

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), 6057(b), 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 2014 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ 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:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>004</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>04/30/2011</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>004</u>	1c Effective date of plan <u>04/30/2011</u>	
1b Three-digit plan number (PN) ▶	<u>004</u>				
1c Effective date of plan <u>04/30/2011</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>VERSO PAPER CORP.</u> <u>6775 LENOX CENTER CT STE 400</u> <u>MEMPHIS, TN 38115</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>75-3217389</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>901-369-4124</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>322100</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>75-3217389</u>	2c Plan Sponsor's telephone number <u>901-369-4124</u>	2d Business code (see instructions) <u>322100</u>	
2b Employer Identification Number (EIN) <u>75-3217389</u>					
2c Plan Sponsor's telephone number <u>901-369-4124</u>					
2d Business code (see instructions) <u>322100</u>					

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.	10/14/2015	KENNY SAWYER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
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:		4b EIN	
a Sponsor's name		4c PN	
5 Total number of participants at the beginning of the plan year		5	957
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	679
a(2) Total number of active participants at the end of the plan year		6a(2)	635
b Retired or separated participants receiving benefits		6b	194
c Other retired or separated participants entitled to future benefits.....		6c	104
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	933
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	19
f Total. Add lines 6d and 6e		6f	952
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	4
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 Characteristics Codes in the instructions: 1B 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance		(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(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		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☐ A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☐ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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 2014 This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

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 VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN) 004
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VERSO PAPER CORP.	D Employer Identification Number (EIN) 75-3217389

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	24151786	
b Actuarial value	2b	24151786	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	180	7021668	7021668
b For terminated vested participants	98	2024731	2024731
c For active participants	679	16227803	16555553
d Total	957	25274202	25601952
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.59%	
6 Target normal cost	6	2092289	

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	09/25/2015 Signature of actuary PAUL W. FOLEY, A.S.A., E.A. Type or print name of actuary TRANSAMERICA Firm name 24 PRIME PARK WAY SUITE 400 NATICK, MA 01760-1528 Address of the firm	Date 14-05775 Most recent enrollment number 508-903-6016 Telephone number (including area code)
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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 (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>8.02</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1446
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.78</u> %		98
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		1544
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	94.33 %
15 Adjusted funding target attainment percentage	15	94.33 %
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	95.71 %
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
04/15/2014	529544				
07/15/2014	529544				
10/15/2014	529486				
01/15/2015	529486				
09/15/2015	359405				
			Totals ►	18(b)	2477465
				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 contributions 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	2353270
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If line 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
0	0	0
		(4) 4th
		0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	2092289	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment.....	1450166		260981
b Waiver amortization installment			
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 (lines 31a - 31b + 32a + 32b - 33) ..	34	2353270	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	2353270	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	2353270	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information 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.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN) ▶ 004
C Plan sponsor's name as shown on line 2a of Form 5500 VERSO PAPER CORP.	D Employer Identification Number (EIN) 75-3217389

Part I	Service Provider Information (see instructions)
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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 TRANSAMERICA RETIREMENT SOLUTIONS 13-3689044
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(b) Enter name and EIN or address of person who provided you disclosure 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)

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

(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?
11 12 15 28 38 50 59 61 62 63 64	RECORD KEEPER	104408	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

NATIONAL FINANCIAL SERVICES

04-3523567

(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?
33 71	SECURITIES BROKER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

STEPHENS INC.

111 CENTER STREET
LITTLE ROCK, AR 72201

(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 53	BROKER	0	Yes ☒ No ☐	Yes ☐ No ☒	24021	Yes ☐ No ☒

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)

MID ATLANTIC CAPITAL CORPORATION

25-1409618

(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?
33 71	SECURITIES BROKER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	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
TRANSAMERICA RETIREMENT SOLUTIONS	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
BLACKROCK 40 EAST 52ND ST NEW YORK, NY 10022	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
FRANKLIN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
GOLDMAN SACHS 3414 PEACHTREE ROAD NE SUITE 600 ATLANTA, GA 30326	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	

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
TRANSAMERICA RETIREMENT SOLUTIONS	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
OPPENHEIMER TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET NEW YORK, NY 10281	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
PIMCO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
PRUDENTIAL 751 BROAD STREET NEWARK, NJ 07102	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	

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
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation		
BLACKROCK 40 EAST 52ND ST NEW YORK, NY 10022	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2		
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation		
GOLDMAN SACHS 3414 PEACHTREE ROAD NE SUITE 600 ATLANTA, GA 30326	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2		
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation		
OPPENHEIMER TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET NEW YORK, NY 10281	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	

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
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation		
PIMCO	1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)
(a) Enter service provider name as it appears on line 2		
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation		
PRUDENTIAL	751 BROAD STREET NEWARK, NJ 07102	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)
(a) Enter service provider name as it appears on line 2		
MID ATLANTIC CAPITAL CORPORATION	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation		
FRANKLIN	100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

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
STEPHENS INC	16 53	24021

(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.
TRANSAMERICA RETIREMENT SOLUTIONS 13-3689044	COMMISSIONS

(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

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 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)</u>		B Three-digit plan number (PN) <u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERSO PAPER CORP.</u>		D Employer Identification Number (EIN) <u>75-3217389</u>

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)	<u>2472026</u>	<u>888891</u>
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	<u>21787576</u>	<u>26519053</u>
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	24259602	27407944

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	40700	31054
k Total liabilities (add all amounts in lines 1g through 1j)	1k	40700	31054

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	24218902	27376890
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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)	2477465	
(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)		2477465
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	685474	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		685474
(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)		
(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)		

		(a) Amount	(b) Total
(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)		975028
c Other income.....	2c		12374
d Total income. Add all income amounts in column (b) and enter total.....	2d		4150341

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	710838	
(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)		710838
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)	83512	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	198003	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		281515
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		992353

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		3157988
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) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: **MAYER HOFFMAN MCCANN P.C.**

(2) EIN: **43-1947695**

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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.)		X	
4c			
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.).....		X	
4d			
e Was this plan covered by a fidelity bond?	X		5000000
4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f			
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?.....		X	
4g			
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?.....		X	
4h			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i			
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.)	X		
4j			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k			
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

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 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)</u>	B Three-digit plan number (PN) ▶ <u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERSO PAPER CORP.</u>	D Employer Identification Number (EIN) <u>75-3217389</u>

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	<u>0</u>
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): <u>13-3689044</u>		
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	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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 (include any prior year accumulated funding deficiency not waived).....	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 or other authority 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. 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.
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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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**VERSO PAPER CORP. PENSION PLAN
FOR HOURLY EMPLOYEES (ANDROSCOGGIN)**

Financial Statements
Years Ended December 31, 2014 and 2013

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

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Independent Auditor's Report

To the Benefits Committee
Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
Memphis, Tennessee

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin) (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 5 which was certified by State Street Bank and Trust Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the custodian as of December 31, 2014 and 2013 and for the years then ended that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2014 and the schedule of reportable transactions for the year ended December 31, 2014, which are the responsibility of plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and the supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive, flowing script.

Memphis, Tennessee
October 9, 2015

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Statements of Net Assets Available for Benefits
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Investments		
Mutual funds	\$ 26,519,053	\$ 21,787,576
Receivables		
Employer contributions	<u>888,891</u>	<u>2,472,026</u>
Total assets	27,407,944	24,259,602
Liabilities		
Accrued expenses	<u>31,054</u>	<u>40,700</u>
Net assets available for benefits	<u>\$ 27,376,890</u>	<u>\$ 24,218,902</u>

The accompanying notes are an integral
part of these financial statements.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Statements of Changes in Net Assets Available for Benefits For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Additions to net assets attributed to:		
Investment income		
Net appreciation in fair value of investments	\$ 987,402	\$ 1,094,867
Dividends	<u>685,474</u>	<u>542,230</u>
	1,672,876	1,637,097
Employer contributions	<u>2,477,465</u>	<u>2,472,026</u>
Total additions	4,150,341	4,109,123
Deductions from net assets attributed to:		
Benefits paid to participants and beneficiaries	710,838	601,091
PBGC premiums	186,753	97,224
Administrative expenses	<u>94,762</u>	<u>81,400</u>
Total deductions	<u>992,353</u>	<u>779,715</u>
Net increase in net assets	3,157,988	3,329,408
Net assets available for benefits		
Beginning of year	<u>24,218,902</u>	<u>20,889,494</u>
End of year	<u>\$ 27,376,890</u>	<u>\$ 24,218,902</u>

The accompanying notes are an integral
part of these financial statements.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements
December 31, 2014 and 2013

Note 1 - Description of Plan

The following description of Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin) provides only general information. Readers should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General

Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin) (the "Plan") is a non-contributory defined benefit pension plan covering full time and part time hourly employees of Verso Corporation (the "Company") who have attained the age of twenty-one (21) and completed one year of service at the Androscoggin Mill in Jay, Maine. The Plan was established on April 30, 2011 for the benefit of eligible employees, retired employees, and/or their beneficiaries. Employees who were participants in the Verso Paper Corp. Pension Plan for Hourly Employees as of April 30, 2011 became participants in the Plan as of April 30, 2011. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan is administered by the Company's Benefits Committee. The committee has overall responsibility for the operations and administration of the Plan. The committee determines the appropriateness of the Plan's investment offerings and monitors investment performance.

Pension benefits

For employees hired prior to October 1, 2007, the monthly benefit is equal to \$50 per month for each year of credited service including \$3 per year of credited service under the International Paper Retirement Plan. For employees hired on or after October 1, 2007, the monthly benefit is equal to \$45 per month for each year of credited service. The Plan permits reduced benefits for certain participants electing early retirement as defined in the Plan Agreement.

With respect to any participant who became a participant as of April 30, 2011, the plan administrator shall credit the participant with the credited service earned under Verso Paper Corp. Pension Plan for Hourly Employees as of April 30, 2011.

Vesting

Benefits become vested after a participant has five years of vesting service or after attainment of age sixty-five (65).

Death and disability benefits

If an active participant dies, the participant's surviving spouse is entitled to a death benefit as defined in the Plan Agreement. Active participants who become totally disabled receive annual benefits as defined in the Plan Agreement.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 2 - Summary of significant accounting policies

Basis of accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, disclosures of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Accordingly, actual results could differ from those estimates.

Investments

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The Plan's Benefits Committee determines the Plan's valuation policies, in accordance with accounting principles generally accepted in the United States of America, utilizing information provided by the custodian. See note 6 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Benefit payments

Benefit payments are recorded when paid.

Administrative expenses

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. In addition, certain investment related expenses reduced investment income presented in the accompanying statements of changes in net assets available for benefits.

Note 3 - Actuarial present value of accumulated plan benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service rendered by employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 3 - Actuarial present value of accumulated plan benefits (continued)

retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and present employees or their beneficiaries. The accumulated plan benefits are based upon date of retirement and years of credited service, as detailed in the Plan Agreement. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent enrolled actuary, and is the amount that results from applying actuarial assumptions to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits is presented on a beginning of year benefit information date.

The actuarial present value of accumulated plan benefits as of January 1, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Vested benefits		
Participants and beneficiaries currently receiving payments	\$ 6,936,860	\$ 5,263,744
Other participants	<u>18,650,307</u>	<u>17,135,367</u>
	25,587,167	22,399,111
Non-vested benefits	<u>337,064</u>	<u>335,328</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 25,924,231</u>	<u>\$ 22,734,439</u>

The changes in the actuarial present value of accumulated plan benefits during 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Actuarial present value of accumulated plan benefits as of beginning of prior year	\$ 22,734,439	\$ 21,886,788
Benefits accrued and actuarial experience	2,278,647	2,685,315
Interest accumulated	1,458,511	1,240,846
Actuarial assumption changes	53,725	(2,655,217)
Benefits paid during the year	<u>(601,091)</u>	<u>(423,293)</u>
Actuarial present value of accumulated plan benefits as of beginning of current year	<u>\$ 25,924,231</u>	<u>\$ 22,734,439</u>

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 3 - Actuarial present value of accumulated plan benefits (continued)

The more significant methods and assumptions, including changes from the prior year, used by the actuaries in their valuation are as follows:

Actuarial cost method - Traditional Unit Credit Actuarial Cost Method
Asset valuation - Market value of assets on valuation date
Interest rate - 6.59% effective rate for 2014; 6.41% effective rate for 2013
Normal retirement age - 65
Early retirement age - 55 with 10 years of credited service, benefit formula
Expected Investment Return: 6.50% for 2014 and 2013
Basis of accumulated plan benefits - credited years of service, benefit formula
Mortality rates - Static mortality table in accordance with IRS Regulation 1.430(h)(3)-1 for the respective valuation year

The foregoing actuarial assumptions are based upon the presumption that the Plan will continue. If the Plan were terminated, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4 - Investments

The fair value of the individual investments which represent five percent (5%) or more of the Plan's net assets available for benefits as of December 31, 2014 and 2013 is as follows:

	2014	2013
Vanguard Growth Index Admiral Fund	\$ 3,387,291	\$ -
Vanguard Short-Term Bond Index Admiral Fund	2,704,573	-
Vanguard Russell 1000 Value Index Fund	2,425,576	1,836,168
Vanguard Small Cap Growth Index Admiral Fund	1,678,131	1,368,313
Vanguard Intermediate Term Bond Index Admiral Fund	1,598,512	-
Vanguard Intermediate Term Investment Grade Fund	1,596,643	1,274,526
Vanguard REIT Index Admiral Fund	1,571,528	-
Templeton Global Bond Fund	1,552,056	1,284,386
Vanguard Small Cap Value Index Admiral Fund	1,495,044	1,158,241 *
Vanguard Short Term Bond Index Signal Fund	-	3,060,040
Vanguard Growth Index Signal Fund	-	2,558,740
Vanguard Intermediate Term Bond Index Signal Fund	-	1,262,441

* Presented for comparative purposes only. Does not represent 5% or more of the fair value of the Plan's net assets as of December 31, 2013.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Investments (continued)

During 2014 and 2013, the Plan's investments (including investments bought, sold and held during the year) appreciated in value as follows:

	2014	2013
Mutual funds	\$ 987,402	\$ 464,085
Common/collective trust funds	<u>-</u>	<u>630,782</u>
	<u>\$ 987,402</u>	<u>\$ 1,094,867</u>

Note 5 - Information prepared and certified by the custodian

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, State Street Bank and Trust Company, the custodian of the Plan, has certified that the following data included in the accompanying financial statements and the supplemental schedules is complete and accurate.

- Investments at fair value
- Net appreciation in fair value of investments
- Dividends
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and the supplemental schedules.

Note 6 - Fair value measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below.

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 6 - Fair value measurements (continued)

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based upon the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of December 31, 2014 and 2013.

Mutual funds: Valued at the daily closing price as reported by the funds. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although plan management believes its valuation method is 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.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2014 and 2013.

Investments at Fair Value as of December 31, 2014				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
Fixed income	\$ 11,954,757	\$ -	\$ -	\$ 11,954,757
Large capital equity	7,038,451	-	-	7,038,451
Small capital equity	3,173,175	-	-	3,173,175
Other	2,869,491	-	-	2,869,491
International equity	<u>1,483,179</u>	<u>-</u>	<u>-</u>	<u>1,483,179</u>
Total	<u>\$ 26,519,053</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,519,053</u>

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 6 - Fair value measurements (continued)

Investments at Fair Value as of December 31, 2013				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
Fixed income	\$ 10,522,346	\$ -	\$ -	\$ 10,522,346
Large capital equity	5,987,202	-	-	5,987,202
Small capital equity	2,526,554	-	-	2,526,554
Real estate	1,030,732	-	-	1,030,732
Energy	689,657	-	-	689,657
Emerging markets	621,490	-	-	621,490
Commodities	<u>409,595</u>	<u>-</u>	<u>-</u>	<u>409,595</u>
Total	<u>\$ 21,787,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,787,576</u>

Note 7 - Funding policy

The Company's funding policy is to make contributions to the Plan in the amounts that are estimated to fully provide all accrued benefits by the time each participant retires and to meet the minimum funding requirements of ERISA. The Company's contributions are to be made in cash no later than the earlier of the date permitted by law for meeting the minimum funding standards or the date for making tax deductible contributions. Based upon the January 1, 2014 actuarial valuation, the minimum contribution required by the Company was \$2,353,270 for the year ended December 31, 2014. Based upon the January 1, 2013 actuarial valuation, the minimum contribution required by the Company was \$2,212,648 for the year ended December 31, 2013. Actual contributions by the Company totaled \$2,477,465 for 2014 and \$2,472,026 for 2013. The Plan was able to apply credit balances in order to meet minimum funding for 2013.

Note 8 - Related party transactions and party-in-interest transactions

Plan investments consist of mutual funds offered through State Street Bank and Trust Company. State Street Bank and Trust Company is the custodian for the Plan and these investments and related investment transactions qualify as party-in-interest transactions. Transamerica Retirement Solutions Corporation is the third-party administrator and also serves as the Plan actuary.

Fees paid to related parties totaled \$94,762 in 2014 and \$81,400 in 2013.

The Company provides the Plan with certain management and administrative services for which no fees are charged.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 9 - Plan termination

Although it has not expressed the intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. Benefits attributable to employee contributions, if any, taking into account those paid out before termination.
- b. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would be payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- c. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations discussed below.
- d. Vested benefits not insured by the PBGC.
- e. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2015, that ceiling is \$5,011 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 10 - Tax status

The Plan has not yet obtained a tax determination letter from the Internal Revenue Service (IRS); however, plan management believes that the Plan and related trust are currently designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Plan management intends to file for a determination letter in the near future.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The plan administrator believes it is no longer subject to IRS examinations for years prior to 2011.

Note 11 - 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 values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Note 12 - Subsequent events

Plan management has evaluated subsequent events through October 9, 2015, which is the date that the financial statements were available to be issued and noted the following item for disclosure.

On August 20, 2015, the Company announced that it plans to make major reductions in its coated paper and pulp production capacity by shutting down the No. 1 pulp dryer and No. 2 paper machine at its Androscoggin Mill in Jay, Maine. The shutdown of the No. 1 pulp dryer and the No. 2 paper machine at the Androscoggin Mill will reduce the Company's production capacity by 150,000 tons of coated paper and 100,000 tons of dried market pulp. Plan management is evaluating the effect of the reductions in regards to the Plan.

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Notes to Financial Statements (Continued)

December 31, 2014 and 2013

Note 12 - Subsequent events (continued)

Effective September 30, 2015, the Verso Paper Corp. Pension Plan for Hourly Employees, or the "Hourly Pension Plan" was merged with and into the Plan, with no change to the rate of future benefit accruals or any other plan feature for any existing participant of either plan and transferred coverage and related plan assets from the Hourly Pension Plan to the Plan with respect to those participants covered by the Hourly Pension Plan immediately prior to the effective date of the Merger.

SUPPLEMENTAL SCHEDULES

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

EIN: 75-3217389 / Plan Number: 004

December 31, 2014

<u>(a)</u>	<u>(b)(c) Identity of Issue/Description</u>	<u>Number of Shares</u>	<u>(d) Cost</u>	<u>(e) Current Value</u>
	<u>Mutual funds</u>			
	Vanguard Growth Index Admiral Fund	63,078	\$ 3,135,240	\$ 3,387,291
	Vanguard Short-Term Bond Index Admiral Fund	258,070	2,720,775	2,704,573
	Vanguard Russell 1000 Value Index Fund	13,620	1,948,679	2,425,576
	Vanguard Small Cap Growth Index Admiral Fund	37,915	1,371,965	1,678,131
	Vanguard Intermediate Term Bond Index Admiral Fund	139,486	1,605,163	1,598,512
	Vanguard Intermediate Term Investment Grade Fund	162,426	1,604,315	1,596,643
	Vanguard REIT Index Admiral Fund	13,686	1,440,062	1,571,528
	Templeton Global Bond Fund	125,065	1,634,720	1,552,056
	Vanguard Small Cap Value Index Admiral Fund	32,916	1,164,860	1,495,044
	Goldman Sachs High Yield Floating Rate Fund	130,875	1,314,064	1,287,811
	Vanguard 500 Index Admiral Fund	6,454	1,144,846	1,225,584
	Prudential High Yield Z Fund	190,168	1,067,231	1,053,532
	MainGate MLP Fund	67,022	801,053	896,087
	BlackRock Long Duration Bond Investment Fund	82,375	828,307	810,571
	Oppenheimer International Bond Fund	128,399	784,819	758,842
	Vanguard Developed Markets Index Admiral Fund	61,105	810,312	743,648
	Vanguard Emerging Markets Stock Index Admiral Fund	22,242	791,533	739,531
	Vanguard Long Term Investment Grade Admiral Fund	55,090	541,570	592,218
	PIMCO Commodity Real Return Strategy Institutional Fund	89,704	<u>543,939</u>	<u>401,875</u>
			<u>\$ 25,253,453</u>	<u>\$ 26,519,053</u>

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Schedule H, Line 4j - Schedule of Reportable Transactions

EIN: 75-3217389 / Plan Number: 004

For the Year Ended December 31, 2014

Identity of (a) Party Involved	(b) Description of Asset	Purchase (c) Price	Selling (d) Price	Cost of (g) Asset	Current Value at Transaction (h) Date	Net Gain (i) (Loss)
<u>Single 5% transactions</u>						
Transamerica	Vanguard Growth Index Signal Fund	\$ -	\$ 2,727,309	\$ 2,635,682	\$ 2,727,309	\$ 91,627
Transamerica	Vanguard Short Term Bond Index Signal Fund	-	2,857,852	2,841,893	2,857,852	15,959
Transamerica	Vanguard Intermediate Term Bond Index Signal Fund	-	1,366,074	1,316,393	1,366,074	49,681
Transamerica	Vanguard REIT Index Signal Fund	-	1,223,236	1,069,532	1,223,236	153,704
Transamerica	Vanguard Growth Index Admiral Fund	2,727,309	-	2,727,309	2,727,309	-
Transamerica	Vanguard Intermediate Term Bond Index Admiral Fund	1,366,074	-	1,366,074	1,366,074	-
Transamerica	Vanguard REIT Index Admiral Fund	1,223,236	-	1,223,236	1,223,236	-
Transamerica	Vanguard Short Term Bond Index Admiral Fund	2,857,852	-	2,857,852	2,857,852	-

VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)

Schedule H, Line 4j - Schedule of Reportable Transactions (Continued)

EIN: 75-3217389 / Plan Number: 004

For the Year Ended December 31, 2014

Identity of (a) Party Involved	(b) Description of Asset	Purchase (c) Price	Selling (d) Price	Cost of (g) Asset	Current Value on Transaction (h) Date	Net Gain (i) (Loss)
<u>Series 5% transactions</u>						
Transamerica	Vanguard Growth Index Signal Fund	\$ 76,941	\$ -	\$ 76,941	\$ 76,941	\$ -
		-	2,727,309	2,635,682	2,727,309	91,627
Transamerica	Vanguard Short Term Bond Index Signal Fund	108,808	-	108,808	108,808	-
		-	3,185,647	3,168,834	3,185,647	16,813
Transamerica	Vanguard Intermediate Term Bond Index Signal Fund	53,952	-	53,952	53,952	-
		-	1,366,074	1,316,393	1,366,074	49,681
Transamerica	Vanguard REIT Index Signal Fund	38,800	-	38,800	38,800	-
		-	1,223,236	1,069,532	1,223,236	153,704
Transamerica	Vanguard 500 Index Admiral Fund	1,144,846	-	1,144,846	1,144,846	-
		-	-	-	-	-
Transamerica	Vanguard Growth Index Admiral Fund	3,135,240	-	3,135,240	3,135,240	-
		-	-	-	-	-
Transamerica	Vanguard Intermediate Term Bond Index Admiral Fund	1,605,163	-	1,605,163	1,605,163	-
		-	-	-	-	-
Transamerica	Vanguard REIT Index Admiral Fund	1,440,062	-	1,440,062	1,440,062	-
		-	-	-	-	-
Transamerica	Vanguard Short Term Bond Index Admiral Fund	3,396,898	-	3,396,898	3,396,898	-
		-	674,981	676,124	674,981	(1,143)

**Attachment to 2014 Form 5500 Schedule SB,
Line 26 – Schedule of Active Participant Data**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

	 Completed Years of Credited Service										
<u>Age</u>	0 to <u>1</u>	1 to <u>4</u>	5 to <u>9</u>	10 to <u>14</u>	15 to <u>19</u>	20 to <u>24</u>	25 to <u>29</u>	30 to <u>34</u>	35 to <u>39</u>	40 ±	<u>Total</u>
0 – 24	0	1	2	0	0	0	0	0	0	0	3
25 – 29	0	6	7	0	0	0	0	0	0	0	13
30 – 34	1	10	8	4	0	0	0	0	0	0	23
35 – 39	0	7	10	14	3	0	0	0	0	0	34
40 – 44	0	12	16	19	3	0	2	0	0	0	52
45 – 49	0	11	11	23	7	3	64	0	0	0	119
50 – 54	0	13	8	26	3	1	121	26	1	0	199
55 – 59	0	13	4	11	5	0	70	14	24	0	141
60 – 64	0	8	4	4	3	1	27	8	23	5	83
65 – 69	0	1	1	0	0	0	2	0	0	5	9
70 & Up	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Totals	1	82	71	102	24	5	288	48	48	10	679

**Attachment to 2014 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

A ACTUARIAL COST METHOD

The actuarial cost method used to determine the target normal cost, target liability and required contribution amounts for the plan is the Traditional Unit Credit Actuarial Cost Method. Under this method, both the target normal cost and target liability are based on the annual accrual of benefits as accruals occur each year.

The target liability for each active plan participant is equal to the actuarial present value of the participant's accrued benefit as of the valuation date. The total target liability of the plan is equal to the sum of such liabilities as determined for each active participant plus the actuarial present value of benefits being paid, or due to be paid, to retirees, beneficiaries and former participants with deferred vested benefits.

The target normal cost for each active participant is equal to the actuarial present value of the benefit expected to be earned during the year starting on the valuation date. The total target normal cost of the plan is the sum of the target normal costs for each active plan participant.

All employees who are plan participants on a valuation date are included in the actuarial valuation.

B ASSET VALUATION METHOD

The actuarial value of assets is equal to the market value of assets on the valuation date.

**Attachment to 2014 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

C INTEREST RATE METHODS

Target Liability Interest Rates

Segment rates for the September prior to the valuation date as adjusted in accordance with Code Section 430(h)(2)(C)(iv).

PBGC Interest Rates

Based on the alternative premium funding target and the Target Liability Interest Rates, unadjusted by Code Section 430(h)(2)(C)(iv).

Expected Investment Return/
ASC 960-20 Interest Rate

6.50%

D ACTUARIAL ASSUMPTIONS

Pre- and Post-Retirement Mortality

Static mortality table in accordance with IRS Regulation 1.430(h)(3)-1 for the valuation year.

Withdrawal Rates

Sample rates are as follows:

<u>Age</u>	<u><5 Years of Service</u>	<u>>5 Years of Service</u>
25	24.5%	9.6%
30	21.6%	8.2%
35	18.7%	6.8%
40	18.7%	5.4%
45	18.7%	5.4%
50	18.7%	5.4%
55	0.0%	0.0%

**Attachment to 2014 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

D ACTUARIAL ASSUMPTIONS (cont'd)

Retirement Rates

Rates differ for those who were retirement eligible (age 55 with 10 years of service) as of date of divestiture (August 1, 2006) and for those who were not retirement eligible. Retirement eligible employees are Grandfathered for subsidized retiree medical benefits from International Paper.

Rates are as follows:

<u>Age</u>	<u>Grandfathered</u>	<u>Non-Grandfathered</u>
55-60	1%	0%
61	10%	0%
62	50%	20%
63	30%	10%
64	20%	10%
65	80%	80%
66-69	50%	50%
70	100%	100%

Terminated vested participants are assumed to retire at age 65.

Disability Rates

Sample rates are as follows:

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	0.089%	0.116%
30	0.105%	0.155%
35	0.137%	0.232%
40	0.202%	0.305%
45	0.356%	0.463%
50	0.662%	0.729%
55	1.187%	1.068%
60	1.671%	1.253%
65	2.075%	1.425%

**IRC Maximum Benefit and
Compensation Limitations**

Benefit Limit

\$210,000 for 2014 (previously, \$205,000).

Compensation Limit

Not Applicable.

Form of Payment

Life annuity.

Marital Assumption

It is assumed that 80% of male participants are married and 50% of female participants are married. Husbands are assumed to be three years older than their wives.

Plan Expenses

\$205,000 (previously, \$185,000).

ATTACHMENT TO THE 2014 SCHEDULE H OF FORM 5500
LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR) &
LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS

Plan Sponsor: Verso Paper Corp.

Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)

Plan Year: January 1, 2014 to December 31, 2014

EIN: 75-3217389

Plan No.: 004

Item 4i- Schedule of Assets Held at End of Year

Page 16 of the attached auditor's report of the Plan for the plan year ending December 31, 2014 provides the schedule of assets information.

Item 4j- Schedule of Reportable Transactions

Page 17-18 of the attached auditor's report of the Plan for the plan year ending December 31, 2014 provides the schedule of reportable transactions.

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 2014 This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning	01/01/2014	and ending	12/31/2014
► 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 VERSO PAPER CORP. PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN)	004
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VERSO PAPER CORP.	D Employer Identification Number (EIN) 75-3217389	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2014</u>			
2 Assets:			
a Market value	2a	24151786	
b Actuarial value	2b	24151786	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	180	7021668	7021668
b For terminated vested participants.....	98	2024731	2024731
c For active participants.....	679	16227803	16555553
d Total.....	957	25274202	25601952
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate	5	6.59 %	
6 Target normal cost	6	2092289	

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 Paul W. Foley, A.S.A., E.A. Type or print name of actuary Transamerica Firm name 24 Prime Park Way Suite 400 Natick, MA 01760-1528 Address of the firm	09/25/2015 Date 14-05775 Most recent enrollment number (508) 903-6016 Telephone number (including area code)
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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 (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>8.02</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		1446
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.78</u> %		98
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance.....		1544
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	0

Part III Funding Percentages

14	Funding target attainment percentage.....	14	94.33 %
15	Adjusted funding target attainment percentage	15	94.33 %
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	95.71 %
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		
04-15-2014	529544						
07-15-2014	529544						
10-15-2014	529486						
01-15-2015	529486						
09-15-2015	359405						
			Totals ►	18(b)	2477465	18(c)	

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 contributions 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	2353270

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

C If line 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

21 Discount rate:			
a Segment rates:	1st segment: 4.99%	2nd segment: 6.32 %	3rd segment: 6.99 %
	☐ N/A, full yield curve used		
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions)	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute

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 subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	

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

31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6)	31a	2092289
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment.....	1450166	260981
b	Waiver amortization installment		
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 (lines 31a - 31b + 32a + 32b - 33) ..	34	2353270
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement.....	0	0
36	Additional cash requirement (line 34 minus line 35).....	36	2353270
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	2353270
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	0
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40	Unpaid minimum required contributions for all years	40	0

41 If an election was made to use PRA 2010 funding relief for this plan:		
a Schedule elected	☐ 2 plus 7 years	☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008	☐ 2009 ☐ 2010 ☐ 2011
42 Amount of acceleration adjustment	42	
43 Excess installment acceleration amount to be carried over to future plan years	43	

Schedule C, Line 2(h) Formula Descriptions

Verso Paper Corp. Pension Plan For Hourly Employees (Androscoggin)

EIN No.: 75-32174389, Plan No. 004

Plan Year Ending: 12/31/2014

Indirect Compensation in the form of revenue sharing was paid to the following Service Providers:

TRANSAMERICA RETIREMENT SOLUTIONS	13-3689044
NATIONAL FINANCIAL SERVICES	04-3523567
MID ATLANTIC CAPITAL CORPORATION	25-1409618

Revenue amounts are shown in annualized basis points of plan assets invested in applicable fund

Fund Family	Fund Name	Start Date	End Date	Revenue to Transamerica Retirement Solutions	Revenue to National Financial Services	Revenue to Mid Atlantic Capital Corporation
BLACKROCK	BLACKROCK INVESTMENT GRADE BOND PORTFOLIO A	1/1/2014	12/31/2014	39.024	0.976	
FRANKLIN	TEMPLETON GLOBAL BOND, ADV	1/1/2014	12/31/2014	24.000		1.000
GOLDMAN SACHS	GOLDMAN SACHS FLOATING RATE FD	1/1/2014	6/30/2014	16.585	0.415	
GOLDMAN SACHS	GOLDMAN SACHS FLOATING RATE FD	7/1/2014	12/31/2014	11.707	0.293	
OPPENHEIMER	OPPENHEIMER INTERNATIONAL BOND	1/1/2014	12/31/2014	24.390	0.610	
PIMCO	PIMCO COMMODITY FUND	1/1/2014	12/31/2014	2.927	0.073	
PRUDENTIAL	PRUDENTIAL HIGH-YIELD Z	1/1/2014	12/31/2014	24.390	0.610	

**Attachment to 2014 Form 5500 Schedule SB,
Line 19 – Discounted Employer Contributions**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

<u><i>Date</i></u>	<u><i>Actual Contribution</i></u>	<u><i>Discounted Contribution</i></u>	<u><i>Effective Rate</i></u>	<u><i>Plan Year</i></u>
April 15, 2014	\$ 529,544	\$ 520,002	6.59%	1/1/2014 – 12/31/2014
July 15, 2014	529,544	511,793	6.59%	1/1/2014 – 12/31/2014
October 15, 2014	529,486	503,571	6.59%	1/1/2014 – 12/31/2014
January 15, 2015	529,486	495,536	6.59%	1/1/2014 – 12/31/2014
September 15, 2015	<u>359,405</u>	<u>322,368</u>	6.59%	1/1/2014 – 12/31/2014
Total	\$ 2,477,465	\$ 2,353,270		

**Attachment to 2014 Form 5500 Schedule SB,
Line 22 – Description of Weighted Average Retirement Age**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

E.I.N.: 75-3217389 Plan No.: 004

Plan Year: January 1, 2014 to December 31, 2014

The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Grandfathered

x	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.01	1,000,000	1	0.01	0.55
56	0.01	990,000	0.99	0.0099	0.5544
57	0.01	980,100	0.9801	0.0098	0.558657
58	0.01	970,299	0.9703	0.0097	0.56277342
59	0.01	960,596	0.9606	0.00961	0.56675165
60	0.01	950,990	0.95099	0.00951	0.57059403
61	0.1	941,480	0.94148	0.09415	5.74302891
62	0.5	847,332	0.84733	0.42367	26.2672962
63	0.3	423,666	0.42367	0.1271	8.00728867
64	0.2	296,566	0.29657	0.05931	3.79604796
65	0.8	237,253	0.23725	0.1898	12.3371559
66	0.5	47,451	0.04745	0.02373	1.56586978
67	0.5	23,725	0.02373	0.01186	0.79479754
68	0.5	11,863	0.01186	0.00593	0.4033301
69	0.5	5,931	0.00593	0.00297	0.20463071
70	1	2,966	0.00297	0.00297	0.20759637

Average age at retirement

62.69

Rounded for Schedule SB item 22

63

Non-Grandfathered

x	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
62	0.2	1,000,000	1	0.2	12.4
63	0.1	800,000	0.8	0.08	5.04
64	0.1	720,000	0.72	0.072	4.608
65	0.8	648,000	0.648	0.5184	33.696
66	0.5	129,600	0.1296	0.0648	4.2768
67	0.5	64,800	0.0648	0.0324	2.1708
68	0.5	32,400	0.0324	0.0162	1.1016
69	0.5	16,200	0.0162	0.0081	0.5589
70	1	8,100	0.0081	0.0081	0.567

Average age at retirement

64.42

Rounded for Schedule SB item 22

64

**Attachment to 2014 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

<u>Effective Date</u>	April 30, 2011 spin-off from Hourly Plan.
<u>Plan Year</u>	January 1 through December 31.
<u>Eligibility</u>	Employees are eligible to enter the plan after completion of one year of Service. Employees who were participants in the International Paper ("IP") Retirement Plan as of August 1, 2006 are participants in the Verso Plan as of August 1, 2006.
<u>Service</u>	Elapsed time from date of participation to date of termination. Service earned as a participant in the IP Retirement Plan is included.
<u>Normal Retirement Benefit:</u>	A monthly benefit equal to: - \$3 times IP Service plus - Years of Verso Service at the following rates: \$50 if employed at 9/30/2007 \$45 for all others
<u>Normal Retirement Age</u>	Age 65.
<u>Early Retirement Date</u>	A Participant's Early Retirement Date is the first day of the month coincident with age 55 and 10 years of Service.
<u>Early Retirement Benefit</u>	The Normal Retirement Benefit is reduced at the following rates:

<u>Age</u>	<u>Percentage Payable</u>
55	65%
56	69%
57	73%
58	78%
59	83%
60	87%
61	94%
62	100%

Unreduced benefits are available at age 61 with 20 or more years of Service at termination.

**Attachment to 2014 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

Termination Benefit

In the event of termination after 5 years of Service, the participant will become entitled to receive a pension benefit commencing on his Normal Retirement Date. An actuarially reduced benefit can commence prior to Normal Retirement Date.

Disability Benefit

A person is eligible for Disability Retirement Benefits upon the first day of the month following exhaustion of short term disability benefits with no years of service or age requirement. The monthly accrued benefit actuarially reduced from Normal Retirement Date for early commencement. If the participant has 10 years of vesting service as of the date of disability there is no reduction for early commencement and minimum benefit prior to age 65 is the lesser of \$400 or a benefit that includes service projected to age 65.

Pre-Retirement Death Benefit

If a vested participant dies before retirement, the spouse receives a monthly payment equal to half of the amount that would have been paid to the participant had the participant retired on his earliest retirement date and elected a 50% qualified joint & survivor annuity.

Normal Form of Payment

Single Life Annuity or actuarially equivalent 50% Joint & Contingent Annuity for married participants

Optional Forms of Payment

50%, 75% or 100% Joint & Contingent Annuity (also available to participants with non-spouse beneficiaries)

5, 10, 15 and 20 year Certain & Continuous Annuity

Social Security Level Option

Small Payments

Lump-sum if value of benefit does not exceed \$5,000

**Attachment to 2014 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

Plan Actuarial Equivalence

Interest Rate: 7.0%

Mortality Table: 1983 Group Annuity Mortality table for males, setback 1 year for participants and 5 years for beneficiaries

For Lump-Sums:

Interest Rate: PPA Segment rates for 2nd months prior to the plan year of determination (November)

Mortality Table: Table described in Revenue Ruling 2007-67 (IRS Notice 2008-85)

Disability Actuarial Equivalence:

Interest Rate: 4.0%

Mortality Table: UP-84

Benefits Not Included

None to our knowledge.

Significant Events that
Occurred During the Year

None to our knowledge.

Summary of Changes on
Principal Eligibility on Benefit
Provisions since the Last
Valuation

None to our knowledge.

ATTACHMENT TO THE 2014 SCHEDULE H OF FORM 5500
LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR) &
LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS

Plan Sponsor: Verso Paper Corp.

Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)

Plan Year: January 1, 2014 to December 31, 2014

EIN: 75-3217389

Plan No.: 004

Item 4i- Schedule of Assets Held at End of Year

Page 16 of the attached auditor's report of the Plan for the plan year ending December 31, 2014 provides the schedule of assets information.

Item 4j- Schedule of Reportable Transactions

Page 17-18 of the attached auditor's report of the Plan for the plan year ending December 31, 2014 provides the schedule of reportable transactions.

**Attachment to 2014 Form 5500 Schedule SB,
Line 32 – Schedule of Amortization Bases**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

Amortization Schedule

<u>(a)</u> <u>Year</u>	<u>(b)</u> <u>Type</u>	<u>(c)</u> <u>Present Value</u>	<u>(d)</u> <u>Years Left</u>	<u>(e)</u> <u>Payment</u>
2008	Shortfall	\$ 0	1	\$ 0
2009	Shortfall	0	2	0
2010	Shortfall	0	3	0
2011	Shortfall	0	4	0
2012	Shortfall	0	5	0
2013	Shortfall	833,566	6	157,787
2014	Shortfall	<u>616,600</u>	7	<u>103,194</u>
Total		\$ 1,450,166		\$ 260,981

**Attachment to 2014 Form 5500 Schedule SB,
Line 24 – Change in Actuarial Assumptions**

**Plan Name: Verso Paper Corp. Pension Plan for Hourly Employees (Androscoggin)
Plan Sponsor: Verso Paper Corp.**

**E.I.N.: 75-3217389 Plan No.: 004
Plan Year: January 1, 2014 to December 31, 2014**

For 2014, \$205,000 was included in the Target Normal Cost to cover expected expenses (previously, \$185,000).