

WATSA V PREM ET AL
Form 4
June 16, 2011

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
FAIRFAX FINANCIAL HOLDINGS LTD/ CAN

(Last) (First) (Middle)

95 WELLINGTON STREET WEST, SUITE 800

(Street)

TORONTO, ONTARIO, A6 M5J 2N7

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AbitibiBowater Inc. [ABH]

3. Date of Earliest Transaction (Month/Day/Year)
06/14/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock, \$0.001 par value (?Common Shares?) | 06/14/2011 | | P | 442,100 A \$ 22.7415 | 17,503,604 (2) | I | See footnote (1) |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Edgar Filing: WATSA V PREM ET AL - Form 4

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| FAIRFAX FINANCIAL HOLDINGS LTD/ CAN 95 WELLINGTON STREET WEST SUITE 800 TORONTO, ONTARIO, A6 M5J 2N7 | | X | | |
| WATSA V PREM ET AL 95 WELLINGTON STREET WEST SUITE 800 TORONTO, ONTARIO, A6 M5J 2N7 | | X | | |
| 1109519 ONTARIO LTD 95 WELLINGTON STREET WEST SUITE 800 TORONTO, ONTARIO, A6 M5J 2N7 | | X | | |
| SIXTY TWO INVESTMENT CO LTD 1600 CATHEDRAL PLACE 925 WEST GEORGIA ST. VANCOUVER, BC, A1 V6C 3L3 | | X | | |
| 810679 ONTARIO LTD 95 WELLINGTON STREET WEST SUITE 800 TORONTO, ONTARIO, A6 M5J 2N7 | | X | | |
| Federated Insurance CO of Canada 717 PORTAGE AVENUE WINNIPEG, ONTARIO, A6 R3C 3C9 | | X | | |
| LOMBARD GENERAL INSURANCE CO OF CANADA | | X | | |

105 ADELAIDE STREET WEST
3RD FLOOR
TORONTO, ONTARIO, A6 M5H 1P9

Lombard Insurance CO
105 ADELAIDE STREET WEST
3RD FLOOR
TORONTO, ONTARIO, A6 M5H 1P9

X

COMMONWEALTH INSURANCE CO
595 BURRARD STREET
SUITE 1500, BOX 49115 BENTALL TOWER III
VANCOUVER, BC, A6 V7X 1G4

X

Signatures

/s/ Eric P. Salsberg, Vice President, Corporate Affairs 06/16/2011

__Signature of Reporting Person Date

/s/ V. Prem Watsa 06/16/2011

__Signature of Reporting Person Date

/s/ V. Prem Watsa, President 06/16/2011

__Signature of Reporting Person Date

/s/ V. Prem Watsa, President 06/16/2011

__Signature of Reporting Person Date

/s/ V. Prem Watsa, President 06/16/2011

__Signature of Reporting Person Date

/s/ Silvy Wright, Director 06/16/2011

__Signature of Reporting Person Date

/s/ Silvy Wright, Director 06/16/2011

__Signature of Reporting Person Date

/s/ Silvy Wright, Director 06/16/2011

__Signature of Reporting Person Date

/s/ Silvy Wright, Director 06/16/2011

__Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The Common Shares are held by Fairfax Financial Holdings Limited ("Fairfax") and certain of its subsidiaries, including, following the transactions reported herein, 153,221 Common Shares held by Federated Insurance Company of Canada, 814,984 Common Shares held by Lombard General Insurance Company of Canada, 327,172 Common Shares held by Lombard Insurance Company, and 371,003 Common Shares held by Commonwealth Insurance Company.

(2) Fairfax and certain of its subsidiaries own \$1.26 million aggregate principal amount of bonds issued by AbitibiBowater Inc. ("AbitibiBowater") and its subsidiaries. As bondholders, Fairfax and its subsidiaries received 53,343 Common Shares on April 19, 2011 (included herein) in connection with AbitibiBowater's bankruptcy proceedings. In the future, Fairfax and its subsidiaries may receive additional Common Shares that are currently held in escrow in consideration for such bonds, pending resolution by the courts of a number

Edgar Filing: WATSA V PREM ET AL - Form 4

of on-going claims arising from AbitibiBowater's bankruptcy proceedings. The number of Common Shares that may be distributed in the future to bondholders through the bankruptcy proceedings has not been determined at this time.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.