

WATSA V PREM ET AL  
Form 4  
January 14, 2011

**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 \*  
**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)  
**01/12/2011**

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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock, \$0.001 par value (?Common Shares?)	01/12/2011		P	3,774,059 A \$ 22.87	16,957,649	I	See footnote (1)

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

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SEC 1474 (9-02)

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**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. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				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		
TIG INSURANCE CO 250 COMMERCIAL STREET SUITE 5000 MANCHESTER, NH 03101		X		

CLEARWATER INSURANCE CO  
300 FIRST STAMFORD PLACE X  
STAMFORD, CT 06902

ODYSSEY AMERICA REINSURANCE CORP  
300 FIRST STAMFORD PLACE X  
STAMFORD, CT 06902

Zenith Insurance Co  
305 MADISON AVENUE X  
WOODLAND HILLS, CA 91367-5021

## Signatures

/s/ V. Prem Watsa, Chairman and Chief Executive Officer	01/14/2011
__Signature of Reporting Person	Date
/s/ V. Prem Watsa	01/14/2011
__Signature of Reporting Person	Date
/s/ V. Prem Watsa, President	01/14/2011
__Signature of Reporting Person	Date
/s/ V. Prem Watsa, President	01/14/2011
__Signature of Reporting Person	Date
/s/ V. Prem Watsa, President	01/14/2011
__Signature of Reporting Person	Date
/s/ John J. Bator, Chief Financial Officer and Senior Vice President	01/14/2011
__Signature of Reporting Person	Date
/s/ Kirk M. Reische, Vice President	01/14/2011
__Signature of Reporting Person	Date
/s/ Kirk M. Reische, Vice President	01/14/2011
__Signature of Reporting Person	Date
/s/ Michael Jansen, Executive Vice President and General Counsel	01/14/2011
__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).

The Common Shares are held by Fairfax Financial Holdings Limited and certain of its subsidiaries, including, following the transaction reported herein, 5,353,083 Common Shares held by Fairfax Financial Holdings Limited, 5,111,796 Common Shares held by Odyssey America Reinsurance Corporation, 1,615,588 Common Shares held by The North River Insurance Company and certain of its subsidiaries, 325,000 Common Shares held by Clearwater Insurance Company, 1,659,407 Common Shares held by TIG Insurance Company and certain of its subsidiaries, 665,682 Common Shares held by Markel Insurance Company of Canada, 284,373 Common Shares held by Lombard Insurance Company, and 750,410 Common Shares held by Zenith Insurance Company. Settlement of the transaction reported herein is expected to occur on or about January 18, 2011.

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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