



IN THE MATTER OF the *Pension Benefits Act*, R.S.O. 1990, c. P.8, as amended (the “*PBA*”);

AND IN THE MATTER OF a Proposal of the Superintendent of Financial Services to Consent under section 78(4) of the *PBA* to a payment out of the **Domtar Inc., Ottawa-Hull Division, Retirement Income Plan for Hourly-Rated Employees** (the Plan), Registration Number **0526889**.

TO: **Domtar Inc.**
 395, boul. de Maisonneuve ouest
 Montréal QC H3A 1L6

Attention: **Claudine Morin-Massicotte**
 Senior Manager, Pension Plans

COPY TO: **Diane Coulombe, FCIA**
 Principal
 Mercer

NOTICE OF PROPOSAL

I PROPOSE TO CONSENT under section 78(4) of the *PBA*, to the payment out of the Plan to **Domtar Inc.**, as at January 23, 2008 in the amount of **\$771,169.49** plus interest to the date of payment.

REASONS:

1. Domtar Inc. is the employer as defined in the Plan.
2. As a result of the employer funding the deficit on the partial wind up of the plan as at March 31, 2006, there are assets remaining after the partial wind up benefits have been settled.
3. Evidence of the overpayment to the fund has been submitted to the Financial Services Commission of Ontario.
4. Such further and other reasons as may come to my attention.

YOU ARE ENTITLED TO A HEARING by the Financial Services Tribunal (the “Tribunal”) pursuant to section 89(6) of the *PBA*. **To request a hearing, you must deliver to the Tribunal a written notice that you require a hearing, within thirty (30) days after this Notice of Proposal is served on you.**¹

YOUR WRITTEN NOTICE must be delivered to:

Financial Services Tribunal
5160 Yonge Street
14th Floor
Toronto, Ontario
M2N 6L9

Attention: The Registrar

FOR FURTHER INFORMATION on a Form for the written notice, please see the Tribunal website at www.fstontario.ca or contact the Registrar of the Tribunal by phone at 416-590-7294, toll free at 1-800-668-0128, ext. 7294, or by fax at 416-226-7750.

IF YOU FAIL TO REQUEST A HEARING WITHIN THIRTY (30) DAYS, I MAY CARRY OUT THE PROPOSAL AS DESCRIBED IN THIS NOTICE.

DATED at Toronto, Ontario, this **12th** day of **February, 2010**

K. David Gordon
Deputy Superintendent, Pensions

¹ NOTE - Pursuant to section 112 of the *PBA* any Notice, Order or other document is sufficiently given, served or delivered if delivered personally or sent by regular mail and any document sent by regular mail shall be deemed to be given, served or delivered on the seventh day after the date of mailing.