

Domtar CORP
Form 4
June 26, 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 *
Couture Marie France

(Last) (First) (Middle)

C/O DOMTAR CORPORATION, 395 DE MAISONNEUVE BOULEVARD WEST

(Street)

MONTREAL, A8 H3A 1L6

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Domtar CORP [UFS]

3. Date of Earliest Transaction (Month/Day/Year)
06/22/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Vice President and Treasurer

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Price				
				Code	V	Amount			
Common Stock	06/22/2007		M		1,167	A	\$ 8.52	5,869 ⁽¹⁾	D
Common Stock	06/22/2007		M		1,276	A	\$ 8.52	7,145 ⁽¹⁾	D
Common Stock	06/22/2007		M		1,000	A	\$ 6.65 ⁽²⁾	8,145 ⁽¹⁾	D

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

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(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 (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. Amount or Number of Shares
Employee Stock Option (right to purchase)	\$ 6.65 ⁽²⁾	06/22/2007		M	1,000	⁽³⁾ 02/26/2012	Common Stock	1,000
Employee Stock Option (right to purchase)	\$ 8.52	06/22/2007		M	1,167	⁽⁴⁾ 02/03/2013	Common Stock	1,167
Employee Stock Option (right to purchase)	\$ 8.52	06/22/2007		M	1,276	⁽⁵⁾ 02/02/2014	Common Stock	1,276

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Couture Marie France C/O DOMTAR CORPORATION 395 DE MAISONNEUVE BOULEVARD WEST MONTREAL, A8 H3A 1L6			Vice President and Treasurer	

Signatures

Razvan Theodoru, Attorney-in-Fact for Ms.
Couture

06/26/2007

__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) Includes restricted stock.
The exercise price of the option is CDN\$6.23 and is payable in Canadian dollars. The price reflected has been converted to U.S. dollars using an exchange rate of 1.0676 per Canadian dollar, the noon exchange rate of the Federal Reserve Bank of New York on June 22, 2007.
- (3) The options vest in approximately equal annual installments on the first four anniversaries of the grant date and become exercisable if performance conditions are satisfied. The options were granted on February 27, 2006. The performance conditions for the first year were satisfied, resulting in 25% of the options becoming exercisable.
- (4) The options vest in approximately equal annual installments on the first four anniversaries of the grant date if performance conditions are satisfied, or such later anniversary date as the performance condition is satisfied. The options were granted on February 4, 2003. A portion of the performance conditions have been satisfied resulting in 25% of the options vesting.
- (5) The options vest in approximately equal annual installments on the first four anniversaries of the grant date if performance conditions are satisfied, or such later anniversary date as the performance condition is satisfied. The options were granted on February 3, 2004. A portion of the performance conditions have been satisfied resulting in 25% of the options vesting.

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.