

Williams John David
 Form 4
 July 19, 2010

FORM 4

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

OMB APPROVAL

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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 *
 Williams John David

(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)
 07/15/2010

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)
 President and CEO

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	

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)

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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)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Deferred Stock Units	<u>(1)</u>	07/15/2010		A		134.1888 <u>(2)</u>		<u>(3)</u>	<u>(3)</u>	Common Stock	134.1888
Restricted Stock Units	<u>(4)</u>	07/15/2010		A		127.481 <u>(2)</u>		<u>(5)</u>	<u>(5)</u>	Common Stock	127.481
Restricted Stock Units	<u>(4)</u>	07/15/2010		A		49.718 <u>(2)</u>		<u>(6)</u>	<u>(6)</u>	Common Stock	49.718
Restricted Stock Units	<u>(4)</u>	07/15/2010		A		39.302 <u>(2)</u>		<u>(7)</u>	<u>(7)</u>	Common Stock	39.302

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Williams John David C/O DOMTAR CORPORATION 395 DE MAISONNEUVE BOULEVARD WEST MONTREAL, A8 H3A 1L6	X		President and CEO	

Signatures

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

07/19/2010

 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) Each Deferred Stock Unit is the economic equivalent of one share of Domtar Corporation Common Stock.

(2) These Deferred Stock Units/Restricted Stock Units (as applicable) represent dividend equivalents credited to the reporting person's account, following Domtar Corporation's dividend payment of July 15, 2010.

These Deferred Stock Units have the same vesting date as the Deferred Stock Units to which the dividend equivalents are related:

(3) two-thirds have already vested, and one-third will vest on March 15, 2011. Vested shares (or the cash value thereof) will be delivered to the reporting person in January of the year following the year in which the reporting person terminates employment with Domtar.

(4) Each Restricted Stock Unit is the economic equivalent of one share of Domtar Corporation Common Stock.

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- (5) These Restricted Stock Units vest on April 8, 2012, the same vesting date as the Restricted Stock Units to which the dividend equivalents are related.
- (6) These Restricted Stock Units vest on May 10, 2013, the same vesting date as the Restricted Stock Units to which the dividend equivalents are related.
- (7) These Restricted Stock Units vest in 3 equal annual installments beginning on May 10, 2011, the same vesting dates as the Restricted Stock Units to which the dividend equivalents are related.

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.