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

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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. . . . . ▶ [ ]

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
ALABAMA RIVER PULP COMPANY, INC. PENSION PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 04/01/1979

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
ALABAMA RIVER PULP COMPANY, INC.

4 INTERNATIONAL DRIVE
RYE BROOK, NY 10573

2b Employer Identification Number (EIN)
13-2854191

2c Sponsor's telephone number
914-937-9009

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.	10/15/2011	WILLIAM MONDE JR
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2011	WILLIAM MONDE JR
	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")
ALABAMA RIVER PULP COMPANY, INC.

4 INTERNATIONAL DRIVE
RYE BROOK, NY 10573

3b Administrator's EIN
13-2854191

3c Administrator's telephone number
914-937-9009

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**	477
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**	12
b	Retired or separated participants receiving benefits	**6b**	18
c	Other retired or separated participants entitled to future benefits	**6c**	56
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	86
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	13
f	Total. Add lines **6d** and **6e**	**6f**	99
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
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:
1A 1G 3H 1I

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)	X	**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)	X	**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
ALABAMA RIVER PULP COMPANY, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
ALABAMA RIVER PULP COMPANY, INC.

D Employer Identification Number (EIN)
13-2854191

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2010

2 Assets:

a	Market value	**2a**	17282739
b	Actuarial value	**2b**	17282739

3 Funding target/participant count breakdown

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	27	3467941
b	For terminated vested participants	**3b**	35	851696
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		11586973
	(3) Total active	**3c(3)**	415	11586973
d	Total	**3d**	477	15906610

4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	**4a**	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**	

5	Effective interest rate	**5**	6.67 %
6	Target normal cost	**6**	71837

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	Date: 10/12/2011
JAMES BERBERIAN	11-05074
Type or print name of actuary	Most recent enrollment number
MERCER	404-442-3100
Firm name	Telephone number (including area code)
3560 LENOX ROAD SUITE 2400 ATLANTA, GA 30326	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	3219407	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	66888	0
9	Amount remaining (Item 7 minus item 8)	3152519	0
10	Interest on item 9 using prior year's actual return of 23.62 %	744625	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of 6.22 %		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	3897144	0

Part III Funding percentages

14	Funding target attainment percentage	14	84.15 %
15	Adjusted funding target attainment percentage	15	108.65 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	98.15 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
08/31/2011	1500000				
			Totals ► 18(b)	1500000	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1347276

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [ ] Yes [X] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.81 %	6.69 %	6.78 %	☐ N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 63

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ..... ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28	Unpaid minimum required contribution for all prior years	**28**	0
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30	Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31	Target normal cost, adjusted, if applicable (see instructions)	**31**	71837

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34	Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	**34**	71837

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	71837	0	71837

36	Additional cash requirement (item 34 minus item 35)	**36**	0
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	1347276
38	Interest-adjusted excess contributions for current year (see instructions)	**38**	1347276
39	Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40	Unpaid minimum required contribution for all years	**40**	0

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
ALABAMA RIVER PULP COMPANY, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ALABAMA RIVER PULP COMPANY, INC.

D Employer Identification Number (EIN)
13-2854191

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FINANCIAL TELESIS, INC

68-0279977

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	CONSULTANT	42544	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

WILMINGTON TRUST

51-0099033

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
25 28 99 62	DIRECTED TRUSTEE	12666	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

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

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
ALABAMA RIVER PULP COMPANY, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ALABAMA RIVER PULP COMPANY, INC.

D Employer Identification Number (EIN)
13-2854191

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)	0	1500000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	3	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	213677	401733
(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)	17069059	3775582
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	30000	0

			(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	17312739	5677315
	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	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	17312739	5677315

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)	1500000	
	(B) Participants	2a(1)(B)		
	(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)		1500000
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)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	324738	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		324738
	(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)		0

		(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)		0
(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)		564166
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		2388904
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	13966173	
(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)		13966173
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)	29550	
(4) Other	2i(4)	28605	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		58155
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		14024328
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-11635424
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: MICHAEL C. REIBLING, CPA (2) EIN: 40-6648016

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		5000000
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		X	

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

2010

This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
ALABAMA RIVER PULP COMPANY, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ALABAMA RIVER PULP COMPANY, INC.

D Employer Identification Number (EIN)
13-2854191

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** 0

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): 04-3581074

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** 378

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):

ALABAMA RIVER PULP COMPANY, INC.

PENSION PLAN

FINANCIAL STATEMENTS
AND
SUPPLEMENTAL SCHEDULES

DECEMBER 31, 2010

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

Financial Statements

And Supplemental Schedules

December 31, 2010

Financial Statements

Independent Auditor's Report.....1

Statements of Net Assets Available for Benefits.....3

Statements of Changes in Net Assets Available for Benefits.....4

Notes to Financial Statements.....5

Supplemental Schedules

Schedules of Assets Held at End of Year.....12

Schedules of Reportable Transactions.....13

MICHAEL C. REIBLING
Certified Public Accountant
Certified Valuation Analyst
Certified in Financial Forensics
251-533-3162
mcr@mikereiblingcpa.com

Member: Alabama Society of CPA's
American Institute of CPA's National Association of Certified Valuation Analysts

Independent Auditor's Report

The Administrator
Alabama River Pulp Company, Inc. Pension Plan
Perdue Hill, Alabama

I was engaged to audit the statements of net assets available for benefits and supplemental schedule of the Alabama River Pulp Company, Inc. Pension Plan as of December 31, 2010 and 2009 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements and supplemental schedules are the responsibility of the Plan's management.

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 me not to perform, and I did not perform, any auditing procedures with respect to the investments information summarized in the notes to the financial statements, which was certified by Wilmington Trust, the trustee of the Plan for 2010, and State Street Bank and Trust Company, the trustee of the Plan for 2009, except for comparing such information with the related financial information included in the 2010 and 2009 financial statements and supplemental schedule. I have been informed by the plan administrator that the Wilmington Trust trustee holds the Plan's investment assets and executed investment transactions. The plan administrator has obtained certifications from the trustees as of December 31, 2010 and 2009 that the information provided to the plan administrator by the trustees is complete and accurate.

MICHAEL C. REIBLING
Certified Public Accountant
Certified Valuation Analyst
Certified in Financial Forensics
251-533-3162
mcr@mikereiblingcpa.com

Because of the significance of the information that I did not audit as of and for the year ended December 31, 2010 and 2009, I am unable to, and do not, express an opinion on the 2010 and 2009 accompanying financial statements and supplemental schedules taken as a whole. I have audited the form and content of the information included in the 2010 and 2009 financial statements and supplemental schedules, other than that derived from the investment information certified by the trustee, in accordance with auditing standards generally accepted in the United States and, in my 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.

Mobile, Alabama
October 13, 2011

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2010	December 31, 2009
ASSETS		
Investments, at fair value		
Interest bearing cash	$ 401,733	$ 213,677
Mutual funds	3,775,582	17,069,060
Bank collective trust funds	-	-
	4,177,315	17,282,736
Receivables:		
Contributions receivable from employer	1,500,000	
Accrued income	-	3
Other	-	30,000
	1,500,000	30,003
Total Assets	5,677,315	17,312,739
LIABILITIES		
Accounts payable	-	-
Total Liabilities	-	-
Net Assets Available for Benefits	$ 5,677,315	$ 17,312,739

See accompanying notes

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year Ended December 31	
	2010	2009
Additions (reductions) to net assets attributed to:		
Investment income:		
Interest and dividends	$ 324,738	$ 440,491
Net appreciation (depreciation) in fair value of investments	699,759	2,645,887
Contributions:		
Employers	1,500,000	-
Total additions (reductions)	2,524,497	3,086,378
Deductions from net assets attributed to:		
Distributions to participants	(14,101,766)	(1,765,318)
Administrative expenses	(58,155)	(71,836)
Total deductions	(14,159,921)	(1,837,154)
Net change in plan assets	$ (11,635,423)	$ 1,249,224
Net assets available for benefits:		
Beginning of year	$ 17,312,739	$ 16,063,516
End of year	5,677,315	17,312,739
Net change	$ (11,635,424)	$ 1,249,224

See accompanying notes

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The financial statements of the Alabama River Pulp Company, Inc. Pension Plan (the "Plan") are prepared using the accrual method of accounting.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation: Marketable securities are stated at fair value. Securities traded on a national exchange are valued at the closing sales price on the last business day of the Plan year or the last trade date prior to the Plan year-end.

Actuarial Present Value of Accumulated Plan Benefits: Accumulated plan benefits (APB) are those estimated future periodic payments, including lump-sum distributions, which are attributable under the Plan's provisions to the service eligible employees have rendered through December 31, 2009. APB includes benefits expected to be paid to retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and present employees or their beneficiaries.

Payment of Benefits: Benefits are recorded when paid.

Net Appreciation and Depreciation in Fair Value of Investments: Net realized and unrealized appreciation and depreciation (reduction in value) is recorded in the accompanying statements of changes in net assets available for benefits as net appreciation and depreciation in fair value of investments.

DESCRIPTION OF PLAN

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

General: The Plan is a defined benefit plan established for the benefit of the employees of Alabama River Pulp Company, Inc., its wholly owned subsidiary, Alabama River Woodlands, Inc. and its affiliates, Alabama River Pulp and Woodlands Company Credit Union, Alabama Pine Pulp Company, Inc., Alabama River Chips Mills, Inc., St. Anne Pulp Sales Company, LTD., The Downington Manufacturing Company and Parsons & Whittemore, Inc. (collectively, the Company) who were eligible for the Plan as of February 5, 1998. The Plan provides for retirement, death and disability benefits. The Plan is intended to satisfy all of the requirements for a qualified Pension Plan under the appropriate provisions of the Internal Revenue Code (IRC) and similar state tax laws. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

DESCRIPTION OF PLAN - CONTINUED

Eligibility to Participate in the Plan: All who were employees of the Company as of February 5, 1998 became eligible to participate in the Plan. Employees who began service after that date are not eligible for any of the Plan's benefits.

Contributions: On January 21, 1998, the Pension Committee voted to amend and freeze the Plan as to the accrual of additional benefit service credit and expected pension payment, as of February 5, 1998. The Company has agreed to voluntarily contribute such amounts as are necessary to provide assets sufficient to annually fund the Plan's current service cost and the initially determined past service cost over a period of ten years. The Company met the minimum funding requirements by contributing $1,500,000 and $0 for the years ended December 31, 2010 and 2009 respectively, in accordance with the limitations prescribed by ERISA.

Vesting: All eligible Company employees who were employed as of February 5, 1998 are considered to be 100% vested in the Plan as long as they have five years of service.

Payment of Benefits: A retiring participant, if employed by the Company as of February 5, 1998, becomes eligible for full Plan benefits at the normal retirement age of 65, in the form of a monthly life annuity. The annuity is based on the wage base and years of service determined as of February 5, 1998.

A retiring or disabled participant may elect to receive benefits upon the attainment of age 55 but the benefits will be actuarially reduced. If an eligible participant terminates, retires or becomes disabled, they may elect to receive a lump-sum which is the actuarially-determined present value of future payments that would have otherwise been paid.

If an eligible participant dies while active, terminated or retired, the spouse would receive a benefit equal to 50% of that participant's normal benefit, adjusted actuarially if payments received prior to age 65.

ALABAMA RIVER PULP COMPANY, INC. SOLD TO GEORGIA PACIFIC

On July 30, 2010 Georgia-Pacific completed the purchase of substantially all of the assets of Alabama River Pulp Company, Inc. (ARP), its wholly owned subsidiary and affiliates, Alabama Pine Pulp Company, Inc., Alabama River Woodlands, Inc. and Alabama River Chips Mills, Inc.

With the purchase, 557 ARP employees were in effect terminated from ARP and hired by Georgia-Pacific. Under the ARP Pension rules all 557 became eligible on July 31, 2010 to access their pension benefits, regardless of age.

There were 305 former employees who elected to receive in one lump-sum 100% of their actuarially-determined pension amount based on their age, number of years service and average compensation for the specified period. Another 73 employees rolled over their pension benefits.

Of the 477 ARP Pension Plan participants at the beginning of the year, 378 left the Plan leaving 99 participants at December 31, 2010.

NOTES TO FINANCIAL STATEMENTS

DESCRIPTION OF PLAN - CONTINUED

Forfeited Accounts: Since all eligible participants were considered fully vested if they were an employee as of February 5, 1998 and had five years of service, the Plan has had no potential forfeitures since prior to 2004.

Change in Actuarial Assumptions: The lump sum conversion was updated to reflect IRC Section 417(e) lump sum assumptions under PPA. Actual rates for 2010 were used (3.53%/4.81%/5.10%), compared to 5.24%/5.69%/5.37% as of January 1, 2009. These rates were adjusted for future years as prescribed by PPA.

Mortality rates were updated from 2009 to 2010 in accordance with PPA.

Plan Termination: Should the Plan terminate at some future time, its net assets may not be available to provide for all of the participants' expected benefits. Whether all of the participants' accumulated Plan benefits will be paid depends on both the priority of those benefits, as defined, and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time.

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

ACCUMULATED PLAN BENEFITS (APB)

The Plan's consulting actuary, through its Actuarial Valuation Report as of January 1, 2009 for the Plan year and taxable year ending December 31, 2009, estimates the actuarial present value of APB, as follows:

	As of January 1	
	2010	2009
Actuarial present value of APB:		
Vested benefits:		
Participants currently receiving benefits	$ 3,111,761	$ 2,900,790
Other participants	717,795	1,048,931
Active participants	11,986,655	10,386,767
	15,816,211	14,336,488
Nonvested benefits	-	-
Total actuarial present value of APB	$ 15,816,211	$ 14,336,488
Assumed rate of interest	8.00%	8.00%

	As of January 1	
	2010	2009
Actuarial present value of APB as of January 1, 2009	$ 14,336,488	$ 16,125,535
Increase (decrease) during the year attributabe to:		
Benefits accumulated and (gains)/losses	32,136	(397,578)
Increase in interest due to decrease in discount period	1,076,306	1,252,350
Benefits paid	(1,765,318)	(942,323)
Change in actuarial assumptions	2,136,599	(1,701,496)
Net decrease	1,479,723	(1,789,047)
Actuarial present value of APB as of January 1, 2010	$ 15,816,211	$ 14,336,488

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

ACCUMULATED PLAN BENEFITS (APB) - Continued

The change in actuarial assumptions included the effect of changing the lump-sum conversion factors as required by the Pension Protection Act (PPA) and a change in the retirement and withdrawal rates to better reflect plan experience. The mortality table rates were also updated from 2009 to 2010.

INVESTMENT INFORMATION

All investment information disclosed in the accompanying financial statements and schedule, including investments held at December 31, 2010 and 2009, and appreciation and depreciation in fair value of investments, interest and dividends for the years ended December 31, 2010 and 2009 was obtained from information provided to the plan administrator and certified as complete and accurate by Wilmington Trust for 2010 and State Street Bank and Trust Company for 2009.

The fair values of individual investments that represent 5% or more of the Plan's net assets as of December 31, 2010 are as follows:

	December 31	
Description of Investment	2010	2009
Pimco Total Return	$ 864,212	$ -
Thomas White International	441,342	1,890,755
Allianz NFJ Dividend Value	390,422	1,495,624
American Growth Funds	362,550	1,356,347
Royce Premier	308,449	722,679
Templeton Global Fund	301,669	-
Pimco Commodity Strategy	286,566	-
Victory Small Co. Opportunity	214,897	613,100
	$ 3,170,107	$ 6,078,505

FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

FAIR VALUE MEASUREMENTS - Continued

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This 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; Level 2 inputs include quoted prices for similar assets or liabilities in active and inactive markets and Level 3 inputs are unobservable and 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. No Level 2 or Level 3 inputs were available to the Plan.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds, and U.S. Government securities are based on the closing price reported on the active market where the individual securities are traded.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2010:

December 31, 2010	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual Funds:		
Corporate Bonds	$ 1,291,657	$ 1,291,657
Global Common Stocks	1,250,888	1,250,888
Fixed Income	308,449	308,449
Commodities Fund	286,567	286,567
Growth Funds	542,400	542,400
Cash Equivalents	497,354	497,354
Total Assets at Fair Value	$ 4,177,315	$ 4,177,315

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

RECONCILIATION OF AUDIT TO FORM 5500

	Per Audit	Per 5500	Difference
Additions (reductions) to net assets attributed to:			
Investment income:			
Interest and dividends	$ 324,738	$ 324,738	$ 0
Net appreciation in fair value of investments	699,759	564,166	135,593
Contributions:			
Employers	1,500,000	1,500,000	-
Total additions (reductions)	2,524,497	2,388,904	135,593
Deductions from net assets attributed to:			
Distributions to participants	(14,101,766)	(13,966,173)	(135,593)
Administrative expenses	(58,155)	(58,155)	-
Total deductions	(14,159,921)	(14,024,328)	(135,593)
Net change in plan assets	$(11,635,423)	$ (11,635,424)	$ 1

TRANSACTIONS WITH PARTIES-IN-INTEREST

Fees paid during the year for legal, accounting and other services rendered by parties-in-interest were based on customary and reasonable rates for such services. Certain administrative expenses are paid by the Company.

INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated August 21, 2008, stating that the Plan is qualified under Section 401(a) of the IRC and therefore, the related trust is exempt from taxation. The Plan's amendments since receiving the determination letter are required to operate in conformity with the IRC to maintain its qualification. The Plan Administrator believes he Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

NOTES TO FINANCIAL STATEMENTS

RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, 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 value of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of net assets available for benefits.

SUBSEQUENT EVENTS

The ARP Pension Plan Board of Directors has determined that the ARP Pension Plan should be terminated effective August 31, 2011. The Board is awaiting approval from the Internal Revenue Service and the Pension Benefit Guaranty Corporation. A distribution date has not yet been determined.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan

ALABAMA RIVER PULP COMPANY, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

ALABAMA RIVER PULP COMPANY, INC.

D Employer Identification Number (EIN)

13-2854191

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2010

2 Assets:

a	Market value	**2a**	17,282,739
b	Actuarial value	**2b**	17,282,739

3 Funding target/participant count breakdown

			(1) Number of participants	(2) Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	27	3,467,941
b	For terminated vested participants	**3b**	35	851,696
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		11,586,973
	(3) Total active	**3c(3)**	415	11,586,973
d	Total	**3d**	477	15,906,610

4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	**4a**	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**	
5	Effective interest rate	**5**	6.67 %
6	Target normal cost	**6**	71,837

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE James G. Berberian

Signature of actuary

10/12/2011

Date

JAMES BERBERIAN

Type or print name of actuary

11-05074

Most recent enrollment number

MERCER

Firm name

(404) 442-3100

Telephone number (including area code)

3560 LENOX ROAD
SUITE 2400
ATLANTA GA 30326

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	3,219,407	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	66,888	0
9	Amount remaining (Item 7 minus item 8)	3,152,519	0
10	Interest on item 9 using prior year's actual return of 23.62%	744,625	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of 6.22%		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	3,897,144	0

Part III Funding percentages

14	Funding target attainment percentage	14	84.15 %
15	Adjusted funding target attainment percentage	15	108.65 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	98.15 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)		(b) Amount paid by employer(s)	(c) Amount paid by employees	
08/31/2011	1,500,000						
			Totals ►	18(b)	1,500,000	18(c)	0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1,347,276

20 Quarterly contributions and liquidity shortfalls:

a	Did the plan have a "funding shortfall" for the prior year?	[X] Yes	[ ] No
b	If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	[ ] Yes	[X] No
c	If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:	1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
	4.81 %	6.69 %	6.78 %	

b Applicable month (enter code)	**21b**	2
22 Weighted average retirement age	**22**	63

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
26	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No

27	If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28	Unpaid minimum required contribution for all prior years	**28**	0
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30	Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31	Target normal cost, adjusted, if applicable (see instructions)	**31**	71,837

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34	Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	**34**	71,837

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	71,837	0	71,837

36	Additional cash requirement (item 34 minus item 35)	**36**	0
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	1,347,276
38	Interest-adjusted excess contributions for current year (see instructions)	**38**	1,347,276
39	Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40	Unpaid minimum required contribution for all years	**40**	0

ALABAMA RIVER PULP COMPANY, INC.
PENSION PLAN

EIN 13-2854191

PLAN NUMBER 002

SCHEDULE H, LINE 41 - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of Issue or Borrower *	(c) Description of Investment	(d) Current Cost	(e) Current Value
	Pimco	Total Return Fund	$ 874,286	$ 864,212
	Thomas White International	Foreign Stocks	375,282	441,342
	Cash	Cash & Equivalents	401,733	401,733
	Allianz NFJ	Dividend Value Fund	352,959	390,422
	American Funds	Growth Fund	323,955	362,550
	Royce Premier	Corporate Securities	256,369	308,449
	Templeton	Global Fund Fund	284,151	301,669
	Pimco	Commodity Strategy	248,926	286,566
	Victory	Small Co. Opportunity Fd	191,395	214,897
	Vanguard	Explorer Stock Fund	163,702	204,226
	American Funds	Capital Growth World	177,462	179,850
	Vanguard	Short-term Bond Index	124,956	125,776
	Vanguard	Prime Money Market	95,623	95,623
			$ 3,870,799	$ 4,177,315

* These investments have no stated maturity, rate of interest, collateral or maturity vale

Alabama River Pulp Company, Inc. Pension Plan
EIN: 13-2854191 Plan No.: 002
Schedule H, Line 4j -- Schedule of Reportable Transactions
Year Ended December 31, 2009

(a) Identity of Party Involved	(b) Description of Asset Including Interest Rate and Maturity in Case of a Loan	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (i) - Single transactions in excess of 5% of Plan assets						
	Allianz NFJ Dividend Value	$ -	$ 1,695,093	$ 1,699,358	$ 1,695,093	$ (4,265)
	Amer Funds Capwrldbd A	-	665,047	650,161	665,047	14,886
	Amer Funds Grth Fund A	-	1,670,227	1,710,685	1,670,227	(40,458)
	Loomis Sayles Global Bond	466,057	1,408,595	1,127,991	1,408,595	280,604
	Pimco Commodity Rr Strat A	-	1,760,673	1,798,363	1,760,673	(37,690)
	Pimco Total Return A	-	1,174,200	1,229,690	1,174,200	(55,490)
	Royce Premier	-	245,570	243,122	245,570	2,448
	Templeton Global Bond Fd	1,099,672	668,758	633,823	668,758	34,935
	Thomas White International	250,914	2,409,448	2,423,143	2,409,448	(13,695)
	Vanguard Explorer Adm	-	245,536	234,989	245,536	10,547
	Vanguard S/T Bond Index	-	266,680	261,437	266,680	5,243
	Victory Small Co Opportunity	-	602,938	609,173	602,938	(6,235)
		$ 1,816,643	$ 12,812,765	$ 12,621,935	$ 12,812,765	$ 190,830

Columns (e), (f) and (h) have not been presented as this information is not applicable.

Alabama River Pulp Company, Inc. Pension Plan
EIN: 13-2854191 Plan No.: 002
Schedule H, Line 4j -- Schedule of Reportable Transactions
Year Ended December 31, 2009

(a) Identity of Party Involved	(b) Description of Asset Including Interest Rate and Maturity in Case of a Loan	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset Sold	(i) Net Gain (Loss)
Category (iii) - Series of transactions in excess of 5% of Plan assets					
	Allianz NFJ Dividend Value	$ 140,416	$ 1,861,955	$ 1,862,578	$ (623)
	Amer Funds Capwrldbd A	175,922	1,012,245	988,246	23,999
	Amer Funds Grth Fund A	118,742	1,916,421	1,952,399	(35,978)
	Loomis Sayles Global Bond	480,556	1,441,059	1,154,880	286,179
	Pimco Commodity Rr Strat A	101,665	1,912,944	1,949,045	(36,101)
	Pimco Total Return A	116,399	1,387,101	1,329,402	57,699
	Royce Premier	11,881	802,226	786,314	15,912
	Templeton Global Bond Fd	1,122,649	886,495	838,498	47,998
	Thomas White International	351,332	2,491,740	2,510,516	(18,776)
	Vanguard Explorer Adm	20,895	782,118	734,211	47,906
	Vanguard Prime Money	336,044	240,421	240,421	-
	Vanguard S/T Bond Index	15,149	747,973	734,133	13,841
	Victory Small Co Opportunity	197,706	938,941	913,554	25,387
		$ 3,189,356	$ 16,421,641	$ 15,994,196	$ 427,444

Columns (e), (f) and (h) have not been presented as this information is not applicable.

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	0.50%	10,000	50.00	2,750.00
56	0.50%	9,950	49.75	2,786.00
57	0.50%	9,900	49.50	2,821.57
58	0.50%	9,851	49.25	2,856.72
59	0.50%	9,801	49.01	2,891.44
60	6.25%	9,752	609.53	36,571.83
61	21.05%	9,143	1,924.59	117,400.14
62	12.50%	7,218	902.30	55,942.33
63	16.66%	6,316	1,052.26	66,292.20
64	22.22%	5,264	1,169.62	74,855.62
65	100.00%	4,094	4,094.19	266,122.54
Total			10,000.00	631,290.38
Average				63.13

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial assumptions

Discount rate sponsor elections	
▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	2
▪ 1st 5 years	4.81%
▪ Next 15 years	6.69%
▪ Over 20 years	6.78%
Mortality sponsor elections	
▪ Healthy and disabled participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
417(e) lump sums	Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality.
Non-417(e) lump sums	
▪ Mortality table	Not applicable
▪ Interest rate	Not applicable
Other economic assumptions	
▪ Salary increases	Not applicable
▪ Flat-dollar benefit increases	Not applicable
▪ Social Security wage base	Not applicable
▪ Inflation	Not applicable
▪ Expected investment return	Not applicable
▪ Expenses	$71,837 added to current year normal cost.
Demographic assumptions	
Withdrawal	See table of sample rates.
Disability incidence	See table of sample rates.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Retirement age	Rates based on the Plan's prior retirement experience. See rates below:	
	Attained age	**Percentage**
	55	0.50%
	56	0.50
	57	0.50
	58	0.50
	59	0.50
	60	6.25
	61	21.05
	62	12.50
	63	16.66
	64	22.22
	65 and above	100.00
Benefit commencement age for		
▪ Future vested deferred	Age 55 (or current age if later)	
▪ Current vested deferred	Age 65	
Spouse assumptions	**Male participants**	**Female participants**
▪ Percentage married	85%	65%
▪ Spouse age difference	3 years younger	3 years older
Form of payment	**Lump sum**	**Single life**
▪ Active retirements	100%	0%
▪ Future vested deferred	100%	0%
▪ Future disabilities	100%	0%
▪ Future deaths	100%	0%
▪ Current vested deferred	0%	100%
Unpredictable contingent event assumptions	Not applicable	

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Table of sample rates

	Percentage	
Attained Age	**Withdrawal**	**Disability**
20	0.50%	0.07%
25	0.50	0.08
30	0.50	0.08
35	0.50	0.10
40	0.50	0.12
45	0.50	0.16
50	0.50	0.24
55	0.00	0.40
60	0.00	0.84

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods

Asset methods

The asset valuation method is the fair market value. The market value is the amount reported in the year-end trustee statement plus discounted receivable contributions.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for terminated vested participants.
- **Transferred participants:** The liabilities for employees who have transferred into another plan of the plan sponsor have been included with the liabilities for terminated vested participants.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

Schedule SB, Part V — Summary of Plan Provisions

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended through December 21, 2009, are included in this valuation.

- **Most recent plan amendments included:** December 21, 2009
- **Plan amendments excluded:** Amendments adopted after the valuation date or effective after the current plan year, including any amendments related to the sale of Alabama River Pulp Company to Georgia Pacific, are excluded from the valuation.
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* None
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Late retirement increases:**
  - *Active participants:* Actuarial adjustment to the normal retirement benefit.
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions

Effective date and plan year	Original plan: April 1, 1979 Restated plan: April 1, 1984; April 1, 1989; December 1, 1992; December 12, 1994; January 1, 2002 Plan year: Effective January 1, 1993, the plan year was changed to calendar year.
Status of the plan	Plan was frozen as of February 5, 1998 and no participant can either enter or accrue service after February 5, 1998.
Significant events that occurred during the year	None
Definitions	
▪ Participation	An Employee becomes a participant in the Plan on the January 1 or July 1 as of which he has completed a year of Participation Service, but preceding February, 1998.
▪ Employee contributions	None are required or permitted
▪ Vesting service	Vesting Service is the period of employment used in determining eligibility for benefits, measured by elapsed time from date of hire.
▪ Credited service	Benefit Service is the period of employment used in determining the amount of pension benefits, measured by elapsed time from date of hire through February 5, 1998.
▪ Pensionable earnings	Total salary and wages paid to a participant, excluding overtime, bonuses and certain extraordinary or special payments.
▪ Final average earnings	Average Monthly Compensation is obtained by taking 1/60 of the total Compensation of a participant during the 60 consecutive months within the last ten calendar years of service prior to February 1998 during which compensation was highest.
▪ Accrued benefit	The benefit determined under the Plan expressed as a monthly benefit payable at Normal Retirement Date which an employee has accrued at any given time, as if he terminated employment at that time. No additional benefits accrue after February 5, 1998.

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement	
▪ Eligibility	Normal retirement date is the first day of the month coincident with or following the participant's 65th birthday.
▪ Benefit	The monthly pension is an amount equal to one percent of Average Monthly Compensation, multiplied by years of Benefit Service. Effective February 5, 1998, the plan was amended to freeze benefit accruals.
Early retirement	
▪ Eligibility	A Participant becomes eligible upon attainment of age 55 and completion of five years of Vesting Service.
▪ Benefit	The amount of early retirement pension deferred to normal retirement date is determined as for the Normal Retirement Benefit. Payment of an early retirement pension prior to a participant's normal retirement date is subject to a reduction of 1/15 for each of the first five years and 1/30 for each of the next five years that the date of benefit commencement precedes normal retirement date.
Late retirement	
▪ Benefit	Computed as the greater of (1) the normal retirement formula considering service and compensation as of actual retirement date, and (2) the normal retirement formula considering service and compensation at normal retirement date and increased actuarially to actual date of retirement.
Deferred vested	
▪ Eligibility	A Participant becomes eligible after completion of five years of Vesting Service. The amount of the pension is determined as for the Normal Retirement Benefit and is payable at normal retirement date.
▪ Benefit	A benefit may be paid after attaining age 55, reduced as for early retirement. A married vested participant who dies shall be eligible for a death benefit. The amount of the death benefit shall be the monthly pension due to the spouse had the joint and 50% survivor option been elected immediately before the death of the participant.

Schedule SB, Part V — Summary of Plan Provisions

Disability	
▪ Eligibility	A Participant who terminates employment because of total and permanent disablement acknowledged by the Committee is eligible for a disability pension. The amount of the disability pension is determined as for the Normal Retirement Benefit.
▪ Benefit	Payment of a disability pension prior to a participant's normal retirement date is subject to a reduction of 1/15 for each of the first five years, 1/30 for each of the next five years, and an actuarial reduction for each additional year that the date of benefit commencement precedes normal retirement date.
Pre-retirement death	
▪ Eligibility	Payable to the spouse of a deceased vested participant who was credited with five years of Vesting Service and had not reached his normal retirement date.
▪ Benefit prior to early retirement	The amount of death benefit, payable as a life annuity, is 50% of the amount which would have been payable had the participant terminated on his date of death and began receiving a reduced early retirement benefit payable in the 50% joint and survivor form which is actuarially equivalent to such benefit payable in a single life annuity form.
▪ Benefit after early but before normal retirement	Same as In-Service or Post-Termination Death Benefit.
▪ Benefit after normal retirement	Same as In-Service or Post-Termination Death Benefit.
Unpredictable contingent event benefits	None

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
▪ Automatic form for unmarried participants	Normal form of benefit payment is a monthly life annuity.
▪ Automatic form for married participants	Unless he elects otherwise, a participant with an eligible spouse surviving on the date of his retirement receives his pension in the form of a 50% joint and survivor annuity which is actuarially equivalent to the normal form.
▪ Optional forms	Other forms are available on actuarial equivalent basis: ▪ 100% joint & survivor pension ▪ 5 years certain and life ▪ 10 years certain and life Lump sum — including the value of early retirement benefits
▪ Optional form conversion factors	Mortality Table – UP-1984 Mortality Table Interest Rate – 7%
Miscellaneous	
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415.
▪ Funding medium	Trust
▪ Administration	The plan is administered by Alabama River Pulp Company, Inc. The company shall appoint a committee consisting of at least three persons to assist the company in its administration of the plan.

Plan provision changes since prior valuation

None.

Schedule SB, Line 24 — Change in Actuarial Assumptions

Actuarial assumption changes since prior valuation

- Interest discounts and mortality rates were updated from 2009 to 2010 in accordance with PPA.
- Expense normal cost increased from $66,888 to $71,837 to reflect our expectations for the current plan year.

Schedule SB, Line 25 — Change in Method

Method changes from last valuation

In accordance with PPA, the valuation of lump sums was changed from valuing the lump sum to valuing the underlying annuity. This change qualifies for automatic IRS approval.

Schedule SB, Line 26 — Schedule of Active Participant Data

Distribution of active participants as of January 1, 2010

Years of credited service											
Attained age	**Under 1**	**1-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & Up**	**Total**
Under 25											0
25 - 29											0
30 - 34											0
35 - 39		8	19								27
40 - 44		11	46	2							59
45 - 49		6	54	4	8						72
50 - 54	1	6	48	7	48	1					111
55 - 59		7	29	7	44	8					95
60 - 64		3	19		20	3					45
65 - 69			4		2						6
70 & up											0
Total	1	41	219	20	122	12	0	0	0	0	415

In each cell, the number is the count of active participants for each age/service combination.