Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
SP NEWSPRINT CO HOURLY SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 004

1c Effective date of plan 11/01/1999

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
SP NEWSPRINT CO

1301 WYNOOSKI STREET
NEWBERG, OR 97132

2b Employer Identification Number (EIN) 58-1287779

2c Sponsor's telephone number 503-537-6373

2d Business code (see instructions) 322100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2010	JAY EPSTEIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")

SP NEWSPRINT CO

1301 WYNOOSKI STREET
NEWBERG, OR 97132

3b Administrator's EIN
58-1287779

3c Administrator's telephone number
503-537-6373

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	213
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	207
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	2
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	209
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	209
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	199
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	1
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2G 2J 2K

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)		**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
SP NEWSPRINT CO HOURLY SAVINGS PLAN

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
SP NEWSPRINT CO

D Employer Identification Number (EIN)
58-1287779

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		18691
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	12233409	15413156
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		165076

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	12233409	15596923
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	12233409	15596923

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	205069	
	(B) Participants	2a(1)(B)	972878	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1177947
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	304566	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		304566
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		2683106
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		4165619
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	800485	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		800485
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1620	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1620
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		802105
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		3363514
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: THIGPEN JONES SEATON CO PC **(2)** EIN: 58-1416752

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
SP NEWSPRINT CO HOURLY SAVINGS PLAN

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
SP NEWSPRINT CO

D Employer Identification Number (EIN)
58-1287779

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 23-2186884

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 8

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

SP NEWSPRINT CO.
HOURLY SAVINGS PLAN

FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008

SP NEWSPRINT CO.
HOURLY SAVINGS PLAN
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008

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Thigpen, Jones, Seaton & Co., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS
1004 Hilicrest Parkway
Dublin, Georgia 31021
Tel 478-272-2030 • Fax 478-272-3318 • E-mail tjs@tjscpa.com

INDEPENDENT AUDITORS' REPORT

Board of Trustees
SP Newsprint Co.
Hourly Savings Plan

We have audited the accompanying statements of net assets available for benefits of SP Newsprint Co. Hourly Savings Plan as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements and schedules are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as explained in the following paragraph, we conducted our audits in accordance with generally accepted auditing standards of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which is certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not express an opinion on the Plan's financial statements and schedules as of December 31, 2009 and 2008. The form and content of the information included in the 2009 and 2008 financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Thigpen, Jones, Seaton & Co., P.C.

September 13, 2010
Dublin, Georgia

SP NEWSPRINT CO.
HOURLY SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	As of December 31,	
	2009	2008
Assets		
Investments:		
Investments, at fair value	$ 15,413,156	$ 12,233,409
Investments, at contract value	165,076	-
Total investments	15,578,232	12,233,409
Receivable -		
Employee contributions	18,691	-
Net assets available for benefits	$ 15,596,923	$ 12,233,409

See Accompanying Notes to Financial Statements

SP NEWSPRINT CO.
HOURLY SAVINGS PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2009	2008
Additions (Deductions):		
Investment income (loss):		
Interest and divdends	$ 304,566	$ 608,663
Net appreciation (depreciation) in fair value of investments	2,683,106	(5,374,729)
Total investment income (loss)	2,987,672	(4,766,066)
Contributions:		
Employee	972,878	1,598,668
Employer	205,069	249,554
Total contributions	1,177,947	1,848,222
Total additions (deductions)	4,165,619	(2,917,844)
Deductions:		
Benefits paid directly to participants	800,485	299,098
Other deductions	1,620	200
Total deductions	802,105	299,298
Increase (decrease) in net assets available for benefits	3,363,514	(3,217,142)
Net assets available for benefits:		
Beginning of year	12,233,409	15,450,551
End of year	$ 15,596,923	$ 12,233,409

See Accompanying Notes to Financial Statements

A. PLAN DESCRIPTION

General – SP Newsprint Co. (the Company) acquired certain assets and assumed certain liabilities of a Smurfit Newsprint Corporation newsprint mill in Newberg, Oregon. In conjunction with this acquisition, the Company created the SP Newsprint Co. Hourly Savings Plan (the Plan) for the Newberg Mill's union employees effective November 1, 1999. The Plan was amended and restated effective January 1, 2001.

The Plan is a defined contribution plan covering all substantially all union employees of the Newberg, Oregon Plant. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Participants have the option of making contributions of 1% to 50% of their compensation, as defined in the Plan document and subject to Internal Revenue Code (the Code) limitations. The Company matching contributions are the lesser of 50% of the employee matching contributions or $1,500. Additionally, participants may elect one of eleven investment fund options.

Participants are immediately vested in their voluntary contributions and actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service.

Upon termination of service, participants may elect to receive either a lump-sum amount equal to the value of their vested accounts or annual installments. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions. Unused forfeitures aggregated $1,056 and $1,547 at December 31, 2009 and 2008, respectively.

Although it has not expressed any interest to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Vanguard Fiduciary Trust Company (the Trustee) has custodial responsibilities for the Plan's assets and has been given t he authority to invest and reinvest the principal and income of the Plan's assets as directed by Plan participants. Expenses incurred in conjunction with managing the Plan's assets may be paid from the Plan's assets or by the Company. All other expenses such as trustee and administrative fees are paid by the Company.

The foregoing description of the Plan provides only general information. Participants should refer to the pamphlet "A Summary Plan Description of Your Thrift Plan" for a more complete description of the Plan's provisions. Copies of the pamphlet are available from the administrative committee.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. ***Basis of Accounting*** - The accompanying financial statements of the Plan are prepared on the accrual basis of accounting.

2. ***Use of Estimates*** - The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and such difference may be material to the financial statements.

3. ***Investment Valuation*** – The Plan's investments in the Vanguard Money Market Reserves – Prime Portfolio are stated at fair value. The Plan's investments in mutual funds are stated at fair value based on quoted prices in an active market.

4. ***Income Recognition*** – Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

5. ***Payment of Benefits*** – Benefit payments to participants are recorded upon distribution.

C. INVESTMENTS

All investment information disclosed in the accompanying financial statements and schedule including investments held at December 31, 2009 and 2008, and net depreciation in fair value of investments in mutual funds, interest, dividends, and investment expenses for the year ended December 31, 2009, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

Investments that represent 5% or more of the fair value of the Plan's net assets at December 31, 2009 and 2008 consist of the following;

	December 31 2009	2008
Vanguard Windsor II Fund	$ 1,485,523	$ 1,123,941
Vanguard Wellington Fund	1,740,871	1,646,269
Vanguard PRIMECAP Fund	3,357,200	2,535,826
Vanguard International Growth	896,204	701,110
Vanguard 500 Index Fund	3,360,048	2,631,649
Vanguard Prime Money Market Fund	1,359,478	1,267,943
Vanguard Total Bond Market Index Fund	877,415	627,290
Vanguard Wellesley Income Fund	-	626,172

D. INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service date April 16, 2002, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

E. PARTICIPANT LOANS

Participants may borrow from their fund accounts a minimum of $500 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balances. Loan terms range from one to five years or twenty years if used for a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing interest rates. Principal and interest are paid ratably through monthly payroll deductions.

F. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of funds managed by the Trustee. These transactions qualify as party-in-interest transactions. Fees paid by the Plan sponsor for administrative services aggregated to $11,975 for the year ended December 31, 2009.

G. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and

that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

H. FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits.

		Fair Value Measurements at Reporting Date Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2009				
Variable investment mutual funds	$ 15,578,232	$ 15,578,232	$ -	$ -
December 31, 2008				
Variable investment mutual funds	$ 12,233,409	$ 12,233,409	$ -	$ -

SFAS No. 157, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair values of fixed and variable mutual funds are based on quoted market prices.

Level 2 Fair Value Measurements

Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 Fair Value Measurements

Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2009 are reported in net appreciation in fair value of investments.

I. SUBSEQUENT EVENTS

The Plan performed an evaluation of subsequent events through September 13, 2010, the date upon which the Plan's financial statements were available for issue. The Plan has not evaluated subsequent events after this date. No subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

SP NEWSPRINT CO.
HOURLY SAVINGS PLAN
SCHEDULE OF ASSETS HELD FOR INVESTMENT
FORM 5500 ITEM 4i EIN 58-1287779 PLAN NUMBER 004
YEAR ENDED DECEMBER 31, 2009

(a)	(b) Issuer	(c) Investment Description	(e) Current Value
*	Vanguard Fiduciary Trust Company	Wellington Fund	$ 1,740,871
*	Vanguard Fiduciary Trust Company	Wellesley Income Fund	729,987
*	Vanguard Fiduciary Trust Company	Mid-Cap Index Fund	223,152
*	Vanguard Fiduciary Trust Company	Prime Money Market Fund	1,359,478
*	Vanguard Fiduciary Trust Company	Windsor II Fund	1,485,529
*	Vanguard Fiduciary Trust Company	Long-Term Investment Grade Fund	469,799
*	Vanguard Fiduciary Trust Company	Small-Cap Index Fund	691,212
*	Vanguard Fiduciary Trust Company	500 Index Fund	3,360,048
*	Vanguard Fiduciary Trust Company	PRIMECAP Fund	3,357,200
*	Vanguard Fiduciary Trust Company	International Growth Fund	896,204
*	Vanguard Fiduciary Trust Company	Total Bond Market Index Fund	877,415
*	Vanguard Fiduciary Trust Company	Target Retirement 2005	1,453
*	Vanguard Fiduciary Trust Company	Target Retirement 2010	43,484
*	Vanguard Fiduciary Trust Company	Target Retirement 2015	43,554
*	Vanguard Fiduciary Trust Company	Target Retirement 2020	10,091
*	Vanguard Fiduciary Trust Company	Target Retirement 2035	28,859
*	Vanguard Fiduciary Trust Company	Target Retirement 2040	94,820
*	Vanguard Fiduciary Trust Company **	Retire Savings Trust	165,076
	Total		$ 15,578,232

* Party in Interest

** Contract Value

Note: Column (d) is not presented, as all investments are participant directed.

SP NEWSPRINT CO.
HOURLY SAVINGS PLAN
SCHEDULE OF REPORTABLE TRANSACTIONS
FORM 5500 ITEM 4j EIN 58-1287779 PLAN NUMBER 004
YEAR ENDED DECEMBER 31, 2009

Identity of Party Involved	Description of Asset (include interest rate and maturity in the case of a loan)	Purchase Price	Selling Price	Historical Cost of Asset	Current Value of Asset on Transaction Date	Historical Gain (Loss)

There is no reportable information.

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - 500 INDEX FUND
COST - 3528283
CURRENT VALUE - 3360048

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - INTERNATIONAL GROWTH
COST - 1009127
CURRENT VALUE - 896204

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - LONG-TERM INVESTMENT
COST - 467589
CURRENT VALUE - 469799

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - MID-CAP INDEX
COST - 235231
CURRENT VALUE - 223152

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - PRIMECAP FUND
COST - 3276545
CURRENT VALUE - 3357200

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - SMALL-CAP INDEX
COST - 630521
CURRENT VALUE - 691212

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TOTAL BOND MARKET
COST - 860473
CURRENT VALUE - 877415

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - WELLESLEY INCOME
COST - 743253
CURRENT VALUE - 729987

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - WELLINGTON FUND
COST - 1769599
CURRENT VALUE - 1740871

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - WINDSOR II FUND
COST - 1727526
CURRENT VALUE - 1485529

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - PRIME MONEY MARKET
COST - 1359478
CURRENT VALUE - 1359478

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TGT RETIREMENT 2005
COST - 1370
CURRENT VALUE - 1453

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TGT RETIREMENT 2010
COST - 44163
CURRENT VALUE - 43484

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TGT RETIREMENT 2015
COST - 44176
CURRENT VALUE - 43554

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TGT RETIREMENT 2020
COST - 9091
CURRENT VALUE - 10091

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TGT RETIREMENT 2035
COST - 18203
CURRENT VALUE - 28859

PARTY IN INTEREST - X
IDENTITY - VANGUARD FIDUCIARY
DESCRIPTION - TGT RETIREMENT 2040
COST - 67776
CURRENT VALUE - 94820