, Suite 2000, Montreal, Quebec, H3B 1X9 Canada or at www.ey.com/ca/abitibibowater.

You have received the attached Subscription Form[2] because you have been identified as the Beneficial Holder of record of Class 6 Claims in the U.S. Plan or a Non-registered Noteholder in the CCAA Plan as of June 30, 2010 held for your account by a bank, broker or other nominee (each of the foregoing, a "Voting Nominee") that is eligible to participate in the Rights Offering.

To participate in the Rights Offering, you must complete and return the attached Subscription Form to your Voting Nominee (or otherwise follow your Voting Nominee's instructions with regards to subscribing and paying the Total Subscription Price) in sufficient time for your instructions to be processed and delivered to The Depository Trust Company ("DTC") or CDS Clearing and Depository

[2] Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Plans or in the rights offering notice sent contemporaneously herewith.

Services Inc. ("CDS") **on or before 4:00 P.M. on September 10, 2010 (the "Rights Offering Expiration Date")**.

Questions. If you have any questions about this Subscription Form or the subscription procedures described herein, please contact Epiq Bankruptcy Solutions LLC, at 1-888-266-9280 (for U.S. / Canada calls) or (503) 597-7698 (for non-U.S. / Canada calls) or (503)-597-7698 (for non-U.S. / Canada calls) or the Monitor at 1-866-246-7889.

If the subscription and payment submitted by you or on your behalf is not received in sufficient time for the Voting Nominee to convey your subscription through DTC's Automated Subscription Offer Program ("ASOP"), or, if applicable, in accordance with the rules and procedures of CDS, by the Rights Offering Expiration Date, your Subscription Rights and Oversubscription Amounts, if any, will terminate and be cancelled. Once an Eligible Holder has properly exercised its Subscription Rights and Oversubscription Amounts, such exercise will be binding on any transferee and may only be amended, revoked, rescinded or modified in the sole discretion of the Debtors or Reorganized Debtors.

To purchase Convertible Unsecured Subordinated Notes pursuant to the Rights Offering:

1. **Review** the principal amount in Item 1.

2. **Calculate** your "Maximum Number of Convertible Unsecured Subordinated Notes" in Item 2a.

3. **Complete** Item 2b by indicating the whole number of Convertible Unsecured Subordinated Notes (not greater than your Maximum Number of Convertible Unsecured Subordinated Notes) for which you wish to subscribe and the Subscription Purchase Price with respect to such notes.

4. **Calculate** your "Maximum Oversubscription Amount" in item 2c below.

5. **Complete** Item 2d, if you have elected to exercise the full amount of your Subscription Rights (equal to your Maximum Number of Convertible Unsecured Subordinated Notes), you may indicate the number of the whole number of the Oversubscription Amount (not greater than your Maximum Oversubscription Amount) which you wish to exercise and the Oversubscription Purchase Price for such additional Convertible Unsecured Subordinated Notes.

6. **Read and Complete** the certification in Item 3.

7. **Return the Subscription Form** to your Voting Nominee (or otherwise follow your Voting Nominee's instructions with respect to submitting instructions to them) in sufficient time for the Voting Nominee, on or before the Rights Offering Expiration Date, to convey your subscription through DTC's ASOP or CDSX (the clearing and settlement system utilized by CDS and its participants). Forms received after the Rights Offering Expiration Date may be rejected.

8. **Payment Note** payment of the Subscription Purchase Price and, if applicable, the Oversubscription Purchase Price (collectively with the Subscription Price, the "Total Subscription Price") is automatically taken when subscriptions are processed through DTC or CDS; please confirm with your Voting Nominee whether any special arrangements are needed in connection with your subscription.

All questions concerning the timeliness, viability, form and eligibility of any exercise of Subscription Rights and Oversubscription Amounts will be determined by the Debtors in consultation with the Monitor where appropriate, whose good faith determinations will be final and binding. The

Debtors may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as the Debtors determine, or reject the purported exercise of any Subscription Rights and any Oversubscription Amounts. Subscription Forms will be deemed not to have been received or accepted until all irregularities have been waived or corrected within such time as the Debtors determine in their reasonable discretion in consultation with the Monitor. Neither the Debtors, the Monitor or Epiq will be under any duty to give notification of any fact or irregularity in connection with the submission of Subscription Forms or incur any liability for failure to give such notification.

Before exercising any Subscription Rights and Oversubscription Amounts: Eligible Holders under the U.S. Plan should read the Disclosure Statement, including the sections entitled "Risks Related to the Rights Offering," "Risks Related to the Rights Offering Notes," "Certain Tax Consequences of the Plan" and the valuation of the Reorganized Debtors contained therein; and Eligible Holders under the CCAA Plan should read the Information Circular, including the sections entitled "Rights Offering", "Risk Factors – Risk Factors Relating To The Rights Offering – Generally", and "Income Tax Considerations."

The Debtors reserve the right to seek amendments of the Backstop Commitment Agreement and terms of the Convertible Unsecured Subordinated Notes, without any additional disclosure. Subject to agreement among the requisite Backstop Investors and the Debtors, such amendments may include changes to the material terms of the Convertible Unsecured Subordinated Notes, including increasing the principal amount of Convertible Unsecured Subordinated Notes outstanding, changing the maturity date and redemption terms.

Neither these instructions, the Subscription Form nor any other document related to the Rights Offering has been approved or disapproved by the Securities and Exchange Commission, the securities regulators of any state or the securities regulatory authorities of any Canadian jurisdiction. You should evaluate such documents in light of the purpose for which they were prepared.

Summary of Convertible Unsecured Subordinated Notes [3]

The following is a summary of certain key terms of the Convertible Unsecured Subordinated Notes available for purchase through the Rights Offering. Further details regarding the Convertible Unsecured Subordinated Notes are set forth in the Backstop Commitment Agreement, which is attached as an exhibit to the Disclosure Statement and may be found on the Monitor's website at www.ey.com/ca/abitibibowater.

Terms of New Notes	
Issuer:	AbitibiBowater Inc., a holding company incorporated under the laws of the United States or Canada, as formed or reorganized pursuant to the Plans (the "Company").
Form of Offering:	The Debtors will issue rights to purchase new notes (the "New Notes") of the Company (the "Rights") to Eligible Holders of Eligible Claims against the Debtors in connection with the Plans (the "Rights Offering"). The Rights Offering terms are described in the Backstop Commitment Agreement.
Issue Amount:	§1145 Notes and Backstop Notes, collectively, shall be issued in an amount (the "Amount") not to exceed the lesser of: A) US$500 million; and B) the sum of: (i) US$325 million; and (ii) US$1,400 million less the sum of the Available Cash (as defined below) of the Company as of the Effective Date and aggregate principal amount of term indebtedness outstanding under the Exit Financing Facilities (as described in the Plans) and any other available facilities at such time. The Amount is subject to further reduction by the amount of Liquidity (as defined below) of the Company at the Effective Date in excess of $600 million. Any such reduction will be made as provided by the Backstop Commitment Agreement. Available Cash and Liquidity shall have the meaning set forth in the Backstop Commitment Agreement. The Company is allowed to issue Escrowed Notes incremental and in

[3] The Debtors reserve the right to seek amendments of the Backstop Commitment Agreement and terms of the Convertible Unsecured Subordinated Notes, without any additional disclosure. Subject to agreement among the requisite Backstop Investors and the Debtors, such amendments may include changes to the material terms of the Convertible Unsecured Subordinated Notes, including increasing the principal amount of Convertible Unsecured Subordinated Notes outstanding, changing the maturity date and redemption terms.

	addition to the §1145 Notes and Backstop Notes, up to the maximum principal amount as described in the Backstop Commitment Agreement. Therefore, the total aggregate principal amount of the New Notes may exceed the Amount by the aggregate principal amount of the Escrowed Notes issued. Escrowed Notes subscribed for and issued to Unresolved Claimholders in accordance with the terms of the Backstop Commitment Agreement shall be issued under the same indenture and on the same terms as the §1145 Notes. References to the "New Notes" shall include the §1145 Notes, the Backstop Notes and the Escrowed Notes, unless the context otherwise requires.
Purchase Price:	100% of the principal amount.
Upfront Payment:	The Company will pay to each Eligible Holder that exercises its Rights to purchase New Notes an amount equal to 4% of the aggregate principal amount of such New Notes on the Effective Date, upon issuance of the New Notes.
Coupon:	10%, payable semi-annually in arrears commencing on the date that is six months after the Closing Date, computed on the basis of a 360-day year composed of twelve 30-day months. Subject to any required regulatory approval and provided no event of default has occurred and is continuing, with respect to any interest period, the Company shall have the option to pay half (i.e., 5%) of such interest by issuing additional New Notes ("<u>PIK Notes</u>"), *provided* that if the Company so elects to pay half of the coupon in PIK Notes, the portion of the coupon so payable with respect to such interest period shall be 6% rather than the 5% that would have been payable by the Company had it paid in cash.
Use of Proceeds:	The proceeds from the issuance and sale of the New Notes shall be used to fund the Debtors' cash needs in connection with consummation of the Plans.
Closing Date:	The date of the consummation of the Plans in form and substance reasonably acceptable to the Investors and consistent with the Backstop Commitment Agreement, and this New Notes Term Sheet (the "<u>Closing</u>"), which date shall be the later to occur of (A) October 15, 2010 and (B) the date that is the earlier to occur of (x) December 31, 2010 and (y) the latest date on which any of the Company's commitments for Exit Financing Facilities are scheduled to expire so long as the Company's commitments for the Exit Financing Facilities are acceptable to Majority Investors (as defined in the Backstop Commitment Agreement).

Investors:	The Company shall offer New Notes to the Eligible Holders (such New Notes being collectively referred to as the "§1145 Notes"), with each of the Eligible Holders entitled to purchase the New Notes (such purchasing Eligible Holders, collectively, the "New Notes Investors") on the terms set forth in the Backstop Commitment Agreement. The Investors shall enter into agreement(s) to subscribe, in accordance with Schedule 1(h) to the Backstop Commitment Agreement, for any portion of the New Notes not subscribed for by the Eligible Holders (the "Backstop Notes"). As consideration for their commitment to subscribe for such Backstop Notes, the Investors shall be entitled to receive the payments as set forth in, and in accordance with the terms of, the Backstop Commitment Agreement. The Company may issue Escrowed Notes to the Unresolved Claimholders who elect to subscribe for such notes on the terms set forth in the Backstop Commitment Agreement. All references herein to the New Notes Investors shall include the Unresolved Claimholders, unless the context requires otherwise.
Exemptions / Transfer:	The issuance of Rights to the creditors and the exercise of the Rights are intended to be exempt from registration under the Securities Act pursuant to Section 1145 of the Bankruptcy Code and exempt from any prospectus requirement under corresponding Canadian securities laws exemptions. The amount of New Rights that each Eligible Holder may subscribe for in the Rights Offering may be decreased by the Issuer to the extent required to allow the Rights Offering to be exempt from registration under the Securities Act pursuant to Section 1145 of the Bankruptcy Code. After the consummation of the Rights Offering, subject to applicable securities laws, the New Notes Investors and their respective permitted transferees shall have the right to transfer freely the §1145 Notes or the Common Shares received upon conversion of the §1145 Notes at any time. The issuance of Backstop Notes to the Investors pursuant to the Backstop Commitment Agreement is intended to be exempt from Securities Act registration under Section 4(2) of the Securities Act and exempt from any prospectus requirement under Canadian securities laws. The Backstop Notes are intended to be eligible for resale under Rule 144A under the Securities Act. After consummation of the Rights Offering, the Backstop Notes may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act or any applicable state laws or pursuant to a registration statement.
Denomination:	New Notes shall be issued in a minimum denomination of US$1.00 per New Note (and integral multiples thereof).

Conversion Price:	The New Notes shall be convertible as described below into the common stock, par value $0.001 per share, of the Company (the "Common Shares") at the Conversion Price. The "Conversion Price" shall equal (x) $1,800 million (plus any consideration to be received upon issuance of Common Shares pursuant to the terms of any instrument included in the denominator of this conversion price calculation) divided by (y) the number of Common Shares outstanding on a fully diluted basis on the Effective Date after giving effect to the consummation of the Plans, other than Common Shares issuable upon conversion of the New Notes and any Common Shares issued as part of the backstop payment described below and Common Shares, the issuance of which would be anti-dilutive as of the Effective Date.
Maturity Date:	The New Notes will mature seven (7) years from the date of Closing (the "Issue Date").
Guarantees:	The New Notes will be guaranteed by the wholly-owned U.S. subsidiaries of the Company (the "Guarantees").
Ranking:	The New Notes and the Guarantees shall be subordinated in right of payment to the Company's and the Guarantors' obligations under the Company's Exit Financing Facilities, which may include unsecured financings (or replacements or refinancings thereof), and any other unsecured or secured senior debt in an amount not to exceed $200 million in the aggregate. Except as provided in the preceding sentence, the New Notes and the Guarantees shall be pari passu in right of payment with all senior unsecured obligations of the Company or the relevant Guarantor.
Conversion Rights:	The New Notes will be convertible at the option of the holder (i) in the event of a redemption at the option of the Company, and otherwise, (ii) after the 6-month period following the Issue Date, and in each case, prior to the close of business on the earlier of the Maturity Date and the last business day immediately preceding any date fixed for redemption, into a number of Common Shares based on the Conversion Price, as adjusted from time to time. Holders of the Backstop Notes will receive restricted Common Shares under U.S. securities laws upon conversion of the Backstop Notes and will not be able to convert unless they are eligible to receive the Common Shares in accordance with applicable law. Upon conversion, holders of New Notes will receive a separate payment for accrued and unpaid interest to, but excluding, the date of conversion, except as described below.

	If New Notes are converted after a regular record date for the payment of interest, holders of record of such New Notes will receive all of the interest payable on such New Notes on the corresponding interest payment date notwithstanding the conversion. New Notes, upon surrender for conversion during the period beginning after any record date to the immediately following interest payment date, must be accompanied by funds equal to the amount of interest that would accrue from the date of conversion to, but excluding, the interest payment date, unless (i) such New Notes have been called for redemption by the Company or (ii) such interest payment date is the maturity date of the New Notes.
Conversion Adjustments:	The indenture will provide for the adjustment of the Conversion Price in certain events including, without limitation, (i) the subdivision or consolidation of the outstanding Common Shares; (ii) the issue of Common Shares or securities convertible into Common Shares by way of stock dividend or other distribution; (iii) the issue of rights, options or warrants with an exercise period of less than 60 days to all of the holders of Common Shares entitling them to acquire Common Shares or other securities convertible into Common Shares at less than 95% of the then market price; (iv) the distribution to all holders of Common Shares of any other securities or assets (including through a spin-off); (v) the payment to all holders of Common Shares in respect of an issuer tender offer or exchange offer for Common Shares by the Company to the extent that the market value of the payment exceeds the then market price of the Common Shares on the date of expiry of the bid; and (vi) the payment of cash dividends that exceed ordinary-course periodic dividends on the Common Shares.
Redemption:	Mandatory: On the six month anniversary of the Issue Date (the "Mandatory Redemption Date"), in the event of an Asset Sale (to be defined) with more than $100 million of net cash proceeds from such Asset Sale occurring before the Mandatory Redemption Date or, if no Asset Sale occurs prior to the Mandatory Redemption Date but the Company receives before such date at least $20 million of Subscription Price on account of the Escrowed Notes (as defined in the Backstop Commitment Agreement) issued to holders of Allowed Disputed Claims (as defined in the Backstop Commitment Agreement), the Company shall apply the net cash proceeds from any such Asset Sale and the aggregate Subscription Price (if any) received by the Company after the Issue Date but before the Mandatory Redemption Date to redeem New Notes (for the avoidance of doubt, including Escrowed Notes in the Escrowed Notes Account) at a price equal to 105% of the par value of the New Notes, plus accrued and unpaid interest to the redemption date; provided that (i) the Company has minimum Liquidity, after giving effect to such Asset Sale and application

	of the net cash proceeds thereof and repayment of Subscription Price (as applicable), of at least $600 million, and (ii) the Company is permitted to make such redemption by the agreements governing its outstanding indebtedness, which the Company will use commercially reasonable efforts to permit such redemption, subject to compliance with the foregoing liquidity requirement. The net cash proceeds received from an Asset Sale and any Subscription Price received by the Company on account of Escrowed Notes prior to the Mandatory Redemption Date will be deposited by the Company into escrow until the Mandatory Redemption Date. Optional: During the period commencing on the 61st day following the Issue Date and ending on the first interest payment date, if US$100 million or less of the New Notes are outstanding, the Company may, from time to time, optionally redeem such New Notes at a price of 105% of the par value of the New Notes, plus accrued and unpaid interest to the redemption date. Otherwise, three-year non-call, callable at the greater of Market and 110% of par in year 4, 112% of par in year 5, 115% of par in year 6 and par thereafter, in each case, plus accrued and unpaid interest to the redemption date. "Market" means a value to be determined by the Board, which will retain a nationally recognized investment bank to make a reasonable determination of market value, which will assume, among other factors, a 35% volatility and a market price for the Common Share based on the trailing 20-day VWAP on the Primary Trading Market immediately prior to the date of the notice of the call.
Fundamental Change:	Upon a Fundamental Change (as defined below), holders of the New Notes will have the right to require the Company to repurchase their New Notes, in whole or in part, at a price equal to the accreted value of the principal amount of the New Notes based on the original issue price (less the Upfront Payment) plus accrued and unpaid interest thereon to such repurchase date. A "Fundamental Change" shall mean the occurrence of any of the following: (i) the acquisition of 50% or more of the Common Shares by any person or group, (ii) a merger, sale of all or substantially all of the Company's assets, share exchange or recapitalization the result of which less than 50% of common equity of the continuing entity is held by holders of the common equity of the Company immediately prior to such transaction, (iii) a majority of directors cease to be "continuing directors" as customarily defined, (iv) stockholders of the Company approve a plan of liquidation or dissolution of the Company, or (v) after the Common Shares are listed, they cease to be listed, *provided, however,* a Fundamental Change under clause (i) or (ii) shall not be deemed to have occurred if at least 90% of the consideration received or to be received by holders of Common Shares, excluding cash payments for fractional shares, in connection with the transaction or transactions constituting the Fundamental Change consists of shares of common stock, American

	Depositary Receipts, American Depositary Shares (or other similar instruments) traded on a national securities exchange in the United States or Canada or which will be so traded or quoted when issued or exchanged in connection with a Fundamental Change (these securities being referred to as "Publicly Traded Securities") and as a result of this transaction or transactions the debentures become convertible into such Publicly Traded Securities, excluding cash payments for fractional shares. If the holders of the majority of the aggregate principal amount of the New Notes outstanding (for the avoidance of doubt, excluding any Escrowed Notes, if any remain at such time) elect to exercise their right to require the Company to repurchase their New Notes upon a Fundamental Change, as more fully described in the first paragraph above, then all Unresolved Claimholders whose Escrowed Notes are held in the Escrowed Notes Account will be deemed to have exercised the same right as if they were the holders of the New Notes, except that the proceeds resulting from the repurchase by the Company of the Escrowed Notes will be held in the Escrowed Notes Account pending their distribution to the Unresolved Claimholders in accordance with the Backstop Commitment Agreement.
Covenants; Events of Default:	Will contain a customary SEC and Canadian Commission reporting covenant. Will contain events of default customary for market converts. Will permit the Company to elect that the sole remedy for a default caused by a failure to comply with the reporting covenant be the payment of additional interest on the Notes for up to 180 days, rather than acceleration.
Registration Rights for the Backstop Notes:	With respect to the Backstop Notes and the Common Shares issuable upon conversion thereof, the Company will: • file with SEC within 30 days after the earlier of (i) the date the Company becomes S-3 eligible (and has filed the information required by Part III of Form 10-K) and (ii) April 30, 2011, and • use commercially reasonable efforts to cause to become effective within 75 days after the earlier of (i) the date the Company becomes S-3 eligible (and has filed the information required by Part III of Form 10-K) and (ii) April 30, 2011, a shelf registration statement with respect to the resale of the Backstop Notes and the underlying Common Shares upon conversion of the Backstop Notes. If the Company fails to file such shelf registration statement or register the Backstop Notes and the underlying Common Shares upon conversion of the Backstop Notes by the dates set forth above, the Company will be required

	to pay additional interest of 0.25% per annum to the holders of the Backstop Notes until such time as the registration statement becomes effective. The Company will keep the registration statement effective until the date that is two years from the date of effectiveness of the registration statement.
Voting:	For purposes of any vote, waiver or consent under the indenture governing the New Notes, Escrowed Notes held in the Escrowed Notes Account shall not vote and shall not be included in the aggregate principal amount of issued and outstanding Notes permitted to vote.
Documentation and Listing:	The terms of the indenture, the form of New Notes, and other applicable documentation related to the New Notes are to be proposed by and in form and substance reasonably satisfactory to the Company and the Investors. Company will make an application to list the Common Shares to be issued pursuant to the Plans and upon conversion or otherwise on (i) either the NASDAQ or the NYSE and (ii) the TSX.
Choice of Law:	New York.
Backstop Payment:	If as of the Effective Date the Backstop Commitment Agreement has not been terminated, the Backstop Payment shall be paid on the Effective Date in an amount equal to the greater of (x) $15 million (payable in cash) and (y) 6% of the Amount (50% paid in cash and 50% in the form of Common Shares, based on the Conversion Price).
Termination Payment:	For termination after the date on which the Bankruptcy Court approves the Termination Payment but on or before the date on which the Bankruptcy Court or the Canadian Court approves the Backstop Commitment Agreement or an alternative transaction (such date, the "Approval Date"), the Termination Payment shall be an amount (not to be less than $7.5 million) equal to the lesser of (x) $15 million and (y) 5% of the capital raised in the alternative transaction. For termination after the Approval Date but on or before October 15, 2010, the Termination Payment shall be $15 million. For termination after October 15, 2010, the Termination Payment shall be an amount equal to the greater of (x) $15 million and (y) 6% of the Amount as in effect as of October 15, 2010 (payable in cash). In each case, the Termination Payment shall be payable upon consummation of the Plans or, if applicable, consummation of the alternative transaction. Additional conditions to payment of the Termination Payment shall be specified in the Backstop Commitment Agreement.

SUBSCRIPTION FORM FOR RIGHTS OFFERING

THE RIGHTS OFFERING EXPIRATION DATE IS 4:00 P.M., EASTERN TIME ON SEPTEMBER 10, 2010, UNLESS EXTENDED BY THE DEBTORS.

THIS FORM SHOULD BE USED BY ELIGIBLE BENEFICIAL HOLDERS OF SECURITIES THROUGH VOTING NOMINEES UNDER THE U.S. PLAN OR NON-REGISTERED NOTEHOLDERS UNDER THE CCAA PLAN

Please leave sufficient time for your Subscription Form to reach your Voting Nominee and be processed by the required deadline.

DO NOT COMPLETE FORM IF YOU ARE NOT THE ORIGINAL RECIPIENT OF THIS FORM OR THE VOTING NOMINEE OF THE ORIGINAL RECIPIENT

Please consult the Disclosure Statement or the Information Circular for additional information with respect to this Subscription Form.

Item 1. Amount of Notes. I certify that, as of the Subscription Rights Record Date of June 30, 2010, I held Notes in the following principal amount or that I am the authorized signatory of that beneficial holder. (If a Voting Nominee holds your Claims on your behalf and you do not know the amount, please contact your Voting Nominee immediately). For purposes of this Subscription Form, the principal amount is not adjusted for any accrued or unmatured interest or any accretion factor.

US$______________________________

CAN$____________________________

Holders of Class 6 Claims in the U.S. Plan who wish to challenge the allowance of their Class 6 Claim for voting purposes and determination of their Rights Participation Claim Amount should refer to the voting instructions set forth in the Ballot for instructions with regard to the procedures for doing so.

Item2.

Subscription Rights. Each Eligible Holder is entitled to participate in the Rights Offering for up to each Eligible Holder's Rights Offering Pro Rata Share of $500 million of Convertible Unsecured Subordinated Notes, which amount may thereafter be increased by the Debtors in accordance with the terms of the Backstop Commitment Agreement. To subscribe, fill out Items 2a, 2b, 2c, 2d and 3 below.

2a. Calculation of Maximum Number of Convertible Unsecured Subordinated Notes. Calculate the Maximum Number of Convertible Unsecured Subordinated Notes for which you may subscribe:

____________________________ X [ ][4] = ____________________________

Rights Participation Claim Amount (in U.S. dollars from Item 1 above or as converted into U.S. dollars from Item 1 using the applicable conversion rate)	Maximum Number of Convertible Unsecured Subordinated Notes (rounded down to nearest whole number)

2b. Subscription Amount. By filling in the following blanks, you are agreeing to purchase the number of Convertible Unsecured Subordinated Notes specified below (specify a whole number not greater than the figure in Item 2a), at a price of US$1.00 per note, on the terms of and subject to the conditions set forth in the Plans and the Backstop Commitment Agreement.

____________________________ X US$1.00 = US$______________________________

(Indicate number of Convertible Unsecured Subordinated Notes You Elect to Purchase)	(Subscription Purchase Price)

Modification of Number of Subscription Rights. Under certain circumstances, on or before August, 17, 2010, the number of Subscription Rights that are allocated to a particular Eligible Holder may increase or decrease. To the extent that a reallocation increases the total number of Notes that you may elect to purchase, the Debtors will send you a supplemental Subscription Form that sets forth the additional number of Notes that you may elect to purchase. To the extent a reallocation decreases the total number of Notes that you may elect to purchase and you provide payment on account of Subscription Rights in excess of the modified amount, such payment will be returned as described below. However, the Debtors are also authorized, but not required, to refrain from modifying an Eligible Holder's Subscription Rights in the event that the amount of Notes that such Eligible Holder could otherwise subscribe for would be increased or decreased by $10,000 or less, or as otherwise determined by the Debtors.

Oversubscription Amount. Certain Eligible Holders are entitled to participate in the Rights Offering in excess of the amount of Subscription Rights set forth above, which amount may thereafter be decreased by the Debtors in accordance with the terms of the Backstop Commitment Agreement. To exercise your Oversubscription Amount, fill out Items 2c, 2d, 2f and 3 below.

2c. Calculation of Maximum Oversubscription Amount. Calculate the Maximum Oversubscription Amount for which you may subscribe (please note, that if such amount has been calculated as zero (0) then you have not been allocated any additional Subscription Rights pursuant to the Backstop Commitment Agreement) set forth below):

[4] This rate has been calculated to include the benefit of any guarantees issued by a Debtor or CCAA Debtor on behalf of your claim.

___________________________ X [ ][5] = ___________________________

Rights Participation Claim Amount (in U.S. dollars from Item 1 above or as converted into U.S. dollars from Item 1 using the applicable conversion rate)	Maximum Oversubscription Amount (rounded down to nearest whole number)

2d. Oversubscription Amount. If you have validly exercised your Subscription Rights in full by indicating that you are interested in purchasing (in Item 2b) the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe (as calculated in Item 2a), you are entitled to exercise any Oversubscription Amount that have been allocated to you. By completing the following section, you are agreeing to purchase the number of Convertible Unsecured Subordinated Notes specified below (specify a whole number of Convertible Unsecured Subordinated Notes not greater than the figure in Item 2c), at a price of US$1.00 per note, on the terms of and subject to the conditions set forth in the Plans and the Backstop Commitment Agreement.

___________________________ X US$1.00 = US$______________________________

(Indicate number of Convertible Unsecured Subordinated Notes You Elect to Purchase)	(Oversubscription Purchase Price)

Item 3. Subscription Certifications. By returning the Subscription Form, I certify to the Debtors that (A) I am the Eligible Holder, or the authorized signatory of an Eligible Holder, of the Claim identified in Item 1 as of the Rights Offering Record Date; (B) I agree, or such Eligible Holder agrees, to be bound by all the terms and conditions described in the instructions and as set forth in this Subscription Form; (C) I have, or such Eligible Holder has, received a copy of the Disclosure Statement (including the exhibits thereto) or the Information Circular (including the exhibits thereto) and understand that the exercise of Subscription Rights pursuant to the Rights Offering is subject to all the terms and conditions set forth in the Plans. This certification is not an admission by me, the Eligible Holder, or the Debtors, the CCAA Debtors or their estates as to the ultimate allowed amount of my claim. By electing to subscribe for the number of Convertible Unsecured Subordinated Notes designated above, I am hereby instructing my Voting Nominee, or agent or proxy holder, as applicable, to arrange for the proper payment either through DTC or CDS.

By returning this Subscription Form, I further certify that I recognize and understand that the rights to subscribe for Convertible Unsecured Subordinated Notes are not transferable. The benefit of the Subscription Rights and Oversubscription Amounts, if any, are not separable from the claim with respect to which the Subscription Rights and Oversubscription Amounts, if any, have been granted (a "Rights Claim").

---

[5] This rate has been calculated to include the benefit of any guarantees issued by a Debtor or CCAA Debtor on behalf of your claim.

By returning this Subscription Form, I represent and warrant that I have not entered into and agree that, prior to the Effective Date of the U.S. Plan or the Implementation Date of the CCAA Plan, I will not enter into any transaction involving a direct or indirect transfer of rights, including (i) derivatives, options, swaps, pledges, forward sales or other transactions in which any Person receives the right to own or acquire a right, a Rights Claim or a Convertible Unsecured Subordinated Note; any current or future interest in any such right, Rights Claim or a Convertible Unsecured Subordinated Note or the right to receive any economic benefit in respect of any such right, Rights Claim or a Convertible Unsecured Subordinated Note other than through a sale of a Rights Claim together with the rights related thereto and (ii) any direct or indirect transfer of a Rights Claim, whether through a direct transfer or through a derivative, option, swap, pledge, forward sale or other transaction, in which the transferor would retain (or, in connection with such transfer, repurchase or agree to repurchase), directly or indirectly, any related rights, Convertible Unsecured Subordinated Notes or otherwise have the right, directly or indirectly, to acquire or own any current or future interest in any related rights, Convertible Unsecured Subordinated Notes or economic benefit in respect of any related rights. I represent and warrant that I will not accept a distribution of Convertible Unsecured Subordinated Notes, if at such time, I do not own the Rights Claim and by accepting a distribution of Convertible Unsecured Subordinated Notes, I will be deemed to be the owner of the Rights Claim. **For avoidance of doubt, if a transferor who held a Rights Claim as of the record date for the Rights Offering has transferred such Rights Claim, the benefit of the rights related thereto must be transferred as well and cannot be transferred independently (the initial Eligible Holder of the Rights Claim is the only party that can validly exercise the rights), such transferor shall not be in violation of the foregoing so long as, immediately following the Effective Date of the U.S. Plan and the Implementation Date of the CCAA Plan, it transfers to the transferee of such Rights Claim (i) any and all Convertible Unsecured Subordinated Notes issued in respect of any such validly exercised rights.**

Item 4. Distributions.

On or before the Effective Date, a notice will be sent to you or to DTC or CDS setting forth the number of Convertible Unsecured Subordinated Notes that holders have validly elected to purchase.

NOTE TO ELIGIBLE HOLDERS WHOSE CLAIMS ARE SUBJECT TO THE U.S. PLAN: TO THE EXTENT A RIGHTS CLAIM IS NOT FULLY ALLOWED AS OF THE EFFECTIVE DATE ALL OR A PORTION OF THE SUBSCRIPTION PURCHASE PRICE AND ALL OR A PORTION OF THE SUBSCRIPTION NOTES THAT HAVE BEEN VALIDLY ELECTED TO PURCHASE MAY BE PLACED INTO ESCROW PENDING ALLOWANCE OF THE RIGHTS CLAIM. TO THE EXTENT THE RIGHTS CLAIM IS DISALLOWED THE SUBSCRIPTION PURCHASE PRICE WILL BE RETURNED AND ANY NOTES HELD IN ESCROW ON ACCOUNT OF THE CLAIM WILL BE CANCELLED. THERE CANNOT BE ANY ASSURANCE OF THE TIME PERIOD NECESSARY TO RESOLVE CLAIMS, ISSUE ESCROWED NOTES (IF ANY) OR RETURN PURCHASE PRICE, AS APPLICABLE.

TO THE EXTENT A RIGHTS CLAIM IS NOT FULLY ALLOWED AS OF THE EFFECTIVE DATE ALL OF THE OVERSUBSCRIPTION PURCHASE PRICE TRANSFERRED ON ACCOUNT OF SUCH RIGHTS CLAIM WILL BE RETURNED.

To exercise your Subscription Rights and Oversubscription Amount, if any, you must complete and return this completed Subscription Form to your Voting Nominee (or otherwise follow your Voting Nominee's instructions) in sufficient time for your instructions to be processed and delivered to DTC or CDS on or before the Rights Offering Expiration Date. Late submitted Subscription Forms or late transferred Total Subscription Purchase Price may result in cancellation of your Subscription Rights and Oversubscription Rights, if any.

If Subscription Rights and Oversubscription Amounts are exercised other than pursuant to the Subscription Form, the Beneficial Holders will be deemed to have made the certification regarding the transferability of Subscription Rights and Oversubscription Amounts in Item 3.

Date: ___________, 2010

Subscriber Full Legal Account Name:_______________________________________
(Print or Type)

Signature::_______________________________________

Name of Person Signing:_______________________________
(If other than holder)

Title (if corporation, partnership or LLC):___________________

Street Address:_______________________________

City, State/Province:_______________________________________

Street Address:_______________________________________

Zip Code/Postal Code:_______________________________

Telephone Number:_______________________________

Email Address:_______________________________

THIS FORM SHOULD BE RETURNED ONLY TO YOUR VOTING NOMINEE.
DO NOT RETURN TO EPIQ.

If the subscription and payment submitted by you or on your behalf is not received in sufficient time for the Voting Nominee to convey your subscription through DTC's Automated Subscription Offer Program, or, if applicable, CDSX (the clearing and settlement system utilized by CDS and its participants), by the Rights Offering Expiration Date, your Subscription Rights and any Oversubscription Amount allocated to you, will terminate and be cancelled. Once an Eligible Holder has properly exercised its Subscription Rights and elected to participate in the Oversubscription Amount, such exercise will be binding on any transferee and may only be amended, revoked, rescinded or modified in the sole discretion of the Debtors or Reorganized Debtors.

EXHIBIT H-3

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
ABITIBIBOWATER INC., *et al.*,[1]	)	Case No. 09-11296 (KJC)
	)	
	)	(Jointly Administered)
	)	

AND

IN THE MATTER OF THE PROPOSED
CCAA PLAN OF REORGANIZATION AND COMPROMISE

Involving

ABITIBIBOWATER INC. AND CERTAIN OF ITS SUBSIDIARIES

INSTRUCTIONS FOR RIGHTS SUBCRIPTION FORM

All Subscription Forms[2] must be received by Epiq Bankruptcy Solutions no later than 4:00 p.m., Eastern Time on September 10, 2010 (the "Rights Offering Expiration Date")

THE ATTACHED RIGHTS SUBSCRIPTION FORM SHOULD ONLY BE SUBMITTED BY RECIPIENT

1 The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: AbitibiBowater Inc. (6415), AbitibiBowater US Holding 1 Corp. (N/A), AbitibiBowater US Holding LLC (N/A), AbitibiBowater Canada Inc. (N/A), Abitibi-Consolidated Alabama Corporation (4396), Abitibi-Consolidated Corporation (9050), Abitibi-Consolidated Finance LP (4528), Abitibi Consolidated Sales Corporation (7144), Alabama River Newsprint Company (7247), Augusta Woodlands, LLC (9050), Bowater Alabama LLC (7106), Bowater America Inc. (8645), Bowater Canada Finance Corporation (N/A), Bowater Canadian Forest Products Inc. (N/A), Bowater Canadian Holdings Incorporated (N/A), Bowater Canadian Limited (N/A), Bowater Finance Company Inc. (1715), Bowater Finance II LLC (7886), Bowater Incorporated (1803), Bowater LaHave Corporation (N/A), Bowater Maritimes Inc. (N/A), Bowater Newsprint South LLC (1947), Bowater Newsprint South Operations LLC (0168), Bowater Nuway Inc. (8073), Bowater Nuway Mid-States Inc. (8290), Bowater South American Holdings Incorporated (N/A), Bowater Ventures Inc. (8343), Catawba Property Holdings, LLC (N/A), Coosa Pines Golf Club Holdings LLC (8702), Donohue Corp. (9051), Lake Superior Forest Products Inc. (9305) and Tenex Data Inc. (5913). On December 21, 2009, ABH LLC 1 (2280) and ABH Holding Company LLC (2398) (the "SPV Debtors") commenced chapter 11 cases, which cases are jointly administered with the above-captioned Debtors. The Debtors' and SPV Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 1155 Metcalfe Street, Suite 800, Montreal, Quebec H3B 5H2, Canada.

2 Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Plans or in the rights offering notice sent contemporaneously herewith.

To the Registered Holders of Class 6 Notes Claims under the U.S. Plan and Registered Holders of Canadian Unsecured Notes under the CCAA Plan:

On August 2, 2010, 2010, AbitibiBowater Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (each a "U.S. Debtor" and collectively, the "U.S. Debtors"), filed AbitibiBowater's *Second Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code* (the "U.S. Plan"). AbitibiBowater Inc. and certain of its subsidiaries and affiliates who have filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act* (collectively, the "CCAA Debtors" and together with the U.S. Debtors, the "Debtors") filed AbitibiBowater's *Plan of Reorganization and Compromise of AbitibiBowater Inc. and Certain of Its Subsidiaries* accepted for filing on July 9, 2010 (the "CCAA Plan" and, together with the US. Plan, the "Plans"). The Plans provide holders of Class 6 Claims in the U.S. Plan, excluding holders that receive distributions in cash pursuant to any convenience class, and holders of Affected Unsecured Claims in the CCAA Plan other than those who will receive a cash distribution (each an "Eligible Holder") with the right to subscribe for its proportionate share, based on an Eligible Holder's Claims in the amount allowed for voting purposes, of Convertible Unsecured Subordinated Notes allocated to the Debtor or CCAA Debtor based on the allocation of common stock in the Reorganized Debtors to the Debtor or CCAA Debtor against which such Eligible Holders have claims (as described in Item 1 of the Subscription Form, the "Rights Participation Claim Amount") in accordance with the backstop commitment agreement (the "Backstop Commitment Agreement"). In addition, Eligible Holders that are creditors of certain Debtors under the U.S. Plan will be given rights to subscribe for additional Convertible Unsecured Subordinated Notes (such rights, the "Oversubscription Amount"). Convertible Unsecured Subordinated Notes will only be distributed on account of Oversubscription Amounts if the underlying claims are Allowed as of the effective date of the U.S. Plan. For a complete description of the Rights Offering see Sections I.F, VI.E.12, VIII.E-F and Exhibits D and E of the disclosure statement approved by the U.S. Bankruptcy Court with respect to the U.S. Plan or the information circular mailed to Eligible Holders pursuant to an order by the Canadian Court with respect to the CCAA Plan, as applicable, and the Backstop Commitment Agreement, each of which can be obtained from Epiq Bankruptcy Solutions, LLC, 757 Third Avenue, 3rd Floor, New York, NY 10017 or at http://dm.epiq11.com/abitibibowater, or from Ernst & Young Inc. (the "Monitor") at 800 Rene-Levesque Blvd. West, Suite 2000, Montreal, Quebec, H3B 1X9 Canada or at www.ey.com/ca/abitibibowater.

You have received the attached Subscription Form because you have been identified as the registered holder of a Class 6 Notes Claim in the U.S. Plan or a registered holder of Canadian Unsecured Notes in the CCAA Plan that is eligible to participate in the Rights Offering. If you would like to participate in the Rights Offering, please follow the instructions provided below to (i) complete and submit the attached Subscription Form to Epiq Bankruptcy Solutions, LLC and (ii) pay the Total Subscription Purchase Price by wire transfer to the escrow agent identified below (the "Escrow Agent"), so that each is actually received **on or before 4:00 P.M. on September 10, 2010** (the "Rights Offering Expiration Date").

Questions. If you have any questions about the Subscription Form or the exercise procedures described herein, please contact Epiq Bankruptcy Solutions, LLC at 1-888-266-9280 (for U.S. / Canada calls) or (503)-597-7698 (for non-U.S. / Canada calls) or the Monitor at 1-866-246-7889.

To purchase Convertible Unsecured Subordinated Notes pursuant to the Rights Offering:

11. Review the amount in Item 1 below
12. Review the calculation of your "Maximum Number of Convertible Unsecured Subordinated Notes" in Item 2a below.

13. Complete Item 2b, indicating the whole number of Subscription Rights (not greater than your Maximum Number of Convertible Unsecured Subordinated Notes) which you wish to exercise and the Subscription Purchase Price for such notes.
14. Review the calculation of your "Maximum Oversubscription Amount" in item 2c below.
15. Complete, if applicable, Item 2d, if you have elected to exercise the full amount of your Subscription Rights (equal to your Maximum Number of Convertible Unsecured Subordinated Notes), you may indicate the whole number of the Oversubscription Amount (not greater than your Maximum Oversubscription Amount) which you wish to exercise and the Purchase Price for such additional Convertible Unsecured Subordinated Notes.
16. Review Item 2e and take note of the Rights Reference Number provided therein.
17. Complete Item 2f, providing wire transfer or account payment information for the return of any funds.
18. Read and Complete the certifications in Item 3 and provide your fax number and email address in the spaces provided.
19. Mail the Subscription Form in the pre-addressed envelope or at the address below so that it is received by Epiq on or before the Rights Offering Expiration Date. **Do not fax or email Subscription Forms.** Forms received after the Rights Offering Expiration Date may be rejected.

Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, New York 10017

20. Pay or Arrange to Pay the Total Subscription Price in respect of the rights that you wish to exercise*. **Payment must be made only by wire transfer in U.S. dollars to the account listed below.*** Your payment of the Total Subscription Purchase Price must be received by the Escrow Agent on or before the Rights Offering Expiration Date. Your wire transfer must include the Rights Reference Number listed in Item 2e of the Subscription Form. ***Failure to include this Rights Reference Number could result in cancellation of your Subscription Rights.***

RBK: US Bank N.A.
ABA: 091000022
BNF: USBANK CT SOUTHEAST WIRE CLRG
BNF ACCOUNT NUMBER: 173103781824
BNF ACCOUNT ADDRESS: 777 E. Wisconsin Ave
Milwaukee, WI 53202-5300
OBI: Abitibibowater Inc. escrow
REF: 141693000
Rights Reference Number: < idnum>

If your completed Subscription Form is not received by Epiq and your Total Subscription Purchase Price is not received by the Escrow Agent, in each case, on or before the Rights Offering Expiration Date, your Subscription Rights will terminate and be cancelled. Once an Eligible Holder has properly exercised its Subscription Rights and any Oversubscription Amount, if applicable, such exercise will be binding on any transferee and may only be amended, revoked, rescinded or modified in the sole discretion of the Debtors or Reorganized Debtors.

All questions concerning the timeliness, viability, form and eligibility of any exercise of Subscription Rights and Oversubscription Amounts will be determined by the Debtors in consultation with the Monitor where appropriate, whose good faith determinations will be final and binding. The Debtors may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as the Debtors determine, or reject the purported exercise of any Subscription Rights and any Oversubscription Amount. Subscription Forms will be deemed not to have been received or accepted until all irregularities have been waived or corrected within such time as the Debtors determine in their reasonable discretion in consultation with the Monitor. Neither the Debtors, the Monitor nor Epiq will be under any duty to give notification of any fact or irregularity in connection with the submission of Subscription Forms or incur any liability for failure to give such notification.

Before exercising any Subscription Rights and Oversubscription Amounts: Eligible Holders under the U.S. Plan should read the Disclosure Statement, including the sections entitled "Risks Related to the Rights Offering," "Risks Related to the Rights Offering Notes," "Certain Tax Consequences of the Plan" and the valuation of the Reorganized Debtors contained therein; and Eligible Holders under the CCAA Plan should read the Information Circular, including the sections entitled "Rights Offering", "Risk Factors – Risk Factors Relating to the Rights Offering – Generally", and "Income Tax Considerations."

The Debtors reserve the right to seek amendments of the Backstop Commitment Agreement and terms of the Convertible Unsecured Subordinated Notes, without any additional disclosure. Subject to agreement among the requisite Backstop Investors and the Debtors, such amendments may include changes to the material terms of the Convertible Unsecured Subordinated Notes, including increasing the principal amount of Convertible Unsecured Subordinated Notes outstanding, changing the maturity date and redemption terms.

Neither these instructions, the Subscription Form nor any other document related to the Rights Offering has been approved or disapproved by the Securities and Exchange Commission, the securities regulators of any state or the securities regulatory authorities of any Canadian jurisdiction. You should evaluate such documents in light of the purpose for which they were prepared.

Summary of Convertible Unsecured Subordinated Notes [3]

The following is a summary of certain key terms of the Convertible Unsecured Subordinated Notes available for purchase through the Rights Offering. Further details regarding the Convertible Unsecured Subordinated Notes are set forth in the Backstop Commitment Agreement, which is attached as an exhibit to the Disclosure Statement and which may be found on the Monitor's website at www.ey.com/ca/abitibibowater.

Terms of New Notes	
Issuer:	AbitibiBowater Inc., a holding company incorporated under the laws of the United States or Canada, as formed or reorganized pursuant to the Plans (the "Company").
Form of Offering:	The Debtors will issue rights to purchase new notes (the "New Notes") of the Company (the "Rights") to Eligible Holders of Eligible Claims against the Debtors in connection with the Plans (the "Rights Offering"). The Rights Offering terms are described in the Backstop Commitment Agreement.
Issue Amount:	§1145 Notes and Backstop Notes, collectively, shall be issued in an amount (the "Amount") not to exceed the lesser of: A) US$500 million; and B) the sum of: (i) US$325 million; and (ii) US$1,400 million less the sum of the Available Cash (as defined below) of the Company as of the Effective Date and aggregate principal amount of term indebtedness outstanding under the Exit Financing Facilities (as described in the Plans) and any other available facilities at such time. The Amount is subject to further reduction by the amount of Liquidity (as defined below) of the Company at the Effective Date in excess of $600 million. Any such reduction will be made as provided by the Backstop Commitment Agreement. Available Cash and Liquidity shall have the meaning set forth in the Backstop Commitment Agreement. The Company is allowed to issue Escrowed Notes incremental and in addition to the §1145 Notes and Backstop Notes, up to the maximum principal amount as described in the Backstop Commitment Agreement.

3 The Debtors reserve the right to seek amendments of the Backstop Commitment Agreement and terms of the Convertible Unsecured Subordinated Notes, without any additional disclosure. Subject to agreement among the requisite Backstop Investors and the Debtors, such amendments may include changes to the material terms of the Convertible Unsecured Subordinated Notes, including increasing the principal amount of Convertible Unsecured Subordinated Notes outstanding, changing the maturity date and redemption terms.

	Therefore, the total aggregate principal amount of the New Notes may exceed the Amount by the aggregate principal amount of the Escrowed Notes issued. Escrowed Notes subscribed for and issued to Unresolved Claimholders in accordance with the terms of the Backstop Commitment Agreement shall be issued under the same indenture and on the same terms as the §1145 Notes. References to the "New Notes" shall include the §1145 Notes, the Backstop Notes and the Escrowed Notes, unless the context otherwise requires.
Purchase Price:	100% of the principal amount.
Upfront Payment:	The Company will pay to each Eligible Holder that exercises its Rights to purchase New Notes an amount equal to 4% of the aggregate principal amount of such New Notes on the Effective Date, upon issuance of the New Notes.
Coupon:	10%, payable semi-annually in arrears commencing on the date that is six months after the Closing Date, computed on the basis of a 360-day year composed of twelve 30-day months. Subject to any required regulatory approval and provided no event of default has occurred and is continuing, with respect to any interest period, the Company shall have the option to pay half (i.e., 5%) of such interest by issuing additional New Notes ("PIK Notes"), *provided* that if the Company so elects to pay half of the coupon in PIK Notes, the portion of the coupon so payable with respect to such interest period shall be 6% rather than the 5% that would have been payable by the Company had it paid in cash.
Use of Proceeds:	The proceeds from the issuance and sale of the New Notes shall be used to fund the Debtors' cash needs in connection with consummation of the Plans.
Closing Date:	The date of the consummation of the Plans in form and substance reasonably acceptable to the Investors and consistent with the Backstop Commitment Agreement, and this New Notes Term Sheet (the "Closing"), which date shall be the later to occur of (A) October 15, 2010 and (B) the date that is the earlier to occur of (x) December 31, 2010 and (y) the latest date on which any of the Company's commitments for Exit Financing Facilities are scheduled to expire so long as the Company's commitments for the Exit Financing Facilities are acceptable to Majority Investors (as defined in the Backstop Commitment Agreement).
Investors:	The Company shall offer New Notes to the Eligible Holders (such New Notes being collectively referred to as the "§1145 Notes"), with each of the

	Eligible Holders entitled to purchase the New Notes (such purchasing Eligible Holders, collectively, the "New Notes Investors") on the terms set forth in the Backstop Commitment Agreement. The Investors shall enter into agreement(s) to subscribe, in accordance with Schedule 1(h) to the Backstop Commitment Agreement, for any portion of the New Notes not subscribed for by the Eligible Holders (the "Backstop Notes"). As consideration for their commitment to subscribe for such Backstop Notes, the Investors shall be entitled to receive the payments as set forth in, and in accordance with the terms of, the Backstop Commitment Agreement. The Company may issue Escrowed Notes to the Unresolved Claimholders who elect to subscribe for such notes on the terms set forth in the Backstop Commitment Agreement. All references herein to the New Notes Investors shall include the Unresolved Claimholders, unless the context requires otherwise.
Exemptions / Transfer:	The issuance of Rights to the creditors and the exercise of the Rights are intended to be exempt from registration under the Securities Act pursuant to Section 1145 of the Bankruptcy Code and exempt from any prospectus requirement under corresponding Canadian securities laws exemptions. The amount of New Rights that each Eligible Holder may subscribe for in the Rights Offering may be decreased by the Issuer to the extent required to allow the Rights Offering to be exempt from registration under the Securities Act pursuant to Section 1145 of the Bankruptcy Code. After the consummation of the Rights Offering, subject to applicable securities laws, the New Notes Investors and their respective permitted transferees shall have the right to transfer freely the §1145 Notes or the Common Shares received upon conversion of the §1145 Notes at any time. The issuance of Backstop Notes to the Investors pursuant to the Backstop Commitment Agreement is intended to be exempt from Securities Act registration under Section 4(2) of the Securities Act and exempt from any prospectus requirement under Canadian securities laws. The Backstop Notes are intended to be eligible for resale under Rule 144A under the Securities Act. After consummation of the Rights Offering, the Backstop Notes may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act or any applicable state laws or pursuant to a registration statement.
Denomination:	New Notes shall be issued in a minimum denomination of US$1.00 per New Note (and integral multiples thereof).

Conversion Price:	The New Notes shall be convertible as described below into the common stock, par value $0.001 per share, of the Company (the "Common Shares") at the Conversion Price. The "Conversion Price" shall equal (x) $1,800 million (plus any consideration to be received upon issuance of Common Shares pursuant to the terms of any instrument included in the denominator of this conversion price calculation) divided by (y) the number of Common Shares outstanding on a fully diluted basis on the Effective Date after giving effect to the consummation of the Plans, other than Common Shares issuable upon conversion of the New Notes and any Common Shares issued as part of the backstop payment described below and Common Shares, the issuance of which would be anti-dilutive as of the Effective Date.
Maturity Date:	The New Notes will mature seven (7) years from the date of Closing (the "Issue Date").
Guarantees:	The New Notes will be guaranteed by the wholly-owned U.S. subsidiaries of the Company (the "Guarantees").
Ranking:	The New Notes and the Guarantees shall be subordinated in right of payment to the Company's and the Guarantors' obligations under the Company's Exit Financing Facilities, which may include unsecured financings (or replacements or refinancings thereof), and any other unsecured or secured senior debt in an amount not to exceed $200 million in the aggregate. Except as provided in the preceding sentence, the New Notes and the Guarantees shall be pari passu in right of payment with all senior unsecured obligations of the Company or the relevant Guarantor.
Conversion Rights:	The New Notes will be convertible at the option of the holder (i) in the event of a redemption at the option of the Company, and otherwise, (ii) after the 6-month period following the Issue Date, and in each case, prior to the close of business on the earlier of the Maturity Date and the last business day immediately preceding any date fixed for redemption, into a number of Common Shares based on the Conversion Price, as adjusted from time to time. Holders of the Backstop Notes will receive restricted Common Shares under U.S. securities laws upon conversion of the Backstop Notes and will not be able to convert unless they are eligible to receive the Common Shares in accordance with applicable law. Upon conversion, holders of New Notes will receive a separate payment for accrued and unpaid interest to, but excluding, the date of conversion, except as described below. If New Notes are converted after a regular record date for the payment of interest, holders of record of such New Notes will receive all of the interest payable on such New Notes on the corresponding interest payment date

	notwithstanding the conversion. New Notes, upon surrender for conversion during the period beginning after any record date to the immediately following interest payment date, must be accompanied by funds equal to the amount of interest that would accrue from the date of conversion to, but excluding, the interest payment date, unless (i) such New Notes have been called for redemption by the Company or (ii) such interest payment date is the maturity date of the New Notes.
Conversion Adjustments:	The indenture will provide for the adjustment of the Conversion Price in certain events including, without limitation, (i) the subdivision or consolidation of the outstanding Common Shares; (ii) the issue of Common Shares or securities convertible into Common Shares by way of stock dividend or other distribution; (iii) the issue of rights, options or warrants with an exercise period of less than 60 days to all of the holders of Common Shares entitling them to acquire Common Shares or other securities convertible into Common Shares at less than 95% of the then market price; (iv) the distribution to all holders of Common Shares of any other securities or assets (including through a spin-off); (v) the payment to all holders of Common Shares in respect of an issuer tender offer or exchange offer for Common Shares by the Company to the extent that the market value of the payment exceeds the then market price of the Common Shares on the date of expiry of the bid; and (vi) the payment of cash dividends that exceed ordinary-course periodic dividends on the Common Shares.
Redemption:	Mandatory: On the six month anniversary of the Issue Date (the "Mandatory Redemption Date"), in the event of an Asset Sale (to be defined) with more than $100 million of net cash proceeds from such Asset Sale occurring before the Mandatory Redemption Date or, if no Asset Sale occurs prior to the Mandatory Redemption Date but the Company receives before such date at least $20 million of Subscription Price on account of the Escrowed Notes (as defined in the Backstop Commitment Agreement) issued to holders of Allowed Disputed Claims (as defined in the Backstop Commitment Agreement), the Company shall apply the net cash proceeds from any such Asset Sale and the aggregate Subscription Price (if any) received by the Company after the Issue Date but before the Mandatory Redemption Date to redeem New Notes (for the avoidance of doubt, including Escrowed Notes in the Escrowed Notes Account) at a price equal to 105% of the par value of the New Notes, plus accrued and unpaid interest to the redemption date; provided that (i) the Company has minimum Liquidity, after giving effect to such Asset Sale and application of the net cash proceeds thereof and repayment of Subscription Price (as applicable), of at least $600 million, and (ii) the Company is permitted to make such redemption by the agreements governing its outstanding

	indebtedness, which the Company will use commercially reasonable efforts to permit such redemption, subject to compliance with the foregoing liquidity requirement. The net cash proceeds received from an Asset Sale and any Subscription Price received by the Company on account of Escrowed Notes prior to the Mandatory Redemption Date will be deposited by the Company into escrow until the Mandatory Redemption Date. Optional: During the period commencing on the 61st day following the Issue Date and ending on the first interest payment date, if US$100 million or less of the New Notes are outstanding, the Company may, from time to time, optionally redeem such New Notes at a price of 105% of the par value of the New Notes, plus accrued and unpaid interest to the redemption date. Otherwise, three-year non-call, callable at the greater of Market and 110% of par in year 4, 112% of par in year 5, 115% of par in year 6 and par thereafter, in each case, plus accrued and unpaid interest to the redemption date. "Market" means a value to be determined by the Board, which will retain a nationally recognized investment bank to make a reasonable determination of market value, which will assume, among other factors, a 35% volatility and a market price for the Common Share based on the trailing 20-day VWAP on the Primary Trading Market immediately prior to the date of the notice of the call.
Fundamental Change:	Upon a Fundamental Change (as defined below), holders of the New Notes will have the right to require the Company to repurchase their New Notes, in whole or in part, at a price equal to the accreted value of the principal amount of the New Notes based on the original issue price (less the Upfront Payment) plus accrued and unpaid interest thereon to such repurchase date. A "Fundamental Change" shall mean the occurrence of any of the following: (i) the acquisition of 50% or more of the Common Shares by any person or group, (ii) a merger, sale of all or substantially all of the Company's assets, share exchange or recapitalization the result of which less than 50% of common equity of the continuing entity is held by holders of the common equity of the Company immediately prior to such transaction, (iii) a majority of directors cease to be "continuing directors" as customarily defined, (iv) stockholders of the Company approve a plan of liquidation or dissolution of the Company, or (v) after the Common Shares are listed, they cease to be listed, *provided, however,* a Fundamental Change under clause (i) or (ii) shall not be deemed to have occurred if at least 90% of the consideration received or to be received by holders of Common Shares, excluding cash payments for fractional shares, in connection with the transaction or transactions constituting the Fundamental Change consists of shares of common stock, American Depositary Receipts, American Depositary Shares (or other similar instruments) traded on a national securities exchange in the United States or Canada or which will be so traded or quoted when issued or exchanged in

	connection with a Fundamental Change (these securities being referred to as "Publicly Traded Securities") and as a result of this transaction or transactions the debentures become convertible into such Publicly Traded Securities, excluding cash payments for fractional shares. If the holders of the majority of the aggregate principal amount of the New Notes outstanding (for the avoidance of doubt, excluding any Escrowed Notes, if any remain at such time) elect to exercise their right to require the Company to repurchase their New Notes upon a Fundamental Change, as more fully described in the first paragraph above, then all Unresolved Claimholders whose Escrowed Notes are held in the Escrowed Notes Account will be deemed to have exercised the same right as if they were the holders of the New Notes, except that the proceeds resulting from the repurchase by the Company of the Escrowed Notes will be held in the Escrowed Notes Account pending their distribution to the Unresolved Claimholders in accordance with the Backstop Commitment Agreement.
Covenants; Events of Default:	Will contain a customary SEC and Canadian Commission reporting covenant. Will contain events of default customary for market converts. Will permit the Company to elect that the sole remedy for a default caused by a failure to comply with the reporting covenant be the payment of additional interest on the Notes for up to 180 days, rather than acceleration.
Registration Rights for the Backstop Notes:	With respect to the Backstop Notes and the Common Shares issuable upon conversion thereof, the Company will: • file with SEC within 30 days after the earlier of (i) the date the Company becomes S-3 eligible (and has filed the information required by Part III of Form 10-K) and (ii) April 30, 2011, and • use commercially reasonable efforts to cause to become effective within 75 days after the earlier of (i) the date the Company becomes S-3 eligible (and has filed the information required by Part III of Form 10-K) and (ii) April 30, 2011, a shelf registration statement with respect to the resale of the Backstop Notes and the underlying Common Shares upon conversion of the Backstop Notes. If the Company fails to file such shelf registration statement or register the Backstop Notes and the underlying Common Shares upon conversion of the Backstop Notes by the dates set forth above, the Company will be required to pay additional interest of 0.25% per annum to the holders of the Backstop Notes until such time as the registration statement becomes

	effective. The Company will keep the registration statement effective until the date that is two years from the date of effectiveness of the registration statement.
Voting:	For purposes of any vote, waiver or consent under the indenture governing the New Notes, Escrowed Notes held in the Escrowed Notes Account shall not vote and shall not be included in the aggregate principal amount of issued and outstanding Notes permitted to vote.
Documentation and Listing:	The terms of the indenture, the form of New Notes, and other applicable documentation related to the New Notes are to be proposed by and in form and substance reasonably satisfactory to the Company and the Investors. Company will make an application to list the Common Shares to be issued pursuant to the Plans and upon conversion or otherwise on (i) either the NASDAQ or the NYSE and (ii) the TSX.
Choice of Law:	New York.
Backstop Payment:	If as of the Effective Date the Backstop Commitment Agreement has not been terminated, the Backstop Payment shall be paid on the Effective Date in an amount equal to the greater of (x) $15 million (payable in cash) and (y) 6% of the Amount (50% paid in cash and 50% in the form of Common Shares, based on the Conversion Price).
Termination Payment:	For termination after the date on which the Bankruptcy Court approves the Termination Payment but on or before the date on which the Bankruptcy Court or the Canadian Court approves the Backstop Commitment Agreement or an alternative transaction (such date, the "Approval Date"), the Termination Payment shall be an amount (not to be less than $7.5 million) equal to the lesser of (x) $15 million and (y) 5% of the capital raised in the alternative transaction. For termination after the Approval Date but on or before October 15, 2010, the Termination Payment shall be $15 million. For termination after October 15, 2010, the Termination Payment shall be an amount equal to the greater of (x) $15 million and (y) 6% of the Amount as in effect as of October 15, 2010 (payable in cash). In each case, the Termination Payment shall be payable upon consummation of the Plans or, if applicable, consummation of the alternative transaction. Additional conditions to payment of the Termination Payment shall be specified in the Backstop Commitment Agreement.

SUBSCRIPTION FORM FOR RIGHTS OFFERING

DO NOT COMPLETE FORM IF YOU ARE NOT THE ORIGINAL RECIPIENT OF THIS FORM

Please consult the Disclosure Statement or the Information Circular for additional information with respect to this Subscription Form.

THE RIGHTS OFFERING EXPIRATION DATE IS 4:00 P.M., EASTERN TIME ON SEPTEMBER 10, 2010, UNLESS EXTENDED BY THE DEBTORS.

Please provide your email address and fax number in Item 3 to ensure you receive any notices regarding your Subscription Rights in a timely manner.

Item 1. Amount of Notes. I certify that, as of the Subscription Rights Record Date of June 30, 2010, I held Notes in the following principal amount or that I am the authorized signatory of that beneficial holder. For purposes of this Subscription Form, the principal amount is not adjusted for any accrued or unmatured interest or any accretion factor.

US$____________________________

CAN$___________________________

Holders of Class 6 Claims in the U.S. Plan who wish to challenge the allowance of their Class 6 Claim for voting purposes and determination of their Rights Participation Claim Amount should refer to the voting instructions set forth in the Ballot for instructions with regard to the procedures for doing so.

Item 2.

2a. Calculation of Maximum Number of Convertible Unsecured Subordinated Notes.[4] Review the calculation of the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe set forth below:

U.S.$_________________________	X	[ ][5]	= _____________________________
Rights Participation Claim Amount (in U.S. dollars, from Item 1 above, or as converted into U.S. dollars from Item 1 using the applicable conversion rate)			Maximum Number of Convertible Unsecured Subordinated Notes (rounded down to nearest whole number)

4 To be completed as of the Record Date.

5 This rate has been calculated to include the benefit of any guarantees issued by a Debtor or CCAA Debtor on behalf of your claim.

2b. Exercise Amount. By completing the following section, you are agreeing to purchase the number of Convertible Unsecured Subordinated Notes specified below (specify a whole number of Convertible Unsecured Subordinated Notes not greater than the figure in Item 2a), at a price of US$1.00 per note, on the terms of and subject to the conditions set forth in the Plans and the Backstop Commitment Agreement.

____________________________	X	US$1.00	= $______________________________
(Indicate number of Convertible Unsecured Subordinated Notes you elect to purchase)			Subscription Purchase Price

Modification of Number of Subscription Rights. Under certain circumstances, on or before August, 17, 2010, the number of Subscription Rights that are allocated to a particular Eligible Holder may increase or decrease. To the extent that a reallocation increases the total number of Notes that you may elect to purchase, the Debtors will send you a supplemental Subscription Form that sets forth the additional number of Notes that you may elect to purchase. To the extent a reallocation decreases the total number of Notes that you may elect to purchase and you provide payment on account of Subscription Rights in excess of the modified amount, such payment will be returned as described below. However, the Debtors are also authorized, but not required, to refrain from modifying an Eligible Holder's Subscription Rights in the event that the amount of Notes that such Eligible Holder could otherwise subscribe for would be increased or decreased by $10,000 or less, or as otherwise determined by the Debtors.

2c. Calculation of Maximum Oversubscription Amount.[6] Review the calculation of the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe pursuant to your Oversubscription Amounts, if any (please note, that if such amount has been calculated as zero (0) then you have not been allocated any Oversubscription Amounts pursuant to the Backstop Commitment Agreement) set forth below:

U.S.$________________________	X	[ ][7]	= ______________________________
Rights Participation Claim Amount (in U.S. dollars, from Item 1 above, or as converted into U.S. dollars from Item 1 using the applicable conversion rate)			Maximum Oversubscription Amount (rounded down to nearest whole number)

2d. Oversubscription Exercise Amount. If you have validly exercised your Subscription Rights in full by indicating that you are interested in purchasing (in Item 2b) the maximum number of Convertible Unsecured Subordinated Notes for which you may subscribe (as calculated in Item 2a), you are entitled to exercise any applicable Oversubscription Amounts that have been allocated to you. By completing the following section, you are agreeing to purchase the number of Convertible Unsecured Subordinated Notes specified below (specify a whole number of Convertible Unsecured Subordinated Notes not greater than the figure in Item 2c), at a price of US$1.00 per note, on the terms of and subject to the conditions set forth in the Plans and the Backstop Commitment Agreement.

6 To be completed as of the Record Date.

7 This rate has been calculated to include the benefit of any guarantees issued by a Debtor or CCAA Debtor on behalf of your claim.

__________________________ X US$1.00 = $______________________________

(Indicate number of Convertible Unsecured Subordinated Notes you elect to purchase)

Oversubscription Purchase Price

2e. Rights Reference Number. The Rights Reference Number contained in this section is a unique number which has been assigned to the Rights Claim upon which Subscription Rights and Oversubscription Amounts, if any, have been allocated to you and will be used to track the Total Subscription Purchase Price you submit along with this form. Failure to include this Rights Reference Number as part of the wire of the Total Subscription Purchase Price will result in cancellation of your Subscription Rights and any Oversubscription Amount. Please maintain the Rights Reference Number for your records.

Rights Reference Number: _________________________

THIS RIGHTS REFERENCE NUMBER MUST BE INCLUDED IN YOUR WIRE TRANSFER INSTRUCTIONS

2f. Return of Funds. If it is necessary to return some or all of the Total Subscription Purchase Price that you have submitted because, for instance, the number of Subscription Rights you have been allocated has been decreased or because you have not fully complied with the terms of the Rights Offering, the Debtors will return such payments, if necessary as soon as reasonably practicable after such a determination is made. Accordingly, please provide wire transfer or account payment information for any return of funds:

Beneficiary Account Name:____
(Print or Type)

Beneficiary Account Number:____

Bank Name:____

Bank Mailing Address (street/city/state/zip):_________________________________

____

ABA Routing Number:____

FFC Account Name (if applicable):_____________________________________

FFC Account Number (if applicable):___________________________________

First/Last Name of Contact Person at Bank: ________________________________

Your Reference (if any):____

Item 3. Certifications.

By returning the Subscription Form, I certify to the Debtors that (A) I am the Eligible Holder, or the authorized signatory of an Eligible Holder, of the Claim identified in Item 1 as of the Rights Offering Record Date; (B) I agree, or such Eligible Holder agrees, to be bound by all the terms and conditions described in the instructions and as set forth in this Subscription Form; (C) I have, or such Eligible Holder has, received a copy of the Disclosure Statement (including the exhibits thereto) or the Information Circular (including the exhibits thereto) and understand that the exercise of Subscription Rights pursuant to the Rights Offering is subject to all the terms and conditions set forth therein and in the Plans. This certification is not an admission by me, the Eligible Holder, or the Debtors, the CCAA Debtors or their estates as to the ultimate allowed amount of my claim.

By returning this Subscription Form, I further certify that I recognize and understand that the rights to subscribe for Convertible Unsecured Subordinated Notes are not transferable. The benefit of the Subscription Rights and Oversubscription Amounts, if any, are not separable from the claim with respect to which the Subscription Rights and Oversubscription Amounts, if any, have been granted (a "Rights Claim").

By returning this Subscription Form, I represent and warrant that I have not entered into and agree that, prior to the Effective Date of the U.S. Plan and the Implementation Date of the CCAA Plan, I will not enter into any transaction involving a direct or indirect transfer of rights, including (i) derivatives, options, swaps, pledges, forward sales or other transactions in which any person receives the right to own or acquire a right, a Rights Claim or a Convertible Unsecured Subordinated Note; any current or future interest in any such right, Rights Claim or a Convertible Unsecured Subordinated Note or the right to receive any economic benefit in respect of any such right, Rights Claim or a Convertible Unsecured Subordinated Note other than through a sale of a Rights Claim together with the rights related thereto and (ii) any direct or indirect transfer of a Rights Claim, whether through a direct transfer or through a derivative, option, swap, pledge, forward sale or other transaction, in which the transferor would retain (or, in connection with such transfer, repurchase or agree to repurchase), directly or indirectly, any related rights, Convertible Unsecured Subordinated Notes or otherwise have the right, directly or indirectly, to acquire or own any current or future interest in any related rights, Convertible Unsecured Subordinated Notes or economic benefit in respect of any related rights. I represent and warrant that I will not accept a distribution of Convertible Unsecured Subordinated Notes, if at such time, I do not own the Rights Claim and by accepting a distribution of Convertible Unsecured Subordinated Notes, I will be deemed to be the owner of the Rights Claim. **For avoidance of doubt, if a transferor who held a Rights Claim as of the record date for the Rights Offering has transferred such Rights Claim, the benefit of the rights related thereto must be transferred as well and cannot be transferred independently (the initial Eligible Holder of the Rights Claim is the only party that can validly exercise the rights), such transferor shall not be in violation of the foregoing so long as, immediately following the Effective Date of the U.S. Plan and the Implementation Date of the CCAA Plan, it transfers to the transferee of such Rights Claim (i) any and all Convertible Unsecured Subordinated Notes issued in respect of any such validly exercised rights and (ii) any and all shares issued in respect of such Rights Claim.**

Item 4. Distributions.

On or before the Effective Date, a notice will be sent to you setting forth the number of Convertible Unsecured Subordinated Notes you have validly elected to purchase.

NOTE TO ELIGIBLE HOLDERS WHOSE CLAIMS ARE SUBJECT TO THE U.S. PLAN: TO THE EXTENT YOUR RIGHTS CLAIM IS NOT FULLY ALLOWED UNDER THE U.S. PLAN AS OF THE EFFECTIVE DATE ALL OR A PORTION OF YOUR SUBSCRIPTION PURCHASE PRICE AND ALL OR A PORTION OF THE SUBSCRIPTION NOTES YOU HAVE VALIDLY ELECTED TO PURCHASE MAY BE PLACED INTO ESCROW PENDING ALLOWANCE OF YOUR RIGHTS CLAIM. TO THE EXTENT YOUR RIGHTS CLAIM IS DISALLOWED UNDER THE U.S. PLAN YOUR SUBSCRIPTION PURCHASE PRICE WILL BE RETURNED AND ANY NOTES HELD IN ESCROW ON ACCOUNT OF YOUR CLAIM WILL BE CANCELLED. THERE CANNOT BE ANY ASSURANCE OF THE TIME PERIOD NECESSARY TO RESOLVE CLAIMS, ISSUE ESCROWED NOTES (IF ANY) OR RETURN PURCHASE PRICE, AS APPLICABLE.

TO THE EXTENT YOUR RIGHTS CLAIM IS NOT FULLY ALLOWED UNDER THE U.S. PLAN AS OF THE EFFECTIVE DATE ALL OF YOUR OVERSUBSCRIPTION PURCHASE PRICE WILL BE RETURNED.

Notwithstanding the foregoing, any Convertible Unsecured Subordinated Notes to be distributed in connection with the submission of this Subscription Form will be distributed to the holder of the Rights Claim associated with the Rights Reference Number located in Item 2e above on the Distribution Record Date, as reflected in the Claims register maintained by the Claims and Noticing Agent, the Debtors or the Monitor, as applicable.

Date: ___________, 2010

Name of Holder:_______________________________________
(Print or Type)
Social Security or Federal Tax I.D. No.:_________________________

Signature:____

Name of Person Signing:_________________________________
(If other than holder)
Title (if corporation, partnership or LLC):______________________

Facsimile Number[8]:_____________________________________

Email Address:____

Street Address:____

City, State/Province:____

Zip Code/Postal Code:_______________________________________

Telephone Number:____

PLEASE NOTE: NO EXERCISE OF SUBSCRIPTION RIGHTS OR OVERSUBSCRIPTION AMOUNTS WILL BE VALID UNLESS (1) EPIQ ACTUALLY RECEIVES A PROPERLY COMPLETED AND SIGNED SUBSCRIPTION FORM AND (2) THE ESCROW AGENT ACTUALLY RECEIVES FULL PAYMENT OF THE TOTAL SUBSCRIPTION PURCHASE PRICE FOR THE SUBSCRIPTION RIGHTS AND ANY OVERSUBSCRIPTION AMOUNTS ELECTED, IF ANY, YOU ARE CHOOSING TO EXERCISE, IN EACH CASE, ON OR BEFORE 4:00 P.M. EASTERN TIME, ON SEPTEMBER 10, 2010 TO THE ACCOUNT LISTED BELOW, REFERENCING THE RIGHTS REFERENCE NUMBER PRINTED AT ITEM 2E.

RBK: US Bank N.A.
ABA: 091000022
BNF: USBANK CT SOUTHEAST WIRE CLRG
BNF ACCOUNT NUMBER: 173103781824
BNF ACCOUNT ADDRESS: 777 E. Wisconsin Ave
Milwaukee, WI 53202-5300
OBI: Abitibibowater Inc. escrow

[8] To ensure receipt of the notice regarding the Subscription Rights you are eligible to purchase, please provide your fax number and email address.

REF: 141693000
Rights Reference Number: < idnum>

If your completed Subscription Form is not received by Epiq and your Total Subscription Purchase Price is not received by the Escrow Agent, in each case, on or before the Rights Offering Expiration Date, your Subscription Rights and any Oversubscription Amount allocated to you will terminate and be cancelled. Once an Eligible Holder has properly exercised its Subscription Rights and elected to participated in the Oversubscription Amount, such exercise will be binding on any transferee and may only be amended, revoked, rescinded or modified in the sole discretion of the Debtors or Reorganized Debtors