

## **ABITIBIBOWATER INC.**

### **NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

Effective as of April 28, 2009

#### **1. Purpose**

The Nominating and Governance Committee (the "Committee") shall assist the Board of Directors (the "Board") in fulfilling its responsibilities to assure that AbitibiBowater Inc. (the "Company") is governed in a manner consistent with the Company's By-Laws (the "By-Laws") and in the best interests of the Company's stockholders, taken as a whole. Without limiting the foregoing, and subject to compliance with the By-Laws, the Committee shall (a) advise the Board with respect to the organization, membership and function of the Board and the structure, membership and operation of Board committees and subcommittees, (b) identify individuals qualified to become Board members (consistent with criteria approved by the Board), (c) select or recommend for Board selection nominees for the annual meetings of stockholders (consistent with the Company's obligations under its contractual arrangements), (d) develop and recommend to the Board corporate governance principles and policies applicable to the Company and, as appropriate, modifications to those principles and policies, (e) oversee the evaluation of the Board and management, and (f) any other matter relating to corporate governance and the rights and interests of the Company's stockholders, taken as a whole.

#### **2. Membership and Member Qualifications**

The Committee shall consist of four or more "independent" Directors in accordance with the definition set forth in the Company's Corporate Governance Principles, the New York Stock Exchange and any other applicable regulatory requirements ("Independent Directors"). The Committee members, including the Chair of the Committee, shall be appointed and removed as set forth in the By-Laws and Corporate Governance Principles. Members of the Committee and the Chair shall receive such remuneration for their services on the Committee as the Board may determine from time to time.

#### **3. Meetings and Operations**

The Committee shall meet as often as necessary to carry out its responsibilities, but not less frequently than twice each year. Meetings may be called by the Committee Chair, by the Chair of the Board, or by a majority of the Committee members. Subject to compliance with the By-Laws, the Committee may create one or more subcommittees and may delegate, in its discretion, a portion of its responsibilities to such subcommittees, provided that the subcommittees are composed entirely of Independent Directors. Any such subcommittee shall have its own Charter, which shall be posted on the Company's website.

Meetings may be held telephonically to the extent permitted by the Company's organizational documents and applicable Delaware law. All meetings of and actions by the Committee shall be held or otherwise taken pursuant to the By-Laws, including provisions governing notices of meetings, waivers thereof, the number of Committee members required to take action at meetings or by written consent, and other related matters. The Committee shall report to the Board on its

activities after each of its Committee meetings. Each of the Committee's reports to the Board may take the form of an oral report by the Committee Chair or his or her delegate.

#### **4. Goals, Responsibilities and Authority**

In carrying out its purpose, the Committee shall have the following goals, responsibilities and authority. The Committee shall:

##### **A. Corporate Governance**

(1) Oversee compliance with the Company's Code of Business Conduct and the Board of Directors Code of Business Conduct and Ethics (together, the "Codes of Conduct") and at least annually examine, recommend and approve changes to such codes, as appropriate. Review and discuss at least annually the procedures in place to enforce such codes.

(2) Consider any requests for waivers of the Codes of Conduct by Directors or executive officers and review any proposed transactions between the Company and its Directors or executive officers. Review and approve any public disclosure made regarding such waivers and transactions.

(3) Subject to compliance with the By-Laws, develop and recommend to the Board the Company's Corporate Governance Principles, which shall set forth the governance policies and procedures applicable to the Company. Review at least annually the corporate governance practices of the Company and recommend to the Board appropriate changes in corporate governance principles, policies and practices.

(4) Review and discuss as appropriate with management the Company's public disclosures and its disclosures to stock exchanges relating to independence, governance and director nomination matters, including in the Company's proxy statement.

(5) Make recommendations to the Board regarding all stockholder proposals.

(6) Make recommendations to the Board regarding any other matters relating to corporate governance.

##### **B. Board of Directors**

(1) Subject to compliance with the By-Laws, annually evaluate and recommend to the Board the size and composition of the Board. Develop and recommend the criteria for Board membership that is established by the Board and set forth in the Company's Corporate Governance Principles.

(2) Subject to compliance with the By-Laws, identify and recommend qualified Director candidates to the Board and submit to the Board a recommended slate of nominees for election by stockholders at their annual meeting in accordance with criteria determined by the Board and set forth in the Company's Corporate Governance Principles. In making its recommendations to the Board, the Committee shall consider, subject to the requirements of the By-Laws, the appropriate mix of skills and characteristics required to best fill the needs of the Board at a given point in time and that are part of the criteria for Board membership. The Committee will consider candidates

proposed by stockholders in accordance with the By-Laws (consistent with the Company's obligations under its contractual arrangements).

(3) Identify and recommend qualified Directors, in accordance with the By-Laws and the criteria for Board members set forth in the Company's Corporate Governance Principles to fill vacancies on the Board. In connection with the Committee's consideration of director nominees, the Committee shall establish processes for reviewing potential nominees from Directors and from stockholders of the Company, and for advising those who suggest nominees of the outcome of such review.

(4) Subject to compliance with the By-Laws, review and recommend annually to the Board the election of the Chair of the Board.

(5) Subject to compliance with the By-Laws, review and recommend the continuation of each Director's service on the Board, at least annually.

(6) Ensure a process by which the Board will assess its performance, including the performance of its Chair, on an annual basis.

(7) Establish an orientation program for new Directors and a continuing education program for members of the Board regarding their responsibilities as a Director.

(8) Assist the Board in determining whether individual Directors have material relationships with the Company that may interfere with their independence, as provided under applicable requirements and listing standards. If appropriate, develop and recommend to the Board categorical standards for determining whether individual Directors are independent and periodically reassess these standards and make recommendations to the Board with respect to any change the Committee deems appropriate.

#### C. Board Committees

(1) Ensure a process by which each Board committee, including the Committee, will assess its performance on an annual basis. Annually review the adequacy of each of the Board committee charters, including the Committee Charter and, after consultation with the other Board committees, recommend appropriate revisions to the Board. Confirm the authority, operations, charter and composition of each Board committee (including any authority of a committee to delegate to a subcommittee) and recommend changes for Board approval.

(2) Subject to compliance with the By-Laws, annually submit to the Board candidates for membership on all Board committees including the Committee, and recommend candidates for committee Chairs. Subject to compliance with the By-Laws, identify and recommend qualified Directors to serve as alternate members on any committee of the Board who may replace any absent or disqualified member at any meeting of such committee.

D. President and Chief Executive Officer. Assist the Human Resources and Compensation Committee with the annual assessment of the performance, goals and objectives of the President and Chief Executive Officer of the Company ("CEO"), as well as succession planning for the CEO. Assist the Human Resources and Compensation Committee with the annual evaluation of the compensation of the CEO.

E. Senior Executive Performance. Assist the Human Resources and Compensation Committee with the annual assessment of the performance of the officers who report directly to the CEO.

F. Director Compensation. Assist the Human Resources and Compensation Committee with the review of the compensation of Directors who are not officers of the Company.

G. Other Matters

(1) Address any other subject within the purpose of the Committee as determined by the Committee Chair or the Chair of the Board.

(2) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purpose, responsibilities and authority specified in this Committee Charter and as may be delegated from time to time to the Committee by the Board.

The foregoing responsibilities and duties set forth in this Charter should serve as a guide only, with the express understanding that the Committee may carry out additional responsibilities and duties and adopt additional policies and procedures as may be necessary in light of any changing business, legislative, regulatory, legal or other conditions.

## **5. Additional Resources**

The Committee shall have the right to retain appropriate advisors to the extent it deems necessary or appropriate.