

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2006-01-05** | Period of Report: **2006-01-03**
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REPORTING OWNER

MENARD L JACQUES

CIK: **1198831**

Type: **4** | Act: **34** | File No.: **001-08712** | Film No.: **06512372**

Business Address
55 EAST CAMPERDOWN WAY
C/O BOWATER INC
GREENVILLE SC 29601
864 282 9307

ISSUER

BOWATER INC

CIK: **743368** | IRS No.: **620721803** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
SIC: **2621** Paper mills

Mailing Address
55 EAST CAMPERDOWN WAY
P O BOX 1028
GREENVILLE SC 29602

Business Address
55 EAST CAMPERDOWN WAY
P O BOX 1028
GREENVILLE SC 29601
8642717733

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

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

1. Name and Address of Reporting Person MENARD L JACQUES			2. Issuer Name and Ticker or Trading Symbol BOWATER INC [BOW]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/03/2006					
55 EAST CAMPERDOWN WAY			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		
(Street)								
GREENVILLE, SC 29601								
(City)	(State)	(Zip)						

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			

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Phantom Stock Units (1)	(2)	01/03/2006		A		350.67		(1)	(1)	Common Stock	350.67	\$29.23	1,726.92	D	

Explanation of Responses:

1. These phantom stock units were allocated under the Deferred Compensation Plan for Outside Directors (the "Directors Plan"). The Directors Plan provides for settlement of phantom stock units in cash, Company common stock (on a 1-for-1 basis), or a combination of the two following the director's ceasing to be an outside director of the Company. Phantom stock units included in this total not otherwise accounted for by a transaction on this form were allocated under the dividend reinvestment feature of the Directors Plan.

2. 1 for 1

Signatures

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

* 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).

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

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 Number.

LIMITED POWER OF ATTORNEY

I, L. Jacques Menard, hereby constitute and appoint each of David G. Maffucci, Ronald T. Lindsay and William A. McCormick, signing singly, as my true and lawful attorney-in-fact to (1) sign on my behalf, in my capacity as a director of Bowater Incorporated (the "Company"), and any affiliate of the Company required to file any Form (as defined below), any document necessary to complete the execution of any form required under Section 16 of the Securities Exchange Act of 1934, as amended, and the rules thereunder ("Section 16") and Rule 144 under the Securities Act of 1933 ("Rule 144"), including without limitation Forms 3, 4, 5 and 144 (each, a "Form"), (2) do and perform any and all acts for and on my behalf that may be necessary or desirable to complete and execute any Form and arrange for the filing of the Form with the United States Securities and Exchange Commission and any required stock exchanges in a timely manner and (3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by me in connection with Section 16 and Rule 144, it being understood that the documents executed by such attorney-in-fact on my behalf pursuant to this Limited Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact shall approve in his reasonable discretion. I hereby revoke any and all prior limited powers of attorney granted with respect to Section 16 and Rule 144.

The authority granted in this power of attorney of each of Mr.

Maffucci, Mr. Lindsay, or Mr. McCormick as my duly authorized representative to sign on my behalf is limited to the signing and filing of the Forms. I acknowledge that neither Mr. Maffucci, Mr. Lindsay nor Mr. McCormick is assuming, nor is the Company or any affiliate of the Company assuming, any of my responsibilities to comply with Section 16 and Rule 144.

I hereby grant to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers granted in this power of attorney, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.

This Power of Attorney shall remain in full force and effect until I am no longer required to file any Form with respect to my holdings of and transactions in securities issued by the Company or any affiliate of the Company, unless earlier revoked by me in a signed writing delivered to Mr. Maffucci, Mr. Lindsay, Mr. McCormick or the Company.

IN WITNESS WHEREOF, I have executed this Power of Attorney as of July 28, 2004.

/s/ L. Jacques Menard

L. Jacques Menard