

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

IN RE: . Chapter 11  
ABITIBIBOWATER, INC., *et al.*, .  
 . Case No. 09-11296 (KJC)  
 . (Jointly Administered)  
 .  
 . June 11, 2009  
 . 2:30 p.m.  
Debtors. . (Wilmington)  
 .

TRANSCRIPT OF PROCEEDINGS  
BEFORE THE HONORABLE KEVIN J. CAREY  
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtors: Kelley A. Cornish, Esq.  
Alice Belisle Eaton, Esq.  
Paul, Weiss, Rifkind, Wharton  
& Garrison, LLP

For US Bank  
Indenture Trustee: David M. Fournier, Esq.  
Pepper Hamilton, LLP

For ACCC Lenders: Adam C. Harris, Esq.  
Abbey Walsh, Esq.  
Schulte, Roth & Zabel, LLP

For the Committee: Kristine M. Shryock, Esq.  
Paul Hastings

For Citibank: Michael J. Crames, Esq.  
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1 THE CLERK: All rise. Be seated, please.

2 THE COURT: Good afternoon, everyone.

3 MS. CORNISH: Good afternoon, Your Honor. Kelley  
4 Cornish from Paul, Weiss, Rifkind, Wharton & Garrison on  
5 behalf of the AbitibiBowater Chapter 11 Debtors. Thank you,  
6 Your Honor, for giving us a bit more time with respect to the  
7 matters before you today. I'd like to address first the  
8 Chapter 11 matter, which is the motion to approve the amended  
9 and restated securitization program and authorizing the use  
10 of cash collateral on an interim basis. Before I get into  
11 it, I would like to report that we have, in particular  
12 because of the extra time we had, been able to resolve all of  
13 the objections that have been filed with respect to this  
14 motion. And before I get into it, just give a tiny bit of  
15 context. And that is just to point out that this will be the  
16 fourth financing that these Debtors will have sought post-  
17 petition in these very complex cross-border cases. As Your  
18 Honor may recall on the first day, at the first day hearing  
19 in these cases we had a DIP facility approved, a \$206 million  
20 DIP facility that financed the US and Canadian Bowater  
21 entities, as well as the extension of an existing  
22 securitization facility that funded the Donohue group and the  
23 Abitibi group up in Canada. Subsequent to that, there was a  
24 \$100 million DIP facility that was approved up in Canada to  
25 provide funding for the Abitibi group in Canada, and this

1 facility, as I mentioned, would be the fourth. These are,  
2 these are complex cases largely as a result of the bifurcated  
3 pre-petition capital structure that these companies basically  
4 had as a result of the 2007 merger of the Bowater and Abitibi  
5 companies. And I think the DIP structures and complexity  
6 flow from that. But as I mentioned, these are complex and a  
7 lot of work has gone into getting to this point today. As  
8 you, Your Honor will recall, and as I just mentioned, at the  
9 first day hearing the Debtors obtained authority to extend  
10 their pre-petition existing securitization facility for 45  
11 days, which was subsequently extended through next Monday,  
12 June 15<sup>th</sup>. Today we are seeking authority to enter into an  
13 amended and restated securitization program that will  
14 essentially replace the existing securitization. And  
15 essentially, members of the Abitibi group in Canada and the  
16 Donohue group here in the US participate together in the  
17 securitization program that is funded through a non-Debtor  
18 special purpose entity to fund their working capital  
19 requirements. The amended and restated facility is  
20 substantially similar to the existing facility in that, in a  
21 number of ways. First, ACI, which is, or Abitibi  
22 Consolidated, Inc., which is a member of the Abitibi group in  
23 Canada, along with Abitibi Consolidated Sales Corporation, or  
24 ACSC, which is a member of the Donohue group in the US,  
25 originate receivables and sell them into the special purpose

1 entity, US Funding Corp. The SPE will continue, under the  
2 new facility, to sell undivided interests in the acquired  
3 facilities to a syndicate of lenders. And finally, the net  
4 proceeds from the collection and sale of the receivables,  
5 will be distributed to ACI and ACSC in a manner very  
6 consistent with the existing facility. There are some key  
7 differences to the new facility compared to the existing  
8 facility which include, with respect to the effective advance  
9 rate, although the formula for calculating the advance rate  
10 is not identical, the resulting advance rate is substantially  
11 the same. The commitment amount, the existing facility was  
12 US 210 million, which had been recently reduced down from 350  
13 million, and the new facility will be 270 million. The  
14 pricing has changed somewhat. The prior facility was priced  
15 at LIBOR plus 18 basis points with a 3.5% LIBOR floor, while  
16 the new facility is priced at LIBOR plus 750 basis points  
17 with a 3% LIBOR floor. The new facility, unlike the old one,  
18 has guarantees from wholly owned members of the Donohue  
19 group. The prior facility had only indemnity claims against  
20 the originators. And finally, the new facility also has  
21 covenants that focus on liquidity and EBITDA of the Abitibi  
22 and Donohue groups, whereas the prior covenants were focused  
23 on the characterizations, characteristics, excuse me, of the  
24 receivables pool itself. The other key features of the new  
25 facility are the termination date. It is essentially the

1 earliest of one year or twelve months after closing,  
2 substantial consummation of a plan here, or facility  
3 termination date after event of termination. And there are  
4 two three month extensions under the new facility upon  
5 satisfaction of certain conditions. And those are really the  
6 key, the key new features. Your Honor, as evidentiary  
7 support for this motion, and the approval of this facility,  
8 the Debtors are relying on the declaration of William Harvey  
9 that was submitted on the first day of these cases, as well  
10 as the declaration of the Debtors' financial advisor from  
11 Blackstone, Steve Zelin, who actually is here in the  
12 courtroom today. Specifically those declarations describe in  
13 detail the fair and reasonable process that the Debtors  
14 undertook to select the agent for the new facility, and then  
15 also demonstrate the Debtors', among other things, the  
16 Debtors' critical need for the new facility. And I would  
17 point Your Honor to, in particular, paragraph 4 of our reply  
18 on the motion, which is at Tab F of your binder, which  
19 summarizes the evidence that supports this motion. In short,  
20 Your Honor, the Debtors cannot continue their operations  
21 without this new facility, and the existing securitization  
22 facility does terminate next Monday, June 15<sup>th</sup>. For your  
23 information, Your Honor, there was a hearing in the CC Double  
24 A proceedings with respect to this facility that is currently  
25 scheduled for Monday, June 15<sup>th</sup>. We are advised that the

1 syndication for the new facility is essentially complete, and  
2 assuming, or conditioned upon approval by both this Court and  
3 the Canadian Court, we would be targeting to close the  
4 facility the following day, on Tuesday June 16<sup>th</sup>. And in  
5 order to get to that closing, Citi has agreed to a short  
6 extension of the facility, the existing facility to get us to  
7 that closing, which has already been approved by this Court.  
8 Your Honor, there were three objections that were filed with  
9 respect to this motion. The first was filed by the ACCC term  
10 lenders with respect to the adequate protection package that  
11 was offered by the Debtors in the motion that we filed in  
12 order to protect their interest in certain collateral that  
13 was pledged by the Abitibi and Donohue groups with respect to  
14 their pre-petition loans. We have resolved that objection,  
15 and have agreed to a modified adequate protection package  
16 that is reflected in detail in the interim order that we will  
17 be presenting for approval today. In general, Your Honor, to  
18 summarize the modified package, we have agreed to provide  
19 monthly payments by the Donohue group of interest on the ACCC  
20 term loan at LIBOR plus 8% with a LIBOR floor of 3% without  
21 prejudice to the Debtors' right to contend that those  
22 payments should be applied to a reduction of principle.  
23 Second, we have agreed to provide monthly payment of  
24 reasonable professional fees of one US restructuring counsel,  
25 one Delaware counsel, one Canadian counsel, one financial

1 advisor with respect to monthly fees only, and one counsel  
2 with respect to the appointment of a new agent for the term  
3 lenders, which will be Wells Fargo. Third, we have agreed to  
4 provide replacement liens on all post-petition assets of the  
5 Donohue group of the same nature, scope, and type that were  
6 pledged pre-petition. And finally, we're going to be  
7 providing reporting to the term term lenders, including  
8 rolling 13 week forecasts. The agreement also provides, Your  
9 Honor, that the Donohue group will deposit one month's  
10 interest into a Wells Fargo account. And if the Donohue  
11 group fails to make a timely interest payment thereafter,  
12 their use of cash collateral will terminate on the 20<sup>th</sup> day  
13 after the ACCC term agent delivers notice of the failure to  
14 pay, unless this Court orders otherwise or the parties  
15 otherwise agree. And if a failure to pay interest is not  
16 cured within 5 business days, the ACCC term agent may apply  
17 the amounts that are on deposit in that Wells Fargo account  
18 to satisfy unpaid interest. And again, the package is in  
19 detail spelled out in the order that we'll be presenting to  
20 the Court. With that, Your Honor, I believe that we have  
21 resolved the term lenders objections to our motion. There  
22 were two other objections that were filed. The first by the  
23 Creditors Committee, and second by US Bank, which is the  
24 Indenture Trustee for certain secured notes that were issued  
25 by ACCC, A, too many C's, ACCC in Canada and guaranteed by

1 the Donohue group on an unsecured basis. First, with respect  
2 to the Committee's objection, we have resolved their issues  
3 through certain revisions or modifications to the initial  
4 interim order. And again, we'll be going through those with  
5 you in detail when we present the order. And finally, we  
6 understand that the concerns with respect to US Bank have  
7 been resolved, and essentially will be reserved, certain  
8 matters reserved to the final hearing, and also potentially  
9 pursued up in Canada because they really involve Canadian  
10 issues in the, at the CC Double A hearing on Monday. And  
11 with that, Your Honor, that concludes my opening presentation  
12 with respect to the motion. My colleague, Alice Eaton, is  
13 going to be presenting the order, but perhaps you have  
14 questions, or others would like to speak.

15 THE COURT: Let me ask if others wish to be heard in  
16 connection with this motion.

17 MR. FOURNIER: Good afternoon, Your Honor. David  
18 Fournier on behalf of US Bank as Indenture Trustee for the  
19 13.75% senior secured notes issued by ACCC. Your Honor,  
20 counsel is correct. For purposes of today's hearing before  
21 this Court we aren't pressing the objection we filed. The  
22 issues that we have with respect to the facility and the  
23 concerns that we have really relate to the Canadian  
24 proceeding and the bleed, if you will, from the Canadian  
25 Debtors. There is a hearing scheduled for Monday before the

1 Canadian Court and those issues will be addressed before the  
2 Canadian Court. I do note, Your Honor, that in the version  
3 of the order that was filed this morning before the Court,  
4 there's two new paragraphs added to the end of the order.  
5 We're obviously reserving all of our rights to be heard with  
6 respect to this motion at the final hearing, but I just want  
7 to point out in particular those two additional paragraphs on  
8 how certain payments, adequate protection payments are going  
9 to be accounted for. In particular, we reserve all rights to  
10 be heard on those issues at the final hearing. And we'll  
11 raise, you know, related issues before the Canadian Court to  
12 the extent they bear on the bear on the Canadian entities.

13 THE COURT: I had a question about language in the  
14 last paragraph. If you have it in front of you.

15 MR. FOURNIER: Your Honor, I do. Is Your Honor  
16 looking at the last sentence?

17 THE COURT: I am.

18 MR. FOURNIER: Your Honor, we raised, I believe that  
19 Ms. Eaton is going to address that. We raised the question  
20 before Ms. Eaton was that last sentence intended to say that  
21 a report with respect to those issues will be delivered or  
22 actual funds, and she confirmed it is a report - -

23 THE COURT: That's what I figured - -

24 MR. FOURNIER: - - not the actual funds.

25 THE COURT: - - but it did raise the question. All

1 right. Thank you. That answers that.

2 MR. FOURNIER: Thank you, Your Honor.

3 THE COURT: Let me ask if anyone else wishes to be  
4 heard.

5 MR. HARRIS: Good afternoon, Your Honor. Adam  
6 Harris from Schulte, Roth & Zabel on behalf of the acting  
7 agents under the ACCC, I think I got that right, term loan.  
8 Your Honor, based upon the negotiations we've had with  
9 Debtors' counsel and the other parties, we are prepared to  
10 withdraw our objection that was filed in respect of the  
11 request for approval of the securitization program.  
12 Obviously the adequate protection package that has been  
13 negotiated with the Debtors is the key element which allows  
14 us to withdraw the objection. We understand concerns that  
15 are being raised in the Canadian courts with respect to the  
16 adequate protection package and the potential impact on  
17 Canadian Debtors that are not necessarily before this Court  
18 in the context of the Chapter 11 cases. And we would ask  
19 that Your Honor, in the context of this, request the Canadian  
20 Court to understand the importance of adequate protection  
21 under US law, and the granting of adequate protection,  
22 because obviously when parties go up there and start talking  
23 about adequate protection, that's not a concept that  
24 necessarily flows through under Canadian law. And the comity  
25 which this Court has shown to various orders of the Canadian

1 Court we would hope would be reciprocal and recognized by the  
2 Canadian courts as important to the jurisprudence here and  
3 the importance to the Donohue Debtors of getting access to  
4 these funds. But based upon that, Your Honor, we are  
5 prepared to withdraw the objection.

6 THE COURT: Thank you. Does anyone else care to be  
7 heard?

8 MS. SHRYOCK: Good afternoon, Your Honor. Kristine  
9 Shryock with Paul Hastings on behalf of the Committee. And  
10 we'd like to echo that we are withdrawing our objection. We  
11 had a little bit of concern related to the form of the  
12 adequate protection that was modified from the proposal in  
13 the motion. Which that has now been resolved by the form of  
14 the order. As well as we had some technical comments that  
15 the parties all worked with us to resolve. Thank you.

16 THE COURT: Thank you. Does anyone else care to be  
17 heard? All right.

18 MS. EATON: Good afternoon, Your Honor. Alice Eaton  
19 with Paul Weiss on behalf of the Debtors. I have a red line  
20 version of the order. It's red lined against the version  
21 filed with the motion. And if I may approach, I can hand you  
22 a copy.

23 THE COURT: Well, I did have a copy that was  
24 delivered to chambers today. Is that the same version as the  
25 one you have?

1 MS. EATON: We have a - - no.

2 THE COURT: No.

3 MS. EATON: It's not. There have been some  
4 incremental changes.

5 THE COURT: All right.

6 MS. EATON: If you, would you like a red line of the  
7 incremental changes, or would you like me to walk you through  
8 the full number of changes that have been made since the  
9 filing?

10 THE COURT: Let's take a walk.

11 MS. EATON: Okay. Sure.

12 THE COURT: Thank you.

13 MS. EATON: Okay. We begin on footnote 3 of the  
14 order on page 2. And the changes to footnote 3 address  
15 comments from the Canadian monitor and the term lenders to  
16 clarify that this order does not grant authority to the  
17 Chapter 15 Debtors. And we've made related changes  
18 throughout the order to address this concern.

19 THE COURT: There was a protocol motion pending at  
20 one point. Is it still pending? I haven't acted on it, have  
21 I?

22 MS. EATON: No, Your Honor. You have not. I'll  
23 defer.

24 THE COURT: Where are we with that?

25 MS. CORNISH: Your Honor, I believe we are going to

1 put it on for July 1<sup>st</sup>.

2 THE COURT: Okay.

3 MS. CORNISH: There's lots of parties that had  
4 comments and the like. So I believe July 1<sup>st</sup>.

5 THE COURT: All right. Thank you.

6 MS. EATON: We then move on to paragraph 5, which is  
7 quite lengthy. It begins on page 13. And paragraph 5 sets  
8 forth the Debtors' stipulations as to the liens and claims of  
9 the ACCC term loan creditors. And walking through the  
10 paragraphs, this goes, this is a stipulation. It says, In  
11 the nature of the claims, the Debtors view that the claims  
12 are not subject to challenge or avoidance or waiver of the  
13 right to assert challenges. And this, our stipulations are  
14 subject to a challenge period in favor of other parties in  
15 interest which goes to August 24 of this year. And there's a  
16 \$75 thousand carve out for investigation expenses. And  
17 that's set forth later in the order. Moving on to paragraph  
18 12. We've clarified the language regarding permission for  
19 non, the parties to make non-material amendments to the  
20 securitization document. Subject to notice of the, notice to  
21 the Creditors Committee, the Office of the US Trustee, and  
22 the ACCC term agent. Now we move on to the carve out  
23 paragraph, which is paragraph 16. And the paragraph begins  
24 on page 26 moving to page 27. We've made some comments here,  
25 up at the top, that are conforming to agreements reached with

1 the Creditors Committee in connection with the Bowater DIP,  
2 and so this is conforming language. And then if you move to  
3 the bottom of the page, we are deleting language that we had  
4 deleted from the final order approving the existing  
5 securitization with reference to ACI, since this order now  
6 strips out references to ACI and any effect on ACI. Moving  
7 to the bottom of 28, and on the top of 29. This is a  
8 limitation on the, limitation on the application of the carve  
9 out for challenges of the liens and claims of the ACCC term  
10 creditors. And it's, as I said, subject to the \$75 thousand  
11 investigation exception. Moving on to paragraph 28, this is  
12 language that has been agreed with the Creditors Committee,  
13 and it provides that the stipulations and admissions that the  
14 Debtors are making in connection with the amended and  
15 restated securitization facility will be binding on the  
16 Debtors immediately, and binding on other parties in interest  
17 upon entry of a final order. And I remind Your Honor that  
18 the Creditors Committee has investigation rights on the  
19 existing securitization facility documents that run for  
20 several more weeks. And paragraph 29 is a similar paragraph  
21 with respect to the ability to challenge the Debtors'  
22 stipulations with respect to the liens, the stipulations on  
23 liens and claims of the ACCC term loan creditors. Paragraph  
24 30 provides that upon entry of a final order the ACCC term  
25 creditors will have the benefit of protection from being

1 considered a controlling person, responsible person, or  
2 operator of the Debtors. Moving on to paragraph 34. This is  
3 where the adequate protection provisions begin. And this is  
4 substantially in the form that we filed with our response on  
5 Monday. There are, just walking through it. Quickly, we go  
6 through the adequate protection liens. Then there are the  
7 507(b) claims, the super-priority claims, which I note are  
8 senior to the guaranteed claims in favor of Citibank, but  
9 junior to Citibanks' super-priority receivables claims, which  
10 are the indemnification claims against the originators. Then  
11 we move on to paragraph (c), which is the, which is the event  
12 of default, the event of default paragraph. Oh, I'm sorry.  
13 This is the interest payment paragraph that provides that  
14 we'll be paying interest. Which, just for your reference,  
15 LIBOR plus 8 is the non-default rate under the term loan  
16 agreement. And we reached an agreement on a slightly reduced  
17 LIBOR floor of 3% instead of 3½%. And then the reservation  
18 of rights. Let's see, yeah. I'm sorry. There's, the  
19 reservation of rights on the next page is with respect to the  
20 ACCC term lender's right to assert a claim for the full  
21 amount of interest due under their contract. Paragraph (d)  
22 walks through the professional fees that are, that are agreed  
23 to be paid, and there, on page 43 at the top of the page,  
24 there's a notice provision so that notice will be given to  
25 the Creditors Committee and the Office of the United States

1 Trustee to object to any fees, if there's any objection to  
2 reasonableness. Paragraph (e) is a reservation of rights for  
3 the Debtors to contend that the payments made as adequate  
4 protection payments can be applied to reduction of principle.  
5 And paragraph (f) is the event of default language that  
6 provides for the termination of use of cash collateral if the  
7 Debtors do not - - well, I'll take a step back and walk  
8 through it more specifically, because we've had some changes,  
9 as you can see from your, from the order I just handed up.  
10 This, the Debtors will, the Debtors have agreed that there is  
11 an event of default in the event the that Donohue groups  
12 fails to timely fund the interest account, which they're  
13 agreeing will be funded on the closing of the amended and  
14 restated securitization period. At that point in time, if  
15 there's a failure, the note, the ACCC term agent will provide  
16 notice to Citibank, and the Debtors have until June 30<sup>th</sup> to  
17 cure the failure, otherwise there will be a termination of  
18 the use of cash collateral. And with respect to ongoing  
19 interest payments, it's as described by Ms. Cornish. To the  
20 extent the Debtors fail to make an interest payment, the ACCC  
21 term agent will have the right to withdraw funds from the  
22 interest account after 5 days if it's not cured, and if the  
23 account does not replenish within 20 days, then the right to  
24 use cash collateral will terminate. And at this point, I'll  
25 let the Court know that the Debtors have also agreed that, as

1 I said, the funding of interest, the interest account, and  
2 the payment of the interim adequate protection payments that  
3 we agreed in connection with the existing securitization  
4 payments, it's approximately, approximately \$15 million that  
5 will get paid to the ACCC term agent, these payments will be  
6 included in the flow of funds in connection with the closing  
7 of the amended and restated securitization facility. And the  
8 funding of the interest account, and the payment of the  
9 interim adequate protection are going to be conditioned to  
10 the closing of the amended and restated securitization  
11 facility. And this is to give both the term lenders and  
12 Citibank comfort that the Debtor will, in fact, abide by its  
13 obligations under the order. So moving on to paragraph (g),  
14 this is the reporting that's been, that's been agreed with  
15 the term agent. Paragraph (h) is another reservation of  
16 rights for the parties to seek different relief or  
17 supplemental relief. Paragraph (i) is a statement by the  
18 Donohue group that they continue to, they will continue to  
19 operate their cash management system as described in the cash  
20 management motion, which in essence involves the transfer of  
21 amounts from the securitization account into accounts located  
22 in the US. And we've agreed that we will not transfer  
23 accounts from the SPE directly to Canadian accounts absent  
24 three, no objection from the agent after three days notice.  
25 So this gives the Debtors the flexibility to do what makes

1 business sense, while also giving the agent an opportunity to  
2 object if they, they disagree with our, with the way we are  
3 moving our funds. And that concludes the adequate protection  
4 section. Now moving on to paragraph 39, it starts, 38, 39  
5 and 40, which it starts on page 48, I call these the inter-  
6 company provisions. And paragraph 38 has been modified to,  
7 at the request of the Canadian monitor, to clarify that to  
8 the extent the Abitibi group makes any inter-company  
9 transfers to the Donohue group on account of adequate  
10 protection payments to the ACCC term lenders, the Abitibi  
11 group would have an administrative claim against the Donohue  
12 group. Paragraph 39 clarifies that to the extent one of the  
13 Debtors makes a, a payment on account of the interest on the  
14 ACCC term loan, that payment obligation is an obligation of A  
15 Triple C, the borrower. And so under the terms of the  
16 documents, the guarantor making the payment on behalf of the  
17 borrower will have a right of contribution from the other  
18 guarantors. And paragraph 39, I'm sorry, paragraph 40, to  
19 clarify, the second sentence is we're not actually  
20 transferring accounts or net balances to the Creditors  
21 Committee, the Debtor is simply reporting to the Creditors  
22 Committee the status of the inter-company balances. And with  
23 that, I'm happy to answer any questions that you have.

24 THE COURT: I don't have any. Thank you.

25 MS. EATON: Thank you. Pardon me. I will cede the

1 podium to Mr. Crames.

2 MR. CRAMES: Good afternoon, Your Honor. Michael  
3 Crames of Davis Polk for Citibank. There are three points in  
4 paragraph 34(f) on page 44 that perhaps are marked on the  
5 copy that Your Honor has, but I don't know. I just want to  
6 make sure that they are. The first concerns the failure of  
7 the Donohue group, which is a sentence starting on the second  
8 line. To timely fund the interest account. Notice of any  
9 such failure to be given to Citibank, or words to that effect  
10 - -

11 THE COURT: Specifically, the markup I have says,  
12 Notice of which shall be provided by the ACCC term agent to  
13 Citibank.

14 MR. CRAMES: That's fine. As long as Citibank gets  
15 notice, and it's in there. Next drops down to the 6<sup>th</sup> line,  
16 the word automatically is deleted.

17 THE COURT: It is.

18 MR. CRAMES: And in talking about the last sentence  
19 of that paragraph, Alice Eaton referred to the termination of  
20 the right to use cash collateral. I just wanted to call the  
21 Court's attention, probably needlessly, to the last two  
22 lines. Unless otherwise ordered by this Court or agreed in  
23 writing between the Donohue group and the agent.

24 THE COURT: Thank you.

25 MR. CRAMES: Those are the points. Thank you very

1 much.

2 THE COURT: Anyone else care to be heard? I hear no  
3 further response.

4 MS. EATON: Thank you, Your Honor. At this point  
5 we'd ask you to enter the order. And I have a clean version  
6 that is marked with the few comments that Mr. Crammes just  
7 recited to the Court.

8 THE COURT: All right. Thank you. All right.  
9 Based upon the record that's been made, and the resolution of  
10 the objections, I'm prepared to grant the relief that's been  
11 requested. That order has been signed.

12 MS. EATON: Thank you, Your Honor.

13 MS. CORNISH: Your Honor, there was one more matter  
14 that was on the agenda for today. And that was in the  
15 Chapter 15 cases. And it was the motion of the term loan  
16 agent with respect to adequate protection in the Chapter 15  
17 cases. And I believe as a result of our resolution of the  
18 securitization motion, the term loan lenders will be  
19 withdrawing that objection, but I just wanted to note that  
20 for the Court.

21 MS. WALSH: Your Honor, Abby Walsh from Schulte,  
22 Roth & Zabel on behalf of the acting agent. Ms. Cornish is  
23 correct. We believe that our Chapter 15 motion has been  
24 resolved by the adequate protection being provided to us by  
25 the Donohue group. Therefore, we will not need to seek it

1 from the Chapter 15 Debtors. But we will suspend withdraw of  
2 the motion until the Canadian Court presiding over the  
3 Chapter 15 Debtors' CC Double A proceedings enters the order  
4 also approving the securitization program in those  
5 proceedings. And then we will withdraw the Chapter 15  
6 motion.

7 THE COURT: All right. But in either event, for the  
8 record, you're not pressing your motion today?

9 MS. WALSH: We are not, Your Honor.

10 THE COURT: All right. Thank you. Is there  
11 anything further for today? Let me just say, I guess  
12 gratuitously, that as the father of three daughters, I'm  
13 happy to see so many women sitting at counsel table.

14 (The remainder of the page is intentionally left blank.)

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1 ALL: Thank you, Your Honor.

2 THE COURT: It gives me great hope for their future.  
3 That concludes this hearing. Court is adjourned.

4 (Whereupon at 3:29 p.m. the hearing in this matter was  
5 concluded for this date.)

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18 I, Jennifer Ryan Enslin, approved transcriber for  
19 the United States Courts, certify that the foregoing is a  
20 correct transcript from the electronic sound recording of the  
21 proceedings in the above entitled matter.

22

23 /s/Jennifer Ryan Enslin  
24 Jennifer Ryan Enslin  
25 43 Bay Boulevard  
Newark, DE 19702  
(302) 836-1905

June 18, 2009

**UNITED STATES BANKRUPTCY COURT**  
**District of Delaware**

**In Re:**

AbitibiBowater Inc.  
1155 Metcalfe Street, Suite 800  
Montreal  
Quebec, H3B 5H2  
CANADA  
EIN: 98-0526415

**Chapter:** 11

Ernst & Young, as Monitor

*Case No.:* 09-11296-KJC

***NOTICE OF FILING OF TRANSCRIPT AND OF DEADLINES RELATED TO RESTRICTION AND REDACTION***

A transcript of the proceeding held on 6/11/2009 was filed on 6/23/2009 . The following deadlines apply:

The parties have 7 days to file with the court a *Notice of Intent to Request Redaction* of this transcript. The deadline for filing a *request for redaction* is 7/14/2009 .

If a request for redaction is filed, the redacted transcript is due 7/24/2009 .

If no such notice is filed, the transcript may be made available for remote electronic access upon expiration of the restriction period, which is 9/21/2009 unless extended by court order.

To review the transcript for redaction purposes, you may purchase a copy from the transcriber (name, address/contact information) or you may view the document at the clerk's office public terminal.



Clerk of Court

Date: 6/23/09

(ntc)

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