

MONAHAN PIERRE  
Form 4  
October 31, 2007

**FORM 4**

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

OMB APPROVAL

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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 \*  
MONAHAN PIERRE

(Last) (First) (Middle)  
55 EAST CAMPERDOWN WAY  
(Street)

GREENVILLE, SC 29601

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
BOWATER INC [BOW]

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/29/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)

EVP - Building Products

6. Individual or Joint/Group Filing(Check Applicable Line)

\_X\_ Form filed by One Reporting Person  
\_\_\_ 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 Reported (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)	
				(A) or (D)	Transaction(s) Price			
				Code	V	Amount	(D)	Price

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

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SEC 1474  
(9-02)

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

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				(A)	(D)				
Restricted Stock Units	\$ 27.87	10/29/2007	D	11,327		<u>(1)</u>	01/30/2017	Common Stock	11,327
Restricted Stock Units	\$ 26.35	10/29/2007	D	9,761		01/01/2008	05/10/2016	Common Stock	9,761
Restricted Stock Units	<u>(3)</u>	10/29/2007	D	1,720		01/24/2009	05/10/2016	Common Stock	1,720
Restricted Stock Units	<u>(3)</u>	10/29/2007	D	1,720		<u>(4)</u>	05/10/2016	Common Stock	1,720
Stock Options (right to buy)	\$ 27.87	10/29/2007	D	6,057		<u>(5)</u>	01/30/2017	Common Stock	6,057
Stock Options (right to buy)	\$ 26.35	10/29/2007	D	6,640		01/24/2009	05/10/2016	Common Stock	10,000
Stock Options (right to buy)	\$ 37.295	10/29/2007	D	25,000		01/25/2006	01/25/2015	Common Stock	25,000
Stock Options (right to buy)	\$ 45.02	10/29/2007	D	25,000		01/27/2005	01/27/2014	Common Stock	25,000
Stock Options (right to buy)	\$ 40.74	10/29/2007	D	25,000		01/28/2004	01/28/2013	Common Stock	25,000
Stock Options (right to buy)	\$ 47.025	10/29/2007	D	25,000		01/29/2003	01/29/2012	Common Stock	25,000
Stock Options (right to buy)	\$ 42.07	10/29/2007	D	50,000		09/25/2002	09/25/2011	Common Stock	50,000
Exchangeable Shares	<u>(7)</u>	10/29/2007	D	2,306		<u>(7)</u>	<u>(7)</u>	Common Stock	2,306

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MONAHAN PIERRE 55 EAST CAMPERDOWN WAY GREENVILLE, SC 29601			EVP - Building Products	

## Signatures

/s/ Pierre  
Monahan

10/31/2007

\_\_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) These Restricted Stock Units vest in three equal annual installments beginning January 30, 2007.

Assumed by AbitibiBowater in the combination of Bowater Incorporated and Abitibi-Consolidated Inc. (the "Combination"), effected on October 29, 2007, and replaced with restricted stock units representing a contingent right to receive an amount of AbitibiBowater common stock equal to the number of shares of Bowater common stock subject to the Restricted Stock Units multiplied by 0.52. AbitibiBowater common stock had a market value of \$36.77 per share on the effective date of the Combination.

(3) Each Restricted Stock Unit represents a contingent right to receive one share of Bowater common stock.

These Restricted Stock Units vest January 24, 2009 or in the event of involuntary termination without cause. If Bowater has cumulative positive earnings per share during the three-year period beginning January 1, 2006 and ending December 31, 2008, the total awards will vest. If Bowater has positive earnings per share for any one calendar year during the three-year period, one-third of the respective award will vest for each such year.

(5) These Stock Options vest in three equal annual installments beginning January 30, 2007.

Assumed by AbitibiBowater in the Combination and replaced with stock options to purchase an amount of AbitibiBowater common stock equal to the number of shares of Bowater common stock subject to the Stock Options multiplied by 0.52. The exercise price of the replacement stock options is determined by dividing the existing exercise price by 0.52.

Assumed by AbitibiBowater in the Combination, each Exchangeable Share is replaced with 0.52 of a non-voting exchangeable share representing a contingent right to receive a share of AbitibiBowater common stock. Each Exchangeable Share is currently exchangeable (on a 1-for-1 basis) at the option of the holder into Bowater common stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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