Domtar CORP Form 4 February 22, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB Number:

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January 31, 2005

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SECURITIES

Form 4 or Form 5 obligations may continue. See Instruction

Check this box

if no longer

subject to

Section 16.

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(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * **Pharand Gilles**

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(First) (Middle) (Last)

Domtar CORP [UFS]

(Month/Day/Year)

02/20/2008

3. Date of Earliest Transaction

(Check all applicable)

C/O DOMTAR CORPORATION, 395 DE

(Zip)

Director 10% Owner X_ Officer (give title Other (specify below)

SVP, Law & Corporate Affairs

MAISONNEUVE BOULEVARD WEST

(Street)

(State)

02/20/2008

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

MONTREAL, A8 H3A 1L6

(City)

Common

Stock

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of 6. Ownership 7. Nature of Indirect Securities Form: Direct Beneficially (D) or Beneficial Owned Indirect (I) Ownership (Instr. 4) Following (Instr. 4)

Reported (A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

7,100 \$0 109,325 (3) Α Α D (1)

Common 1,710 02/20/2008 A \$0 111.035 (4) D A Stock

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

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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 or 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) | |
|---|---|--------------------------------------|---|---|--|--|--------------------|---|-------------------------------------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (Right to Purchase) | \$ 6.71 | 02/20/2008 | | A | 24,400 | <u>(5)</u> | 02/20/2015 | Common Stock | 24,400 |

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Pharand Gilles C/O DOMTAR CORPORATION 395 DE MAISONNEUVE BOULEVARD WEST MONTREAL, A8 H3A 1L6

SVP, Law & Corporate Affairs

Signatures

Razvan L. Theodoru, Attorney-in-fact for Mr. Pharand

02/22/2008

**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 shares are represented by restricted stock units.
- (2) These shares are represented by performance conditioned restricted stock units with respect to which the performance goals were achieved.
- (3) Includes restricted stock and restricted stock units.
- (4) Includes restricted stock, restricted stock units and performance conditioned restricted stock units.
- (5) The options vest in three equal annual installments beginning on February 20, 2009 and once vested, become exercisable when performance conditions are satisfied.

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.

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