THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,	)	
Plaintiff,	)	CASE NO:
v.	)	JUDGE:
ABITIBI-CONSOLIDATED INC. and BOWATER INCORPORATED,	)	DECK TYPE: Antitrust
	)	DATE STAMPED:
Defendants.	)	

PLAINTIFF UNITED STATES' EXPLANATION OF CONSENT DECREE PROCEDURES

Plaintiff United States of America submits this memorandum summarizing the procedures for entry of the proposed Final Judgment as set forth by the Antitrust Procedures and Penalties Act, 15 U.S.C. §§ 16(b)-(h) (the "APPA"), which applies in civil antitrust cases brought and settled by the United States. As described below, the APPA provides that certain events must occur prior to the Court signing and entering the proposed Final Judgment to resolve this case.

1. Today, Plaintiff has filed a Complaint, proposed Final Judgment, Competitive Impact Statement, and Asset Preservation Stipulation and Order (the "Stipulation").

2. Defendants have agreed in the Stipulation that they will abide by the terms of the proposed Final Judgment in the interim and also follow certain procedures described in the Stipulation between consummation of their merger and the divestitures required by the proposed Final Judgment. At this time, we ask that the Court only sign the Stipulation.

3. The Stipulation also contains the parties' agreement that, after compliance with the APPA, the Court may enter the proposed Final Judgment. The APPA requires that Plaintiff

publish the proposed Final Judgment and the Competitive Impact Statement in the *Federal Register* and in certain newspapers at least sixty (60) days prior to entry of the proposed Final Judgment. The notice will inform members of the public that they may submit comments about the proposed Final Judgment to the United States Department of Justice, Antitrust Division (*see* 15 U.S.C. §§ 16(b)-(c)).

4. During the sixty-day period, Plaintiff will consider, and at the close of that period respond to, any comments that it has received, and it will publish the comments and Plaintiff's responses in the *Federal Register*.

5. After the expiration of the sixty-day period, Plaintiff will file with the Court the comments and Plaintiff's responses, and Plaintiff either will ask the Court to enter the Final Judgment (subject to any proposed revisions) or will withdraw its consent to entry of the Final Judgment, as provided in Section IV(A) of the Stipulation (*see* 15 U.S.C. § 16(d)).

6. If Plaintiff requests that the Court enter the proposed Final Judgment after compliance with the APPA, 15 U.S.C. §§ 16(e)-(f), then the Court may enter the Final Judgment without a hearing, provided that the Court concludes that the Final Judgment is in the public interest.

Dated: October 23, 2007

FOR PLAINTIFF
UNITED STATES OF AMERICA

Karl D. Knutsen, Esq.
Litigation I Section
United States Department of Justice
Antitrust Division
1401 H Street NW, Suite 4000
Washington, DC 20530
(202) 514-0976