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

Part I Annual Report Identification Information

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

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
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2007

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
KAPSTONE PAPER AND PACKAGING CORPOR ATION

JEFFREY ZROBACK

1101 SKOKIE BLVD.
SUITE 300
NORTHBROOK, IL 60062-4124

2b Employer Identification Number (EIN)
20-2699372

2c Plan Sponsor's telephone number
847-239-8878

2d Business code (see instructions)
322100

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2015	JEFFREY ZROBACK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2015	JEFFREY ZROBACK
	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)
ANTHONY MAYER

KAPSTONE PAPER AND PACKAGING CO

300 FIBRE WAY
LONGVIEW, WA 98632

Preparer's telephone number (optional)
360-442-7639

3a	Plan administrator's name and address [X] 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**	1088
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)**	935
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	2182
b	Retired or separated participants receiving benefits	**6b**	2177
c	Other retired or separated participants entitled to future benefits	**6c**	1640
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	5999
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	315
f	Total. Add lines **6d** and **6e**.	**6f**	6314
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	0
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	8
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:
1A 1B 1C 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)	[X] Insurance	**(1)**	[X] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] 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

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

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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 A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KAPSTONE PAPER AND PACKAGING CORPOR ATION

D Employer Identification Number (EIN)
20-2699372

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
42-0127290	61271	518849	0	01/01/2014	12/31/2015

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	**4**	0
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	
c	Premiums due but unpaid at the end of the year	**6c**	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	**6d**	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			**7b**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below)	**7c(5)**			
	▶				
	(6) Total additions			**7c(6)**	
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below)	**7e(4)**			
	▶				
	(5) Total deductions			**7e(5)**	
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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

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
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
KAPSTONE PAPER AND PACKAGING CORPOR ATION

D Employer Identification Number (EIN)
20-2699372

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

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014

2 Assets:

a Market value	**2a**	23594144
b Actuarial value	**2b**	22819413

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	89	2281653	2281653
b For terminated vested participants	80	1065284	1065284
c For active participants	918	16717582	20035409
d Total	1087	20064519	23382346

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**	6.63%
6 Target normal cost	**6**	2601559

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

10/02/2015
Date

LINDA M KIRK
Type or print name of actuary

14-06140
Most recent enrollment number

PRINCIPAL FINANCIAL GROUP
Firm name

515-248-2947
Telephone number (including area code)

PO BOX 9394
DES MOINES, IA 50306
Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (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 11.00%	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)		245
	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 6.44 %		16
	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		261
	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	97.59 %
15	Adjusted funding target attainment percentage	15	97.59 %
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	87.52 %
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	813939	0			
07/14/2014	813939	0			
10/14/2014	363930	0			
01/15/2015	663936	0			
09/02/2015	443632	0			
			Totals ► 18(b)	3099376	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	2951734

20 Quarterly contributions and liquidity shortfalls:

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

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.99 %	6.32 %	6.99 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

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**	2601559
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	562933	349264
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	2950823

	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**	2950823
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	2951734

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	911
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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**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	**B** Three-digit plan number (PN) ▶
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN	002
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
KAPSTONE PAPER AND PACKAGING CORPOR ATION	20-2699372

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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?
13 50 64	CONTRACT ADMINISTRATOR	0	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(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 [ ]

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)

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KAPSTONE PAPER AND PACKAGING CORPOR ATION

D Employer Identification Number (EIN)
20-2699372

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP VALUE III SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-022	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MONEY MARKET SA-I3

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-024	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL EMERG MARKETS SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-013	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP VALUE SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-019	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP GROWTH SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-018	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN U.S. PROPERTY SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-027	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BOND AND MORTAGAGE SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-005	P	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-016	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL I SEPARATE ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-048	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-026	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAO GROWTH I SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-066	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP VALUE III SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-068	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN REAL ESTATE SECS SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-095	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP VALUE II SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-096	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN HIGH YIELD I SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-101	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN CORE PLUS BOND I SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-115	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL OVERESEAS SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-116	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN EQUITY INCOME SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-120	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL DIV REAL ASSET SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-123	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

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 01/01/2014 and ending 12/31/2014

A Name of plan
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KAPSTONE PAPER AND PACKAGING CORPOR ATION

D Employer Identification Number (EIN)
20-2699372

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)	1531958	1107636
(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)		40274753
(2) U.S. Government securities	1c(2)		82445644
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		209685685
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		10387280
(5) Partnership/joint venture interests	1c(5)		23510018
(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)	1116813	
(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)	20948775	153205358
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		130284475

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	23597546	650900849
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		218249
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	218249
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	23597546	650682600

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)	3099444	
	(B) Participants	2a(1)(B)	20546	
	(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)		3119990
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	905480	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		905480
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	1544406	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		1544406

		(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)		151478
(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)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		5721354
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	325464	
(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)		325464
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		325464
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		5395890
l Transfers of assets:			
(1) To this plan	2l(1)		621689164
(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) [X] 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 [X] No

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

(1) Name: GRANT THORNTON, LLP **(2)** EIN: 36-6055558

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:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			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.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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.

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

A Name of plan
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KAPSTONE PAPER AND PACKAGING CORPOR ATION

D Employer Identification Number (EIN)
20-2699372

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

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

EIN(s): 42-0127290

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** 0

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

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

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

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

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

6 a Enter the minimum required contribution for this plan year (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.

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: 51% Investment-Grade Debt: 28% High-Yield Debt: 10% Real Estate: 5% Other: 6%

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):

KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan

Financial Statements and Report of Independent Certified Public Accountants
December 31, 2014 and 2013

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Participants and Administrator of
KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan

We were engaged to audit the accompanying financial statements of the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2014, and the related statement of changes in net assets available for benefits for the year then ended, the related notes to the financial statements, and supplemental schedule as of December 31, 2014.

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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan's net assets available for benefits as of December 31, 2014, and changes therein for the year then ended, and its financial status as of December 31, 2013, and changes therein for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule H, Part IV, Line 4i - Schedule of Assets (held at end of year) as of December 31, 2014, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such supplementary information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other matter

The financial statements of the Plan as of and for the year ended December 31, 2013 were audited by other auditors. 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 ("ERISA"), the Plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the certified information. Their report, dated September 19, 2014, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion, and accordingly, they did not express an opinion on the financial statements, and (b) the form and content of the information included in the financial statements, other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Portland, Oregon
October 14, 2015

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
Investments, at fair value		
Cash and cash equivalents	$ 40,274,753	$ —
Equity securities:		
Common stocks	10,387,280	—
Mutual funds	77,496,196	20,948,775
Common & collective funds	75,709,162	—
Fixed income:		
Corporate bonds and notes	209,685,685	—
U.S. government securities	82,445,644	—
Pooled separate accounts	—	1,116,813
Hedge funds	130,284,475	—
Limited partnership investments	23,510,018	—
Total investments, at fair value	649,793,213	22,065,588
Other receivables	1,107,636	1,531,958
TOTAL ASSETS	650,900,849	23,597,546
LIABILITIES		
Plan expenses payable	218,249	—
NET ASSETS AVAILABLE FOR BENEFITS	$ 650,682,600	$ 23,597,546

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

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
ADDITIONS		
Investment income (loss)		
Cash and cash equivalents	$ —	$ (23)
Equity securities	(2,457,885)	932,602
Fixed income	5,841,170	
Pooled separate accounts	151,478	738,288
Limited partnership interest	(1,838,879)	—
Net appreciation in fair value of investments	1,695,884	1,670,867
Employer contributions	3,099,444	3,412,475
Employee contributions	20,546	—
Dividends	905,480	423,205
TOTAL ADDITIONS	5,721,354	5,506,547
DEDUCTIONS		
Benefits paid to participants	325,464	252,925
Transfers		
Transfer from Longview Retirement Plan	270,171,196	—
Transfer from Longview Pension Plan	351,517,968	—
Total Transfers	621,689,164	—
NET INCREASE	$ 627,085,054	$ 5,253,622
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	$ 23,597,546	$ 18,343,924
End of year	$ 650,682,600	$ 23,597,546

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

NOTE 1 - DESCRIPTION OF THE PLAN

The following brief description of the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan (the "Plan" or "KapStone Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

Established on January 1, 2007, the Plan is a defined benefit pension plan covering eligible employees of KapStone Paper and Packaging Corporation ("KapStone" or the "Company") who have met certain eligibility requirements for participation in the Plan.

In July 2013, KapStone acquired 100% of the stock of Longview Fibre Paper and Packaging, Inc. ("Longview"). At that time, Longview sponsored two defined benefit plans, the Union Hourly Retirement Plan of Longview Fibre Paper and Packaging, Inc. (the "Longview Retirement Plan") and the Employees' Pension Plan of Longview Fibre Paper and Packaging, Inc. (the "Longview Pension Plan").

Subsequent to the acquisition of Longview, eligible Longview employees remained participants in the Longview Pension Plan and Longview Retirement Plan through December 31, 2014. During 2014, the Company determined that it was in the best interest of the participants of all three plans to merge the plans and, accordingly, merged the Longview Retirement Plan and the Longview Pension Plan into the Plan effective December 31, 2014. An amended and restated plan document representing the merger of the Longview Retirement Plan and the Longview Pension Plan into the Plan provides the terms of the Plan upon and after the merger and is effective January 1, 2015. The provisions presented herein represent the provisions of the pre-amended KapStone Plan.

Pension Benefits

The Plan covers certain employees who have attained the age of 21 and fulfilled one year of service in which they completed at least 1,000 hours of service. Employees must be employed at the Roanoke Rapids or Charleston locations and be active members of the local workers union to participate in the Plan. KapStone purchased the Charleston Mill in July of 2008. The Fordyce location was sold as of March 30, 2009. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by subsequent legislation.

For the 2013 plan year, Principal Life Insurance Company ("Principal") was the trustee of the Plan under a contractual agreement with the Company. The trust agreement provided that the trustee would manage all investments based on the Company's instruction, keep account of all receipts and disbursements, benefit payments and other transactions, and would provide annually a report setting forth such transactions and the status of the fund at the end of the period. The amounts in the accompanying statements were accumulated from the reports of the trustees for the applicable plan years.

During 2014, the Pension Committee elected to use FMR LLC (Fidelity Management and Research – "Fidelity") as the record keeper and actuary for the merged defined benefit plans. During 2014, in conjunction with the merger of the plans, the assets of all three plans were transferred into the KapStone Paper and Packaging Corporation Defined Benefits Retirement Plan Trust (the "Trust"), which is administered by Wells Fargo Bank, N.A. ("Wells Fargo").

Funding Policy

All contributions to the Plan are made by the Company. The Company's contribution is based upon the actuarially determined amount required to fund the current year's normal cost plus an amount sufficient to fund prior service obligations. In the event that the minimum funding required by ERISA is greater than the above-described contribution amount, the Company's contribution will be the amount required by ERISA.

Based on the January 1, 2014 and 2013 actuarial reports, minimum funding requirements for ERISA purposes were $2,950,823 and $3,255,756 for the 2014 and 2013 plan years, respectively. The Plan is in compliance with applicable minimum funding requirements for the plan years ended December 31, 2014 and 2013.

Although it has not expressed any 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 set forth in ERISA.

Vesting
Participants' benefits in the Plan become fully vested upon completion of five years of qualified service.

Pension Benefits
Benefits are provided as follows:

Normal Retirement Benefits - Normal retirement is at age 62 to 65, and varies by location. For employees at the Roanoke Rapids Mill location, the monthly annuity payable for life is $42 per year of accrued service before June 1, 2007, and $45 per year of accrued service after June 1, 2007. As of January 1, 2011, January 1, 2012, and January 1, 2014, the monthly annuity payables for life are $48, $50, and $51.50 per year of accrued service, respectively. For employees at the Fordyce Ride Rite location, the monthly annuity payable for life is $28 per year of accrued service before October 1, 2007, and $30 per year of accrued service after October 1, 2007. As of March 30, 2009, no employees of the Fordyce Ride Rite location are accruing future benefits under the Plan.

For employees at the Charleston location, the monthly annuity payable for life is $45 per year of accrued service after July 1, 2008, reduced by the participant's accrued benefit as of June 30, 2008, under the MeadWestvaco Corporation Retirement Plan for bargained hourly employees. As of April 1, 2011, April 1, 2012, and April 1, 2013, the monthly annuity payables for life are $50, $51, and $51.50 per year of accrued service, respectively.

Early Retirement Benefits - For the Roanoke Rapids Mill and Fordyce Ride Rite locations, an employee who has attained age 55 and 20 years of vesting service will receive a pension benefit calculated in the same manner as for normal retirement. For the Charleston location, an employee who has attained age 55, and 5 years of vesting service, will receive a pension benefit calculated in the same manner as for normal retirement.

Disability Retirement Benefits - For the Roanoke Rapids Mill and Fordyce Ride Rite locations, an employee who is eligible for social security disability benefits who has less than 10 years of vesting service will receive a pension benefit calculated in the same manner as for normal retirement, with accrued benefits beginning on the date of disability.

For the Roanoke Rapids Mill and Fordyce Ride Rite locations, an employee who is eligible for social security disability benefits who has 10 or more years of vesting service will receive a pension benefit calculated in the same manner as for normal retirement. The accrued benefit on the date of disability will be $250 monthly if greater than the projected accrued benefit at normal retirement. This shall be a temporary benefit payable up to normal retirement date. On and after normal retirement date, the benefit payable shall be the accrued benefit on the date of disability.

For the Charleston location, an employee who is eligible for social security disability benefits who has 10 or more years of vesting service will receive a pension benefit calculated in the same manner as for normal retirement, with accrued benefits beginning on the date of disability.

Survivor Annuity Death Benefits
A qualified married participant fully or partially vested in an accrued benefit will receive monthly annuity payable to spouse, deferred to participant's earliest retirement date, if later than the date of death. If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived his/her earliest retirement age and retired with a qualified joint and 50% survivor annuity in effect.

Disposition of Funds upon Termination of the Plan
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) To provide for refunds of voluntary contributions made by active and retired members;

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 have been 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") up to the applicable limitations (see below).

d) All other vested benefits (that is, vested benefits not insured by the PBGC).

e) All non-vested benefits.

Payments may be made in lump sums, annuities or as otherwise determined by the Pension Committee.

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.

Whether all participants receive their benefits should the Plan terminate at some future time will depend upon 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.

Plan Amendment
There were no amendments to the Plan during the year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan:

Basis of Accounting
The accompanying financial statements are prepared on the accrual basis of accounting. Benefits are recorded when paid.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis in the period in which it is earned. Dividends are recorded on the ex-dividend date.

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

Risks and Uncertainties
The Plan utilizes various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Contributions to the Plan and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

Plan Expense
A portion of the Plan's administrative expenses are paid by the Company. As provided in the Plan agreement, all other administrative expenses are paid by the Plan.

Tax Status
The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated October 17, 2013, that the Plan and related trusts are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with applicable requirements of the IRC.

Actuarial Present Value of Accumulated Plan Benefits
Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The type and amount of benefits are defined by the Plan document and vary by location. 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 actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits 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.

Significant assumptions underlying the actuarial computations in 2014 are:

Assumed rate of return on investment	7.0%
Life expectancy	IRS Prescribed Mortality-Static Annuitant, male and female
Retirement age	Age 62 to 65, varies by location

Significant assumptions underlying the actuarial computations in 2013 are:

Assumed rate of return on investment	7.0%
Life expectancy	IRS Prescribed Mortality-Static Annuitant, male and female
Retirement age	Age 62 to 65, varies by location

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

NOTE 3 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Participants' interests in the Plan are actuarially determined as of the beginning of each plan year. The present value of obligations for plan benefits is determined to be the present value of retirement benefits accumulated by participants during the current and prior years to be paid at or during retirement, less benefits forfeited or previously paid.

Accumulated plan benefits as of January 1, 2014, the valuation date, are summarized as follows:

	As of January 1 2014
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	$ 2,249,801
Other participants	18,262,473
Total vested benefits	20,512,274
Non-vested benefits	3,317,169
Total actuarial present value of accumulated plan benefits	$ 23,829,443

The changes in accumulated plan benefits, for the year ended January 1, 2014, are as follows:

	Year Ended January 1, 2014
Actuarial present value of accumulated plan benefits at January 1, 2013	$ 20,617,034
Increase (decrease) during the year attributable to:	
Benefits accumulated	2,133,317
Benefits paid	(252,925)
Change in actuarial assumptions	—
Reduction in discount period	1,332,017
Net increase	3,212,409
Actuarial present value of accumulated plan benefits at January 1, 2014	$ 23,829,443

Benefits accumulated encompass not only additional benefits earned by active employees, but also actuarial gains and losses and passage of time.

Actuarial Present Value of Accumulated Plan Benefits at Plan Merger on December 31, 2014

As outlined in Note 1, during 2014, the Company determined that it is in the best interest of the participants of all three plans to merge the plans and, accordingly, merged the Longview Retirement Plan and the Longview Pension Plan into the KapStone Plan, effective December 31, 2014.

The actuarial present value of accumulated plan benefits at January 1, 2014, does not include the obligation of the Longview Pension Plan and Longview Retirement Plans that merged into the KapStone Plan on December 31, 2014. The new Plan actuary (Fidelity) has calculated an estimate of the actuarial present value of accumulated plan benefits transferred to the KapStone Pension Plan from the Longview Pension Plan and Longview Retirement Plan, as of December 31, 2014, to be approximately $209,900,000 and $282,600,000, respectively.

The present value of accumulated plan benefits ("PVAB") at January 1, 2014 under ASC 960 for the Longview Pension Plan and the Longview Retirement Plan were measured at 7.0% by the prior Plan actuary (Milliman). However, at December 31, 2014, the Company adjusted the estimated long-term rate of return on plan assets to 6.5% after the plan merger. The transferred PVAB reflects this change.

In addition to a change in the discount rate used to calculate the PVAB, Fidelity updated the mortality table utilized in its actuarial calculations to the RP-2014 Mortality Table using MP 2014 Projection Scale for the Longview Pension Plan PVAB and the RP-2014 Mortality Table (blue collar) using MP 2014 Projection Scale for the Longview Retirement Plan, as prescribed by the IRS.

NOTE 4 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, establishes a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data. The level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 – Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. An active market is one in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, at the measurement date. Fair value is determined through the use of models or other valuation methodologies. Such methodologies include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted 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 inputs must be observable for substantially the full term of the asset or liability.

Level 3 – Level 3 pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

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

Cash equivalents: Valued at amortized cost, which approximates fair value.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate bonds and notes, U.S. government securities and municipal bonds: Valued at the closing trade price on day of valuation based on information from third-party pricing services as obtained by Wells Fargo.

Real estate investment trust: The underlying holdings of this investment are in diversified real estate assets, which are valued using independent appraisers. Investments are redeemed at the current net asset value per share based on the fair value of the underlying assets.

Limited partnership investments – Limited partnership investments generally have limited liquidity and are made through long-term partnerships or joint ventures that invest in pools of capital invested in primarily non-publicly traded entities. Underlying investments include venture capital, buyout, and special situations investing. Private

equity management firms typically acquire and then reorganize private companies to create increased long-term value. Valuation is based on statements received from the investment managers, transaction data, analysis of and judgments about underlying investments and other third-party information deemed reliable for the purposes of developing an estimate of fair market value.

Hedge funds – Hedge funds are privately owned institutional investment funds that generally have moderate liquidity. Hedge funds seek specified levels of return, regardless of market conditions, and generally have a low correlation to public equity and debt markets. Hedge funds often invest substantially in financial market instruments (stocks, bonds, commodities, currencies, derivatives, etc.) using a broad range of trading activities to manage portfolio risks. Plan holdings in hedge funds are valued using the net asset value ("NAV") provided by the administrator of the fund and reviewed by the Company. The NAV is based on the value of the underlying assets owned by the fund, minus liabilities and divided by the number of shares or units outstanding. These assets are reported at NAV as a practical expediency and are classified as Level 2 or Level 3 based on the liquidity of the investments. For the year ended December 31, 2014, the Plan held hedge funds with restrictions on redemption for the first year after funds are invested, and funds restricting investment redemption to a 25% gate in any given quarter. Limited liquidity hedge funds are classified as Level 3.

The Company believes that the reported amounts for these investments are a reasonable estimate of their fair value at December 31, 2014 and 2013. However, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value at the reporting date.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management of the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the Plans' assets measured at fair value as of December 31, 2014:

ASSET TYPE	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 40,274,753	$ —	$ —	$ 40,274,753
Equity securities:				
Common stock	10,387,280	—	—	10,387,280
Balanced mutual funds	30,795,431	—	—	30,795,431
International equity mutual funds	46,700,765	—	—	46,700,765
U.S. large cap collective funds	—	75,709,162	—	75,709,162
Fixed income:				
Corporate bonds and notes:				
Short-term (1)	—	14,348,859	—	14,348,859
Mid-term (1)	—	35,884,038	—	35,884,038
Long-term (1)	—	159,452,788	—	159,452,788
U.S. government securities (short-term)(1)				
Short-term (1)	—	8,656,514	—	8,656,514
Mid-term (1)	—	8,554,623	—	8,554,623
Long-term (1)	—	65,234,507	—	65,234,507
Hedge funds				
Fixed income funds	—	16,725,710	32,105,875	48,831,585
Equity funds	—	24,972,768	56,480,122	81,452,890
Limited partnership investments	—	—	23,510,018	23,510,018
TOTAL ASSETS	$ 128,158,229	$ 409,538,969	$ 112,096,015	$ 649,793,213

(1) Short-term: 0-5 year maturities | Mid-term: 5-10 year maturities | Long-term: >10 year maturities

The following table presents the Plans' assets measured at fair value as of December 31, 2013:

ASSET TYPE	Level 1	Level 2	Level 3	Total
Equity securities:				
U.S. large cap	$ 6,926,942	$ —	$ —	$ 6,926,942
U.S. mid cap	4,542,039	—	—	4,542,039
Global real estate	8,474,199	—	—	8,474,199
Fixed income:				
Corporate bonds and notes (short-term)(1)	—	24,925	—	24,925
Real estate	—	1,091,888	—	1,091,888
Other	1,005,595	—	—	1,005,595
TOTAL ASSETS	$20,948,775	$ 1,116,813	$ —	$22,065,588

(1) Short-term: 0-5 year maturities | Mid-term: 5-10 year maturities | Long-term: >10 year maturities

Transfers between Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no significant transfers between

levels within the Longview Paper and Packaging, Inc. Master Trust ("Master Trust") for the years ended December 31, 2014 and 2013. However, with the merger of the Longview Pension Plan and Longview Retirement Plan into the Plan at December 31, 2014, a significant amount of new assets were incorporated into the tables above, reflecting the nature of the transferred assets. No significant transfers were made between categories or classification levels for assets included in the 2013 disclosures.

Changes in Fair Value of Level 3 Assets and Related Gains and Losses
The table below presents a summary of changes in the fair value of the Plans' Level 3 assets for the year ended December 31, 2014.

Year ended December 31, 2014	Limited Partnership Investments	Equity Hedge Funds	Fixed Income Hedge Funds	Total
Balance, beginning of year	$ —	$ —	$ —	$ —
Transfer in from Longview Retirement Plan and Longview Pension Plan	23,510,018	56,480,122	32,105,875	112,096,015
Transfers into Level 3	—	—	—	—
Transfers out of Level 3	—	—	—	—
Total gains or losses				
Included in changes in net assets	—	—	—	—
Included in other comprehensive income	—	—	—	—
Purchases, issuances, sales, and settlements				
Purchases	—	—	—	—
Issuances	—	—	—	—
Sales	—	—	—	—
Settlements	—	—	—	—
Balance, end of year	$ 23,510,018	$ 56,480,122	$ 32,105,875	$ 112,096,015
The amount of total gains or losses for the year included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ —	$ —	$ —	$ —

For the plan year ended December 31, 2013, the Plan did not hold any Level 3 assets. As such, a summary of changes in the fair value of the Plans' Level 3 assets, for the year ended December 31, 2013, is not included.

The following table summarizes investments measured at fair value based on net asset value, per share, as of December 31, 2014 and 2013, respectively.

Year Ended	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 2014				
Equity securities				
Large cap collective funds	$ 75,709,162	$ —	Daily	None
Hedge funds				
Fixed income funds	48,831,585	—	(a)	(a)
Equity funds	81,452,890	—	(a)	(a)
Limited partnership investments	23,510,018	4,266,629	(b)	(b)
December 31, 2013				
Fixed income funds	$ 24,925	—	Daily	None
Real estate funds	1,091,888	—	Daily	None

(a) Hedge funds are privately owned institutional investment funds that generally have moderate liquidity. Hedge funds seek specified levels of return, regardless of market conditions, and generally have a low correlation to public equity and debt markets. Hedge funds often invest substantially in financial market instruments (stocks, bonds, commodities, currencies, derivatives, etc.) using a broad range of trading activities to manage portfolio risks. Plan holdings in hedge funds are valued using the net asset value provided by the administrator of the fund and reviewed by the Company. The NAV is based on the value of the underlying assets owned by the fund, minus liabilities and divided by the number of shares or units outstanding. These assets are reported at NAV as a practical expediency and are classified as Level 2 or Level 3 based on the liquidity of the investments. For the year ended December 31, 2014, the Plan held hedge funds with restrictions on redemption for the first year after funds are invested, and funds restricting investment redemption to a 25% gate in any given quarter. Limited liquidity hedge funds are classified as Level 3.

(b) Limited Partnership investments generally have limited liquidity and are made through long-term partnerships or joint ventures that invest in pools of capital invested in primarily non-publicly traded entities. Underlying investments include venture capital, buyout, and special situations investing. Private equity management firms typically acquire and then reorganize private companies to create increased long-term value. Valuation is based on statements received from the investment managers, transaction data, analysis of and judgments about underlying investments and other third-party information deemed reliable for the purposes of developing an estimate of fair market value.

NOTE 5 - COMMITMENTS

As of December 31, 2014 and 2013, the Plan has a commitment to contribute capital to limited partnership groups totaling approximately $4,266,629 and $0, respectively.

NOTE 6 - INVESTMENTS IN EXCESS OF 5% OF NET ASSETS

The following table presents the fair value of individual investments that represent 5% or more of the Plan's net assets available for benefit at fair value at December 31:

	Description	2014	2013
	NORTHERN TRUST COLL S&P 5	$ 43,612,267	**
	US TREASURY BOND 6.500% 1	34,937,567	**
*	WF ADV GOVT MM FD-INSTL #	34,074,299	**
	VANGUARD TOTAL STOCK MARKET INDEX INST. FUND	**	6,926,942
	OPPENHEIMER DEVELOPING MARKETS Y FUND	**	2,251,314
	VANGUARD TOTAL INTL STOCK INDEX SIG FUND	**	1,361,196
	PIMCO EMERGING MARKETS BOND INSTL FUND	**	1,464,755
	BLACKROCK HIGH YIELD BOND INST. FUND	**	1,533,501
	LOOMIS SAYLES INVESTMENT GRADE BOND Y FUND	**	2,347,239
	PIMCO TOTAL RETURN INSTL FUND	**	2,079,811

*Represents a party-in-interest
**Denotes investment does not represent 5% or more of the Plan's net assets.

NOTE 7 - RELATED PARTY TRANSACTIONS

During 2014, certain Plan investments were shares of pooled separate accounts managed by Principal. Principal was the trustee as defined by the Plan and, therefore, these transactions qualified as party-in-interest transactions.

Also during 2014, Fidelity and Wells Fargo Bank, N.A. replaced Principal as the Plan actuary and trustee, respectively. Certain Plan investments are shares of mutual funds managed by Fidelity or Wells Fargo Bank, N.A., or an affiliate thereof. As such, these transactions qualify as exempt party-in-interest transactions.

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 14, 2015, the date of the report of independent certified public accountants, noting no additional matters that require disclosure or adjustment to the financial statements, except as described in Note 1.

Supplementary Information

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

	Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
	BANK OF AMERICA	BANK OF AMERICA				3,329,575.000	3,329,575	3,329,575	CASH EQUIVALENTS
	FIDELITY	FIDELITY				2,870,879.000	2,870,879	2,870,879	CASH EQUIVALENTS
*	WF ADV GOVT MM FD-INSTL #	WF ADV GOVT MM FD-INSTL #	GVIXX			34,074,298.690	34,074,299	34,074,299	CASH EQUIVALENTS
	NORTHERN TRUST COLL S&P 5	NORTHERN TRUST COLL S&P 5	630992519			6,521.360	40,818,092	43,612,267	COMMON COLLECTIVE TRUST
	WTC-CTF GLOBAL SELECT CAP	WTC-CTF GLOBAL SELECT CAP	728993585			1,997,317.691	31,559,818	32,096,895	COMMON COLLECTIVE TRUST
	ACTUANT CORP-CL A	ACTUANT CORP-CL A	00508X203			1,530.000	48,928	41,677	COMMON STOCK
	ADTRAN INC	ADTRAN INC	00738A106			3,908.000	85,969	85,194	COMMON STOCK
	ALAMO GROUP INC COM	ALAMO GROUP INC COM	11311107			2,710.000	121,818	134,391	COMMON STOCK
	ALLETE INC	ALLETE INC	18522300			2,090.000	98,960	118,361	COMMON STOCK
	ALTRA HOLDINGS INC	ALTRA HOLDINGS INC	02208R106			2,904.000	92,384	82,445	COMMON STOCK
	AMERICAN AXLE & MFG HLDGS	AMERICAN AXLE & MFG HLDGS	24061103			2,498.000	42,889	56,430	COMMON STOCK
	AMERICAN EQUITY INVT LIFE	AMERICAN EQUITY INVT LIFE	25676206			4,988.000	110,161	145,600	COMMON STOCK
	APPLIED INDL TECHNOLOGIES	APPLIED INDL TECHNOLOGIES	03820C105			1,834.000	88,095	83,612	COMMON STOCK
	ARGO GROUP INTL HLDGS LTD	ARGO GROUP INTL HLDGS LTD	G0464B107			802.000	40,268	44,487	COMMON STOCK
	ASSOCIATED ESTATES RLTY C	ASSOCIATED ESTATES RLTY C	45604105			6,348.000	113,413	147,332	COMMON STOCK
	ASTEC INDS INC	ASTEC INDS INC	46224101			3,344.000	130,124	131,453	COMMON STOCK
	AVISTA CORP	AVISTA CORP	05379B107			2,580.000	80,672	91,203	COMMON STOCK
	AVIV REIT INC	AVIV REIT INC	05381L101			1,082.000	30,571	37,307	COMMON STOCK
	BALTIC TRADING LTD	BALTIC TRADING LTD	Y0553W103			3,422.000	16,494	17,806	COMMON STOCK
	BANK OF THE OZARKS INC	BANK OF THE OZARKS INC	63904106			3,208.000	102,634	124,766	COMMON STOCK
	BANKUNITED INC	BANKUNITED INC	06652K103			2,714.000	83,667	78,625	COMMON STOCK
	BANNER CORP	BANNER CORP	06652V208			1,834.000	73,093	78,899	COMMON STOCK
	BARRETT BILL CORP	BARRETT BILL CORP	06846N104			3,306.000	72,198	37,655	COMMON STOCK
	BEACON ROOFING SUPPLY INC	BEACON ROOFING SUPPLY INC	73685109			1,648.000	43,691	45,814	COMMON STOCK
	BEL FUSE	BEL FUSE	77347300			2,108.000	50,064	57,633	COMMON STOCK
	BIO-REFERENCE LABS INC	BIO-REFERENCE LABS INC	09057G602			3,440.000	108,742	110,527	COMMON STOCK
	BLACK HILLS CORP	BLACK HILLS CORP	92113109			1,676.000	88,269	88,895	COMMON STOCK
	BROOKS AUTOMATION INC	BROOKS AUTOMATION INC	114340102			734.000	19,244	21,369	COMMON STOCK
	BUCKLE INC COM	BUCKLE INC COM	118440106			1,066.000	47,562	55,986	COMMON STOCK
	BUILDERS FIRSTSOURCE INC	BUILDERS FIRSTSOURCE INC	12008R107			8,548.000	51,501	58,725	COMMON STOCK
	CALAMP CORP	CALAMP CORP	128126109			3,620.000	64,958	66,246	COMMON STOCK
	CAMBREX CORP COM	CAMBREX CORP COM	132011107			1,370.000	17,810	19,588	COMMON STOCK
	CAMDEN NATL CORP	CAMDEN NATL CORP	133034108			876.000	31,427	34,900	COMMON STOCK
	CARDINAL FINL CORP	CARDINAL FINL CORP	14149F109			1,698.000	29,515	33,671	COMMON STOCK
	CARRIZO OIL & GAS INC	CARRIZO OIL & GAS INC	144577103			1,456.000	87,471	60,570	COMMON STOCK
	CASCADE BANCORP	CASCADE BANCORP	147154207			382.000	18,421	17,760	COMMON STOCK
	CASEYS GEN STORES INC	CASEYS GEN STORES INC	147528103			1,530.000	102,726	138,190	COMMON STOCK
	CELESTICA INC	CELESTICA INC	15101Q108			870.000	24,967	29,068	COMMON STOCK
	CLARCOR INC	CLARCOR INC	179895107			1,190.000	69,704	79,302	COMMON STOCK
	COBIZ FINANCIAL INC - RR.	COBIZ FINANCIAL INC - RR.	190897108			998.000	26,061	28,151	COMMON STOCK
	COHERENT INC	COHERENT INC	192479103			650.000	38,894	39,468	COMMON STOCK
	COLUMBIA BANKING SYSTEM I	COLUMBIA BANKING SYSTEM I	197236102			2,012.000	50,496	55,551	COMMON STOCK
	COLUMBUS MCKINNON CORP N	COLUMBUS MCKINNON CORP N	199333105			1,768.000	40,735	49,575	COMMON STOCK
	COMVERSE INC	COMVERSE INC	20585P105			1.000	347	1,409	COMMON STOCK

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
COUSINS PPTYS INC	COUSINS PPTYS INC	222795106			8,884.000	110,110	101,455	COMMON STOCK
CROCS INC	CROCS INC	227046109			2,650.000	33,605	33,099	COMMON STOCK
DANA HOLDING CORP	DANA HOLDING CORP	235825205			4,956.000	109,587	107,743	COMMON STOCK
DATALINK CORP	DATALINK CORP	237934104			1,676.000	20,303	22,214	COMMON STOCK
DEVRY EDUCATION GROUP INC	DEVRY EDUCATION GROUP INC	251893103			1,068.000	43,063	50,698	COMMON STOCK
DIODES INC	DIODES INC	254543101			3,460.000	88,001	95,392	COMMON STOCK
ENCORE WIRE CORP	ENCORE WIRE CORP	292562105			3,310.000	137,248	123,562	COMMON STOCK
ENERSYS	ENERSYS	29275Y102			1,548.000	97,718	95,543	COMMON STOCK
ENTERPRISE FINL SVCS CORP	ENTERPRISE FINL SVCS CORP	293712105			1,676.000	29,199	33,067	COMMON STOCK
ESTERLINE CORP	ESTERLINE CORP	297425100			840.000	91,468	92,131	COMMON STOCK
ETHAN ALLEN INTERIORS INC	ETHAN ALLEN INTERIORS INC	297602104			4,102.000	93,173	127,039	COMMON STOCK
EXACTECH INC COM	EXACTECH INC COM	3.01E+113			1,626.000	36,439	38,325	COMMON STOCK
EXAR CORP	EXAR CORP	300645108			5,610.000	52,695	57,222	COMMON STOCK
FCB FINANCIAL HOLDINGS, I	FCB FINANCIAL HOLDINGS, I	30255G103			2,224.000	49,681	54,799	COMMON STOCK
FIDELITY SOUTHERN CORP	FIDELITY SOUTHERN CORP	316394105			2,448.000	33,882	39,437	COMMON STOCK
FINISAR CORP	FINISAR CORP	31787A507			3,938.000	76,630	76,437	COMMON STOCK
FINISH LINE INC CL A	FINISH LINE INC CL A	317923100			1,722.000	19,385	26,255	COMMON STOCK
FRANKLIN STREET PROPERTIE	FRANKLIN STREET PROPERTIE	35471R106			2,700.000	32,136	33,129	COMMON STOCK
FREIGHTCAR AMER INC	FREIGHTCAR AMER INC	357023100			1,276.000	27,530	33,572	COMMON STOCK
FRESH DEL MONTE PRODUCE I	FRESH DEL MONTE PRODUCE I	G36738105			1,268.000	38,096	42,541	COMMON STOCK
FULLER H B CO	FULLER H B CO	359694106			2,822.000	123,479	125,664	COMMON STOCK
GENESCO INC COM	GENESCO INC COM	371532102			1,202.000	88,839	92,097	COMMON STOCK
GEOSPACE TECHNOLOGIES COR	GEOSPACE TECHNOLOGIES COR	37364X109			1,336.000	52,855	35,404	COMMON STOCK
GLACIER BANCORP INC MONTA	GLACIER BANCORP INC MONTA	37637Q105			1,600.000	23,833	27,714	COMMON STOCK
GLIMCHER RLTY TR COM	GLIMCHER RLTY TR COM	379302102			5,654.000	61,069	77,686	COMMON STOCK
GRAMERCY CAP CORP	GRAMERCY CAP CORP	38489R100			97.000	2,472	9,660	COMMON STOCK
GRANITE CONSTR INC	GRANITE CONSTR INC	387328107			1,630.000	52,822	61,973	COMMON STOCK
GREAT SOUTHN BANCORP INC	GREAT SOUTHN BANCORP INC	390905107			1,214.000	37,563	48,159	COMMON STOCK
GREATBATCH INC	GREATBATCH INC	39153L106			732.000	35,295	36,088	COMMON STOCK
HANCOCK HOLDING CO	HANCOCK HOLDING CO	410120109			1,068.000	34,095	32,788	COMMON STOCK
HELEN OF TROY LIMITED	HELEN OF TROY LIMITED	G4388N106			1,076.000	57,546	70,005	COMMON STOCK
HERSHA HOSPITALITY TR	HERSHA HOSPITALITY TR	427825104			16,788.000	111,358	118,020	COMMON STOCK
HILL ROM HLDGS	HILL ROM HLDGS	431475102			1,052.000	41,377	47,992	COMMON STOCK
HOME BANCSHARES INC/CONWA	HOME BANCSHARES INC/CONWA	436893200			2,476.000	72,749	79,628	COMMON STOCK
HOOKER FURNITURE CORP	HOOKER FURNITURE CORP	439038100			1,080.000	24,856	27,472	COMMON STOCK
HORACE MANN EDUCATORS COR	HORACE MANN EDUCATORS COR	440327104			2,144.000	24,198	28,867	COMMON STOCK
HORNBECK OFFSHORE SVCS IN	HORNBECK OFFSHORE SVCS IN	440543106			3,338.000	139,804	83,350	COMMON STOCK
IBERIABANK CORP	IBERIABANK CORP	450828108			980.000	63,373	63,553	COMMON STOCK
IDACORP INC	IDACORP INC	451107106			942.000	50,236	62,351	COMMON STOCK
INLAND REAL ESTATE CORP	INLAND REAL ESTATE CORP	457461200			10,056.000	104,307	110,113	COMMON STOCK
INSIGHT ENTERPRISES INC C	INSIGHT ENTERPRISES INC C	45765U103			1,882.000	51,622	48,725	COMMON STOCK
INTER PARFUMS INC	INTER PARFUMS INC	458334109			1,960.000	18,944	20,148	COMMON STOCK
INTREPID POTASH INC	INTREPID POTASH INC	46121Y102			2,476.000	26,158	29,342	COMMON STOCK
LAKELAND FINL CORP	LAKELAND FINL CORP	511656100			758.000	27,421	32,950	COMMON STOCK

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LB FOSTER CO	LB FOSTER CO	350060109			2,052.000	94,621	99,666	COMMON STOCK
MAIDEN HOLDINGS LTD	MAIDEN HOLDINGS LTD	G5753U112			7,062.000	82,279	90,323	COMMON STOCK
MARTEN TRANS LTD	MARTEN TRANS LTD	573075108			4,326.000	86,783	94,566	COMMON STOCK
MERIT MEDICAL SYS INC	MERIT MEDICAL SYS INC	589889104			7,094.000	29,640	18,093	COMMON STOCK
MERITAGE HOMES CORPORATIO	MERITAGE HOMES CORPORATIO	59001A102			2,554.000	97,077	91,918	COMMON STOCK
METHODE ELECTRON INC COMM	METHODE ELECTRON INC COMM	591520200			2,414.000	75,295	88,135	COMMON STOCK
MICROSEMI CORP COM	MICROSEMI CORP COM	595137100			3,966.000	95,073	112,555	COMMON STOCK
MOOG INC CL A	MOOG INC CL A	615394202			1,032.000	68,375	76,399	COMMON STOCK
MULTI-FINELINE ELECTRONIX	MULTI-FINELINE ELECTRONIX	62541B101			3,138.000	31,603	35,240	COMMON STOCK
NABORS INDUSTRIES LTD	NABORS INDUSTRIES LTD	G6359F103			4,762.000	62,474	61,811	COMMON STOCK
NATURAL GAS SERVICES GROU	NATURAL GAS SERVICES GROU	63886Q109			2,254.000	72,132	51,932	COMMON STOCK
NATUS MEDICAL INC	NATUS MEDICAL INC	639050103			2,046.000	56,655	73,738	COMMON STOCK
NEENAH PAPER INC	NEENAH PAPER INC	640079109			2,206.000	109,106	132,956	COMMON STOCK
NETGEAR INC	NETGEAR INC	64111Q104			2,280.000	71,655	81,122	COMMON STOCK
NEWSTAR FINANCIAL INC	NEWSTAR FINANCIAL INC	65251F105			3,158.000	35,555	40,422	COMMON STOCK
NORTEL NETWORKS CORP	NORTEL NETWORKS CORP	656568508			593.000	1	2	COMMON STOCK
OLD NATL BANCORP	OLD NATL BANCORP	680033107			7,332.000	97,266	109,100	COMMON STOCK
OM GROUP INC COM	OM GROUP INC COM	670872100			2,176.000	54,495	64,845	COMMON STOCK
ORTHOFIX INTL NV	ORTHOFIX INTL NV	N6748L102			1,718.000	53,733	51,643	COMMON STOCK
OWENS & MINOR INC COM	OWENS & MINOR INC COM	690732102			1,544.000	50,422	54,210	COMMON STOCK
PACWEST BANCORP	PACWEST BANCORP	695263103			3,406.000	137,456	154,837	COMMON STOCK
PINNACLE ENTERTAINMENT IN	PINNACLE ENTERTAINMENT IN	723456109			1,938.000	42,520	43,121	COMMON STOCK
PIPER JAFFRAY COS	PIPER JAFFRAY COS	724078100			2,028.000	103,223	117,807	COMMON STOCK
PLANTRONICS INC COM	PLANTRONICS INC COM	727493108			1,192.000	54,834	63,200	COMMON STOCK
PLATINUM UNDERWRITERS HLD	PLATINUM UNDERWRITERS HLD	G7127P100			762.000	45,134	55,946	COMMON STOCK
PLEXUS CORP COM	PLEXUS CORP COM	729132100			2,528.000	99,271	104,179	COMMON STOCK
RAMCO-GERSHENSON PPTYS TR	RAMCO-GERSHENSON PPTYS TR	751452202			2,776.000	46,215	52,022	COMMON STOCK
REGAL BELOIT CORP	REGAL BELOIT CORP	758750103			788.000	55,117	59,258	COMMON STOCK
REXFORD INDUSTRIAL REALTY	REXFORD INDUSTRIAL REALTY	76169C100			4,807.000	66,490	75,518	COMMON STOCK
RIVERBED TECHNOLGOY INC	RIVERBED TECHNOLGOY INC	768573107			6,643.000	119,462	135,584	COMMON STOCK
ROFIN SINAR TECHNOLOGIES	ROFIN SINAR TECHNOLOGIES	775043102			2,214.000	49,800	63,697	COMMON STOCK
RUTH'S HOSPITALITY GROUP	RUTH'S HOSPITALITY GROUP	783332109			1,558.000	25,540	30,090	COMMON STOCK
SAIA INC	SAIA INC	78709Y105			1,804.000	82,219	99,869	COMMON STOCK
SANDERSON FARMS INC	SANDERSON FARMS INC	800013104			686.000	63,013	57,641	COMMON STOCK
SCANSOURCE INC COM	SCANSOURCE INC COM	806037107			1,922.000	69,792	77,188	COMMON STOCK
SCHNITZER STL INDS INC CL	SCHNITZER STL INDS INC CL	806882106			2,450.000	64,943	55,272	COMMON STOCK
SELECT COMFORT CORPORATIO	SELECT COMFORT CORPORATIO	81616X103			1,438.000	29,062	38,869	COMMON STOCK
SENSIENT TECHNOLOGIES COR	SENSIENT TECHNOLOGIES COR	81725T100			1,980.000	103,320	119,473	COMMON STOCK
SOUTH JERSEY INDS INC COM	SOUTH JERSEY INDS INC COM	838518108			1,864.000	99,714	109,846	COMMON STOCK
SOUTH STATE CORP	SOUTH STATE CORP	840441109			992.000	56,826	66,543	COMMON STOCK
SOUTHWEST BANCORP INC OKL	SOUTHWEST BANCORP INC OKL	844767103			2,930.000	45,253	50,865	COMMON STOCK
STAG INDUSTRIAL INC	STAG INDUSTRIAL INC	85254J102			4,526.000	102,203	110,887	COMMON STOCK
STANCORP FINL GROUP INC	STANCORP FINL GROUP INC	852891100			1,258.000	75,638	87,884	COMMON STOCK
STEELCASE INC CL A	STEELCASE INC CL A	858155203			3,494.000	52,755	62,717	COMMON STOCK

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STEPAN CO COM	STEPAN CO COM	858586100			1,400.000	8,260	15,311	COMMON STOCK
STIFEL FINANCIAL CORP	STIFEL FINANCIAL CORP	860630102			1,642.000	74,415	83,775	COMMON STOCK
SUMMIT HOTEL PROPERTIES I	SUMMIT HOTEL PROPERTIES I	866082100			9,114.000	93,603	113,378	COMMON STOCK
SUSQUEHANNA BANCSHARES IN	SUSQUEHANNA BANCSHARES IN	869099101			5,152.000	51,998	69,191	COMMON STOCK
SYNERGY RESOURCES CORP	SYNERGY RESOURCES CORP	87164P103			4,716.000	47,552	59,139	COMMON STOCK
TECH DATA CORP	TECH DATA CORP	878237106			1,646.000	101,797	104,077	COMMON STOCK
THE CHILDREN'S PLACE INC	THE CHILDREN'S PLACE INC	168905107			984.000	50,017	56,088	COMMON STOCK
THE GREENBRIER COMPANIES,	THE GREENBRIER COMPANIES,	393657101			1,054.000	66,914	56,631	COMMON STOCK
THUNDERBIRD RESOURCES EQU	THUNDERBIRD RESOURCES EQU	GMXRQ			2,016.373	256,364	105	COMMON STOCK
TILLY'S INC	TILLY'S INC	886885102			3,388.000	26,023	32,830	COMMON STOCK
TRIMAS CORP	TRIMAS CORP	896215209			964.000	30,586	30,164	COMMON STOCK
TRISTATE CAPITAL HOLDINGS	TRISTATE CAPITAL HOLDINGS	89678F100			906.000	20,282	20,070	COMMON STOCK
TRUEBLUE INC	TRUEBLUE INC	89785X101			3,028.000	81,073	67,373	COMMON STOCK
UMPQUA HOLDINGS CORP	UMPQUA HOLDINGS CORP	904214103			7,634.000	127,071	129,854	COMMON STOCK
UNIFIRST CORP MASS	UNIFIRST CORP MASS	904708104			1,016.000	98,863	123,393	COMMON STOCK
UNION BANKSHARES CORP	UNION BANKSHARES CORP	90539J109			2,830.000	67,088	68,146	COMMON STOCK
UNITED COMMUNITY BANKS IN	UNITED COMMUNITY BANKS IN	90984P303			2,114.000	29,864	29,509	COMMON STOCK
UNIVERSAL FST PRODS INC C	UNIVERSAL FST PRODS INC C	913543104			2,398.000	106,108	127,574	COMMON STOCK
VERINT SYS INC	VERINT SYS INC	92343X100			78.000	4,580	5,653	COMMON STOCK
VERITEX HOLDINGS INC	VERITEX HOLDINGS INC	923451108			1,044.000	12,550	19,413	COMMON STOCK
VIEWPOINT FINANCIAL GROUP	VIEWPOINT FINANCIAL GROUP	92672A101			3,584.000	88,368	85,478	COMMON STOCK
WABASH NATL CORP	WABASH NATL CORP	929566107			8,738.000	115,981	108,002	COMMON STOCK
WASHINGTON FEDERAL INC	WASHINGTON FEDERAL INC	938824109			4,188.000	87,037	92,764	COMMON STOCK
WESTERN REFNG INC	WESTERN REFNG INC	959319104			2,122.000	85,208	80,169	COMMON STOCK
WESTWOOD HOLDINGS GROUP I	WESTWOOD HOLDINGS GROUP I	961765104			75.000	2,266	4,822	COMMON STOCK
WINNEBAGO INDS INC	WINNEBAGO INDS INC	974637100			4,423.000	101,970	96,244	COMMON STOCK
WINTRUST FINL CORP	WINTRUST FINL CORP	97650W108			2,226.000	101,079	104,088	COMMON STOCK
ACE INA HOLDINGS 3.350% 5	ACE INA HOLDINGS 3.350% 5	00440EAR8	3.350%	5/15/2024	1,040,000.000	1,038,440	1,055,372	FIXED INCOME
ACTAVIS FUNDING SCS 4.850	ACTAVIS FUNDING SCS 4.850	00507UAH4	4.850%	6/15/2044	2,490,000.000	2,462,461	2,532,067	FIXED INCOME
AETNA INC 4.500% 5/15/42	AETNA INC 4.500% 5/15/42	00817YAJ7	4.500%	5/15/2042	860,000.000	888,698	915,453	FIXED INCOME
AGRIUM INC 6.125% 1/15/41	AGRIUM INC 6.125% 1/15/41	008916AJ7	6.13%	1/15/2041	854,000.000	1,013,941	1,037,314	FIXED INCOME
ALCAN INC 6.125% 12/15/33	ALCAN INC 6.125% 12/15/33	013716AU9	6.13%	12/15/2033	990,000.000	1,186,347	1,204,040	FIXED INCOME
ALTRIA GROUP INC 5.375% 1	ALTRIA GROUP INC 5.375% 1	02209SAR4	5.375%	1/31/2044	840,000.000	912,341	975,127	FIXED INCOME
AMERICAN INTL GROUP 6.400	AMERICAN INTL GROUP 6.400	026874BW6	6.400%	12/15/2020	1,600,000.000	1,668,912	1,920,174	FIXED INCOME
AMERICAN INTL GROUP 8.175	AMERICAN INTL GROUP 8.175	026874BS5	8.175%	5/15/2068	1,170,000.000	1,591,083	1,589,901	FIXED INCOME
AMERIPRISE FINANCIAL 3.70	AMERIPRISE FINANCIAL 3.70	03076CAG1	3.700%	10/15/2024	705,000.000	702,575	728,474	FIXED INCOME
AMGEN INC 3.625% 5/22/24	AMGEN INC 3.625% 5/22/24	031162BV1	6.625%	5/22/2024	1,205,000.000	1,203,000	1,229,542	FIXED INCOME
AMGEN INC 6.400% 2/01/39	AMGEN INC 6.400% 2/01/39	031162BA7	6.400%	2/1/2039	845,000.000	1,061,303	1,095,379	FIXED INCOME
ANADARKO PETROLEUM 6.450%	ANADARKO PETROLEUM 6.450%	032511AY3	6.450%	9/15/2036	1,786,000.000	2,243,105	2,180,137	FIXED INCOME
ANHEUSER-BUSCH INBEV 8.20	ANHEUSER-BUSCH INBEV 8.20	03523TBF4	8.200%	1/15/2039	1,100,000.000	1,691,855	1,739,794	FIXED INCOME
APPALACHIAN POWER CO 7.00	APPALACHIAN POWER CO 7.00	037735CM7	7.000%	4/1/2038	650,000.000	883,487	915,720	FIXED INCOME
ARCHER-DANIELS-MIDLA 5.76	ARCHER-DANIELS-MIDLA 5.76	039483BC5	5.765%	3/1/2041	1,125,000.000	1,412,516	1,463,396	FIXED INCOME
AT&T INC 5.350% 9/01/40	AT&T INC 5.350% 9/01/40	04650NAB0	5.350%	9/1/2040	2,815,000.000	3,104,438	3,098,339	FIXED INCOME
BANK OF AMERICA CORP 5.62	BANK OF AMERICA CORP 5.62	06051GEC9	5.625%	7/1/2020	1,070,000.000	1,113,849	1,248,385	FIXED INCOME

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BARRICK NA FINANCE 5.750%	BARRICK NA FINANCE 5.750%	06849RAK8	5.750%	5/1/2043	410,000.000	429,686	410,743	FIXED INCOME
BECTON DICKINSON AND 3.73	BECTON DICKINSON AND 3.73	075887BF5	3.734%	12/15/2024	400,000.000	400,000	412,496	FIXED INCOME
BERKSHIRE HATHAWAY 5.750%	BERKSHIRE HATHAWAY 5.750%	084664BL4	5.750%	1/15/2040	1,755,000.000	2,105,084	2,292,353	FIXED INCOME
BHP BILLITON FIN USA 5.00	BHP BILLITON FIN USA 5.00	055451AV0	5.000%	9/30/2043	1,110,000.000	1,215,239	1,272,236	FIXED INCOME
BOEING CO 6.875% 3/15/39	BOEING CO 6.875% 3/15/39	097023AX3	6.875%	3/15/2039	620,000.000	862,594	916,449	FIXED INCOME
BP CAPITAL MARKETS 3.535%	BP CAPITAL MARKETS 3.535%	05565QCS5	3.535%	11/4/2024	475,000.000	475,000	474,956	FIXED INCOME
BURLINGTN NORTH SANT 4.95	BURLINGTN NORTH SANT 4.95	12189LAG6	4.950%	9/15/2041	2,290,000.000	2,478,847	2,580,635	FIXED INCOME
CAPITAL ONE BANK USA 2.30	CAPITAL ONE BANK USA 2.30	140420NK2	2.300%	6/5/2019	1,215,000.000	1,213,226	1,207,602	FIXED INCOME
CATHOLIC HEALTH INIT 4.35	CATHOLIC HEALTH INIT 4.35	14916RAD6	4.350%	11/1/2042	950,000.000	901,113	950,057	FIXED INCOME
CENOVUS ENERGY INC 5.200%	CENOVUS ENERGY INC 5.200%	15135UAK5	5.200%	9/15/2043	800,000.000	882,016	782,705	FIXED INCOME
CENTERPOINT ENERGY 5.850%	CENTERPOINT ENERGY 5.850%	15189WAH3	5.850%	1/15/2041	700,000.000	858,837	914,610	FIXED INCOME
CF INDUSTRIES INC 4.950%	CF INDUSTRIES INC 4.950%	12527GAD5	4.950%	6/1/2043	695,000.000	706,627	695,671	FIXED INCOME
CIGNA CORP 5.375% 2/15/42	CIGNA CORP 5.375% 2/15/42	125509BT5	5.375%	2/15/2042	685,000.000	780,928	823,970	FIXED INCOME
CITIGROUP INC 6.125% 5/15	CITIGROUP INC 6.125% 5/15	172967ES6	6.125%	5/15/2018	3,725,000.000	3,755,098	4,244,624	FIXED INCOME
CNOOC FINANCE 2013 3.000%	CNOOC FINANCE 2013 3.000%	12625GAC8	3.000%	5/9/2023	1,075,000.000	1,003,620	1,022,049	FIXED INCOME
COMCAST CORP 6.400% 3/01/	COMCAST CORP 6.400% 3/01/	20030NBB6	6.400%	3/1/2040	3,105,000.000	3,973,996	4,266,963	FIXED INCOME
CONAGRA FOODS INC 4.650%	CONAGRA FOODS INC 4.650%	205887BS0	4.650%	1/25/2043	383,000.000	383,517	407,443	FIXED INCOME
CONOCOPHILLIPS 6.500% 2/0	CONOCOPHILLIPS 6.500% 2/0	20825CAQ7	6.500%	2/1/2039	995,000.000	1,358,195	1,348,955	FIXED INCOME
CONS EDISON CO OF NY 6.75	CONS EDISON CO OF NY 6.75	209111EU3	6.750%	4/1/2038	1,050,000.000	1,396,472	1,479,917	FIXED INCOME
COVIDIEN INTERNATION 6.55	COVIDIEN INTERNATION 6.55	22303QAH3	6.550%	10/15/2037	800,000.000	1,058,648	1,056,062	FIXED INCOME
CREDIT SUISSE NEW YO 3.62	CREDIT SUISSE NEW YO 3.62	22546QAP2	3.625%	9/9/2024	575,000.000	571,757	591,398	FIXED INCOME
CSX CORP 4.750% 5/30/42	CSX CORP 4.750% 5/30/42	126408GW7	4.750%	5/30/2042	985,000.000	1,041,155	1,085,835	FIXED INCOME
CVS CAREMARK CORP 3.375%	CVS CAREMARK CORP 3.375%	126650CF5	3.375%	8/12/2024	855,000.000	847,117	874,435	FIXED INCOME
DAIMLERCHRYSLER NA 8.500%	DAIMLERCHRYSLER NA 8.500%	233835AQ0	8.500%	1/18/2031	565,000.000	864,252	885,907	FIXED INCOME
DEVON FINANCING CORP 7.87	DEVON FINANCING CORP 7.87	25179SAD2	7.875%	9/30/2031	860,000.000	1,206,589	1,190,288	FIXED INCOME
DISCOVER FINANCIAL 3.200%	DISCOVER FINANCIAL 3.200%	25466AAF8	3.200%	8/9/2021	725,000.000	723,057	737,398	FIXED INCOME
DISCOVERY COMMUNICAT 4.87	DISCOVERY COMMUNICAT 4.87	25470DAJ8	4.870%	4/1/2043	675,000.000	673,704	704,165	FIXED INCOME
DOMINION GAS HLDGS 4.800%	DOMINION GAS HLDGS 4.800%	257375AF2	4.800%	11/1/2043	980,000.000	1,048,486	1,063,957	FIXED INCOME
DOMINION RESOURCES 5.950%	DOMINION RESOURCES 5.950%	25746UAV1	5.950%	6/15/2035	1,260,000.000	1,502,348	1,605,510	FIXED INCOME
DOW CHEMICAL COMPANY 7.37	DOW CHEMICAL COMPANY 7.37	260543BJ1	7.375%	11/1/2029	1,620,000.000	2,157,937	2,176,489	FIXED INCOME
ECOLAB INC 5.500% 12/08/4	ECOLAB INC 5.500% 12/08/4	278865AM2	5.500%	12/8/2041	1,020,000.000	1,207,415	1,231,389	FIXED INCOME
ENERGY TRANSFER PART 4.65	ENERGY TRANSFER PART 4.65	29273RAN9	4.650%	6/1/2021	615,000.000	663,210	645,267	FIXED INCOME
ENSCO PLC 4.500% 10/01/24	ENSCO PLC 4.500% 10/01/24	29358QAC3	4.500%	10/1/2024	315,000.000	314,572	309,836	FIXED INCOME
ENTERPRISE PRODUCTS 5.950	ENTERPRISE PRODUCTS 5.950	29379VAT0	5.950%	2/1/2041	1,740,000.000	2,096,700	2,088,838	FIXED INCOME
ENTERTAINMENT PROPER 5.75	ENTERTAINMENT PROPER 5.75	29380TAT2	5.750%	8/15/2022	950,000.000	1,031,615	1,058,388	FIXED INCOME
EXELON GENERATION CO 6.25	EXELON GENERATION CO 6.25	30161MAG8	6.250%	10/1/2039	1,640,000.000	1,899,235	1,995,380	FIXED INCOME
EXPRESS SCRIPTS HOLD 3.50	EXPRESS SCRIPTS HOLD 3.50	30219GAK4	3.500%	6/15/2024	860,000.000	853,739	858,319	FIXED INCOME
FEDEX CORP 4.000% 1/15/24	FEDEX CORP 4.000% 1/15/24	31428XAY2	4.000%	1/15/2024	640,000.000	668,762	693,014	FIXED INCOME
FIDELITY NATIONAL IN 3.87	FIDELITY NATIONAL IN 3.87	31620MAM8	3.875%	6/5/2024	805,000.000	801,957	815,383	FIXED INCOME
FORD MOTOR COMPANY 7.450%	FORD MOTOR COMPANY 7.450%	345370CA6	7.450%	7/16/2031	1,200,000.000	1,599,672	1,670,095	FIXED INCOME
FREEPORT-MCMORAN C 5.450%	FREEPORT-MCMORAN C 5.450%	35671DBC8	5.450%	3/15/2043	1,145,000.000	1,187,434	1,101,052	FIXED INCOME
FREEPORT-MCMORAN INC 5.40	FREEPORT-MCMORAN INC 5.40	35671DBJ3	5.400%	11/14/2034	305,000.000	303,524	299,495	FIXED INCOME
GENERAL ELEC CAP COR 6.75	GENERAL ELEC CAP COR 6.75	36962GXZ2	6.750%	3/15/2032	3,000,000.000	3,929,970	4,157,265	FIXED INCOME
GENERAL ELECTRIC CO 4.125	GENERAL ELECTRIC CO 4.125	369604BF9	4.125%	10/9/2042	930,000.000	904,639	971,483	FIXED INCOME

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
GEORGIA POWER COMPAN 5.40	GEORGIA POWER COMPAN 5.40	373334JR3	5.400%	6/1/2040	1,680,000.000	1,971,228	2,043,586	FIXED INCOME
GILEAD SCIENCES INC 5.650	GILEAD SCIENCES INC 5.650	375558AS2	5.650%	12/1/2041	1,000,000.000	1,187,220	1,242,888	FIXED INCOME
GLAXOSMITHKLINE CAPI 6.37	GLAXOSMITHKLINE CAPI 6.37	377372AE7	6.375%	5/15/2038	940,000.000	1,206,669	1,259,258	FIXED INCOME
GOLDMAN SACHS GROUP 6.750	GOLDMAN SACHS GROUP 6.750	38141GFD1	6.750%	10/1/2037	1,000,000.000	1,184,990	1,274,255	FIXED INCOME
GOLDMAN SACHS GROUP 7.500	GOLDMAN SACHS GROUP 7.500	38141EA25	7.500%	2/15/2019	1,250,000.000	1,530,813	1,522,242	FIXED INCOME
HALLIBURTON COMPANY 4.750	HALLIBURTON COMPANY 4.750	406216BE0	4.750%	8/1/2043	570,000.000	619,356	601,482	FIXED INCOME
HCP INC 6.750% 2/01/41	HCP INC 6.750% 2/01/41	40414LAE9	6.750%	2/1/2041	745,000.000	986,626	1,032,216	FIXED INCOME
HESS CORP 5.600% 2/15/41	HESS CORP 5.600% 2/15/41	42809HAD9	5.600%	2/15/2041	610,000.000	691,807	667,026	FIXED INCOME
HEWLETT-PACKARD CO 6.000%	HEWLETT-PACKARD CO 6.000%	428236BR3	6.000%	9/15/2041	1,225,000.000	1,398,717	1,399,460	FIXED INCOME
HOME DEPOT INC 5.875% 12/	HOME DEPOT INC 5.875% 12/	437076AS1	5.875%	12/16/2036	1,410,000.000	1,733,941	1,844,912	FIXED INCOME
HSBC HOLDINGS PLC 6.800%	HSBC HOLDINGS PLC 6.800%	404280AJ8	6.800%	6/1/2038	1,595,000.000	2,009,812	2,124,279	FIXED INCOME
HUSKY ENERGY INC 4.000% 4	HUSKY ENERGY INC 4.000% 4	448055AK9	4.000%	4/15/2024	1,000,000.000	1,041,930	990,604	FIXED INCOME
INTERNATIONAL PAPER 3.650	INTERNATIONAL PAPER 3.650	460146CJ0	3.650%	6/15/2024	1,240,000.000	1,235,362	1,241,119	FIXED INCOME
JPMORGAN CHASE & CO 3.875	JPMORGAN CHASE & CO 3.875	46625HJY7	3.875%	9/10/2024	285,000.000	283,504	288,647	FIXED INCOME
JPMORGAN CHASE & CO 5.625	JPMORGAN CHASE & CO 5.625	46625HJM3	5.625%	8/16/2043	1,155,000.000	1,296,349	1,367,513	FIXED INCOME
JPMORGAN CHASE & CO 6.400	JPMORGAN CHASE & CO 6.400	46625HHF0	6.400%	5/15/2038	665,000.000	831,263	874,287	FIXED INCOME
KINDER MORGAN ENER 3.950%	KINDER MORGAN ENER 3.950%	494550BL9	3.950%	9/1/2022	850,000.000	862,674	854,018	FIXED INCOME
KINDER MORGAN ENER 6.375%	KINDER MORGAN ENER 6.375%	494550BH8	6.375%	3/1/2041	1,400,000.000	1,654,716	1,588,930	FIXED INCOME
KRAFT FOODS GROUP IN 6.50	KRAFT FOODS GROUP IN 6.50	50076QAN6	6.500%	2/9/2040	940,000.000	1,171,579	1,232,348	FIXED INCOME
KRAFT FOODS INC 6.500% 2/	KRAFT FOODS INC 6.500% 2/	50075NAZ7	6.500%	2/9/2040	715,000.000	917,795	971,234	FIXED INCOME
KROGER CO. 6.900% 4/15/38	KROGER CO. 6.900% 4/15/38	501044CK5	6.900%	4/15/2038	720,000.000	925,150	968,570	FIXED INCOME
LLOYDS BANK PLC 4.500% 11	LLOYDS BANK PLC 4.500% 11	53944YAA1	4.500%	11/4/2024	875,000.000	870,056	889,232	FIXED INCOME
LYB INTL FINANCE BV 4.875	LYB INTL FINANCE BV 4.875	50247VAC3	4.875%	3/15/2044	1,430,000.000	1,495,897	1,491,653	FIXED INCOME
MACYS RETAIL HLDGS 3.625%	MACYS RETAIL HLDGS 3.625%	55616XAL1	3.625%	6/1/2024	1,180,000.000	1,178,808	1,200,453	FIXED INCOME
MARATHON PETROLEUM 5.125%	MARATHON PETROLEUM 5.125%	56585AAD4	5.125%	3/1/2041	910,000.000	1,032,286	1,010,212	FIXED INCOME
MCKESSON CORP 6.000% 3/01	MCKESSON CORP 6.000% 3/01	58155QAE3	6.000%	3/1/2041	720,000.000	852,516	905,098	FIXED INCOME
MERRILL LYNCH & CO 7.750%	MERRILL LYNCH & CO 7.750%	59023VAA8	7.750%	5/14/2038	1,775,000.000	2,426,848	2,524,792	FIXED INCOME
METLIFE INC 1.903% 12/15/	METLIFE INC 1.903% 12/15/	59156RBK3	1.903%	12/15/2017	505,000.000	506,542	506,579	FIXED INCOME
MICROSOFT CORP 5.300% 2/0	MICROSOFT CORP 5.300% 2/0	594918AM6	5.300%	2/8/2041	1,195,000.000	1,376,469	1,491,244	FIXED INCOME
MONSANTO CO 4.200% 7/15/3	MONSANTO CO 4.200% 7/15/3	61166WAN1	4.200%	7/15/2034	185,000.000	183,807	196,655	FIXED INCOME
MONSANTO CO 4.400% 7/15/4	MONSANTO CO 4.400% 7/15/4	61166WAP6	4.400%	7/15/2044	445,000.000	441,471	471,495	FIXED INCOME
MONSANTO CO 4.700% 7/15/6	MONSANTO CO 4.700% 7/15/6	61166WAQ4	4.700%	7/15/2064	975,000.000	966,059	1,045,220	FIXED INCOME
MORGAN STANLEY 4.100% 5/2	MORGAN STANLEY 4.100% 5/2	61747YDU6	4.100%	5/22/2023	1,380,000.000	1,385,672	1,403,297	FIXED INCOME
MORGAN STANLEY 4.350% 9/0	MORGAN STANLEY 4.350% 9/0	6174467Y9	4.350%	9/8/2026	260,000.000	259,542	265,105	FIXED INCOME
NEVADA POWER CO 6.750% 7/	NEVADA POWER CO 6.750% 7/	641423BU1	6.750%	7/1/2037	1,540,000.000	2,111,201	2,211,891	FIXED INCOME
NEWS AMERICA HLDGS 7.750%	NEWS AMERICA HLDGS 7.750%	652478BA5	7.750%	12/1/2045	1,830,000.000	2,618,822	2,764,688	FIXED INCOME
NOBLE HOLDING INTL 5.250%	NOBLE HOLDING INTL 5.250%	65504LAK3	5.250%	3/15/2042	1,000,000.000	1,037,550	804,298	FIXED INCOME
NORFOLK SOUTHERN COR 4.83	NORFOLK SOUTHERN COR 4.83	655844BH0	4.837%	10/1/2041	1,310,000.000	1,414,053	1,469,050	FIXED INCOME
NORTHROP GRUMMAN COR 4.75	NORTHROP GRUMMAN COR 4.75	666807BH4	4.750%	6/1/2043	815,000.000	856,402	913,133	FIXED INCOME
ORACLE CORP 6.125% 7/08/3	ORACLE CORP 6.125% 7/08/3	68389XAH8	6.125%	7/8/2039	615,000.000	771,185	816,495	FIXED INCOME
P/P AP MOELLER-MAERS 3.75	P/P AP MOELLER-MAERS 3.75	00203QAB3	3.750%	9/22/2024	1,000,000.000	996,610	1,037,023	FIXED INCOME
P/P BAE SYSTEMS HOLD 3.80	P/P BAE SYSTEMS HOLD 3.80	05523UAK6	3.800%	10/7/2024	385,000.000	383,857	398,069	FIXED INCOME
P/P ENABLE MIDSTREAM 3.90	P/P ENABLE MIDSTREAM 3.90	292480AC4	3.900%	5/15/2024	660,000.000	659,254	639,456	FIXED INCOME
P/P ERAC USA FINANCE 3.85	P/P ERAC USA FINANCE 3.85	26884TAL6	3.850%	11/15/2024	545,000.000	544,074	562,243	FIXED INCOME

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
P/P ERAC USA FINANCE 7.00	P/P ERAC USA FINANCE 7.00	26882PBE1	7.000%	5/15/2024	645,000.000	841,680	871,889	FIXED INCOME
P/P LIBERTY MUTUAL 4.850%	P/P LIBERTY MUTUAL 4.850%	53079EBF0	4.850%	8/1/2044	715,000.000	714,428	734,684	FIXED INCOME
P/P LIBERTY MUTUAL 6.500%	P/P LIBERTY MUTUAL 6.500%	53079EAZ7	6.500%	5/1/2042	730,000.000	929,845	907,789	FIXED INCOME
P/P MASS MUTUAL LIFE 8.87	P/P MASS MUTUAL LIFE 8.87	575767AG3	8.875%	6/1/2039	750,000.000	1,202,468	1,218,672	FIXED INCOME
P/P NEW YORK LIFE IN 6.75	P/P NEW YORK LIFE IN 6.75	64952GAF5	6.750%	11/15/2039	730,000.000	986,858	1,022,369	FIXED INCOME
P/P PACIFIC LIFE INS 9.25	P/P PACIFIC LIFE INS 9.25	694475AA2	9.250%	6/15/2039	635,000.000	974,668	1,001,466	FIXED INCOME
P/P PERNOD-RICARD SA 4.45	P/P PERNOD-RICARD SA 4.45	714264AD0	4.450%	1/15/2022	800,000.000	856,832	872,960	FIXED INCOME
P/P TEACHERS INSUR 4.900%	P/P TEACHERS INSUR 4.900%	878091BD8	4.900%	9/15/2044	1,660,000.000	1,658,456	1,873,093	FIXED INCOME
P/P VERIZON COMMUNIC 5.01	P/P VERIZON COMMUNIC 5.01	92343VCL6	5.012%	8/21/2054	1,299,000.000	1,349,977	1,367,391	FIXED INCOME
P/P WEA FINANCE LLC/ 4.75	P/P WEA FINANCE LLC/ 4.75	92890HAD4	4.750%	9/17/2044	690,000.000	687,813	745,340	FIXED INCOME
P/P XSTRATA CANADA 4.950%	P/P XSTRATA CANADA 4.950%	98417EAK6	4.950%	11/15/2021	1,150,000.000	1,228,005	1,220,501	FIXED INCOME
PACIFIC GAS & ELECTR 6.05	PACIFIC GAS & ELECTR 6.05	694308GE1	6.050%	3/1/2034	1,600,000.000	1,949,072	2,069,227	FIXED INCOME
PACIFICORP 4.100% 2/01/42	PACIFICORP 4.100% 2/01/42	695114CN6	4.100%	2/1/2042	1,570,000.000	1,539,872	1,683,249	FIXED INCOME
PETRO-CANADA 6.800% 5/15/	PETRO-CANADA 6.800% 5/15/	71644EAJ1	6.800%	5/15/2038	1,185,000.000	1,564,283	1,507,236	FIXED INCOME
PHILIP MORRIS INTL 6.375%	PHILIP MORRIS INTL 6.375%	718172AC3	6.375%	5/16/2038	845,000.000	1,070,074	1,087,117	FIXED INCOME
PHILLIPS 66 5.875% 5/01/4	PHILLIPS 66 5.875% 5/01/4	718546AH7	5.875%	5/1/2042	865,000.000	1,052,117	1,004,604	FIXED INCOME
PLAINS ALL AMER PIPE 6.65	PLAINS ALL AMER PIPE 6.65	72650RAR3	6.650%	1/15/2037	910,000.000	1,151,942	1,158,716	FIXED INCOME
PNC BANK NA 2.250% 7/02/1	PNC BANK NA 2.250% 7/02/1	69353RDD7	2.250%	7/2/2019	1,100,000.000	1,096,568	1,111,437	FIXED INCOME
POTASH CORP-SASKATCH 3.62	POTASH CORP-SASKATCH 3.62	73755LAL1	3.625%	3/15/2024	850,000.000	866,465	881,207	FIXED INCOME
PPL ELECTRIC UTILITI 4.12	PPL ELECTRIC UTILITI 4.12	69351UAS2	4.125%	6/5/2044	1,000,000.000	988,270	1,048,093	FIXED INCOME
PRINCIPAL FINANCIAL 6.050	PRINCIPAL FINANCIAL 6.050	74251VAA0	6.050%	10/15/2036	700,000.000	849,933	881,470	FIXED INCOME
PROGRESS ENERGY INC 6.000	PROGRESS ENERGY INC 6.000	743263AP0	6.000%	12/1/2039	2,300,000.000	2,890,732	2,982,663	FIXED INCOME
PRUDENTIAL FINANCIAL 2.35	PRUDENTIAL FINANCIAL 2.35	74432QCB9	2.350%	8/15/2019	565,000.000	564,548	570,386	FIXED INCOME
PRUDENTIAL FINANCIAL 5.80	PRUDENTIAL FINANCIAL 5.80	74432QBU8	5.800%	11/16/2041	1,100,000.000	1,325,632	1,340,174	FIXED INCOME
PUBLIC SERVICE ELECT 4.00	PUBLIC SERVICE ELECT 4.00	74456QBF2	4.000%	6/1/2044	865,000.000	856,791	894,361	FIXED INCOME
RABOBANK NEDERLAND 5.750%	RABOBANK NEDERLAND 5.750%	21684AAB2	5.750%	12/1/2043	1,055,000.000	1,205,738	1,264,156	FIXED INCOME
REALTY INCOME CORP 4.125%	REALTY INCOME CORP 4.125%	756109AR5	4.125%	10/15/2026	705,000.000	701,468	726,587	FIXED INCOME
REPUBLIC SERVICES IN 3.55	REPUBLIC SERVICES IN 3.55	760759AP5	3.550%	6/1/2022	1,500,000.000	1,538,925	1,544,368	FIXED INCOME
REYNOLDS AMERICAN IN 4.75	REYNOLDS AMERICAN IN 4.75	761713AW6	4.750%	11/1/2042	705,000.000	681,707	689,819	FIXED INCOME
ROGERS COMMUNICATION 5.45	ROGERS COMMUNICATION 5.45	775109AZ4	5.450%	10/1/2043	1,105,000.000	1,220,373	1,286,308	FIXED INCOME
ROYAL BK OF SCOTLAND 1.87	ROYAL BK OF SCOTLAND 1.87	780099CG0	1.875%	3/31/2017	1,000,000.000	1,008,940	1,003,950	FIXED INCOME
SEMPRA ENERGY 6.000% 10/1	SEMPRA ENERGY 6.000% 10/1	816851AP4	6.000%	10/15/2039	770,000.000	944,598	961,019	FIXED INCOME
SHELL INTERNATIONAL 5.500	SHELL INTERNATIONAL 5.500	822582AN2	5.500%	3/25/2040	1,485,000.000	1,756,116	1,833,079	FIXED INCOME
SIMON PROPERTY GROUP 6.75	SIMON PROPERTY GROUP 6.75	828807CE5	6.750%	2/1/2040	750,000.000	1,012,478	1,064,981	FIXED INCOME
SOUTH CAROLINA ELEC& 4.50	SOUTH CAROLINA ELEC& 4.50	837004CH1	4.500%	6/1/2064	340,000.000	336,389	368,778	FIXED INCOME
SOUTH CAROLINA ELEC& 6.05	SOUTH CAROLINA ELEC& 6.05	837004CB4	6.050%	1/15/2038	820,000.000	1,041,925	1,088,004	FIXED INCOME
SOUTHERN CAL EDISON 6.050	SOUTHERN CAL EDISON 6.050	842400FL2	6.750%	4/1/2038	820,000.000	1,053,306	1,094,210	FIXED INCOME
SPECTRA ENERGY PARTN 5.95	SPECTRA ENERGY PARTN 5.95	84756NAE9	5.950%	9/25/2043	665,000.000	793,365	799,886	FIXED INCOME
SYSCO CORPORATION 4.350%	SYSCO CORPORATION 4.350%	871829AV9	4.350%	10/2/2034	570,000.000	569,094	619,786	FIXED INCOME
SYSCO CORPORATION 4.500%	SYSCO CORPORATION 4.500%	871829AW7	4.500%	10/2/2044	630,000.000	623,650	690,351	FIXED INCOME
TALISMAN ENERGY 6.250% 2/	TALISMAN ENERGY 6.250% 2/	87425EAK9	6.250%	2/1/2038	910,000.000	1,053,161	947,539	FIXED INCOME
TECK RESOURCES LIMIT 3.75	TECK RESOURCES LIMIT 3.75	878742AY1	3.750%	2/1/2023	1,075,000.000	1,031,903	980,309	FIXED INCOME
TELEFONICA EMISIONES 7.04	TELEFONICA EMISIONES 7.04	87938WAC7	7.045%	6/20/2036	1,350,000.000	1,706,382	1,778,804	FIXED INCOME
TIME WARNER CABLE IN 5.87	TIME WARNER CABLE IN 5.87	88732JAY4	5.875%	11/15/2040	1,200,000.000	1,402,092	1,439,840	FIXED INCOME

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

	Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
	TIME WARNER CO INC 7.570%	TIME WARNER CO INC 7.570%	887315BH1	7.570%	2/1/2024	1,330,000.000	1,765,522	1,768,530	FIXED INCOME
	TIME WARNER INC 4.650% 6/	TIME WARNER INC 4.650% 6/	887317AU9	4.650%	6/1/2044	870,000.000	860,691	910,407	FIXED INCOME
	TOTAL CAPITAL INTL 2.750%	TOTAL CAPITAL INTL 2.750%	89153VAP4	2.750%	6/19/2021	765,000.000	763,554	768,562	FIXED INCOME
	TRANS-CANADA PIPELIN 4.62	TRANS-CANADA PIPELIN 4.62	89352HAM1	4.625%	3/1/2034	1,600,000.000	1,694,224	1,647,899	FIXED INCOME
	TRANSOCEAN INC 7.350% 12/	TRANSOCEAN INC 7.350% 12/	893830AZ2	7.350%	12/15/2041	550,000.000	591,477	502,358	FIXED INCOME
	TRAVELERS COS INC 6.250%	TRAVELERS COS INC 6.250%	89417EAD1	6.250%	6/15/1937	555,000.000	720,262	738,815	FIXED INCOME
	TREAS INFL IND BD 0.125%	TREAS INFL IND BD 0.125%	912828C99	0.125%	4/15/2019	5,456,997.450	5,589,320	5,398,323	FIXED INCOME
	TRINITY ACQUISITION 6.125	TRINITY ACQUISITION 6.125	89641UAB7	6.125%	8/15/2043	615,000.000	678,271	718,891	FIXED INCOME
	TYSON FOODS INC 4.875% 8/	TYSON FOODS INC 4.875% 8/	902494AZ6	4.875%	8/15/2034	445,000.000	444,938	496,769	FIXED INCOME
	UNION PACIFIC CORP 3.646%	UNION PACIFIC CORP 3.646%	907818DR6	3.646%	2/15/2038	1,300,000.000	1,349,374	1,393,839	FIXED INCOME
	UNITED TECHNOLOGIES 6.125	UNITED TECHNOLOGIES 6.125	913017BP3	6.125%	7/15/2038	1,600,000.000	2,047,920	2,155,797	FIXED INCOME
	UNITEDHEALTH GROUP 4.625%	UNITEDHEALTH GROUP 4.625%	91324PBU5	4.625%	11/15/2041	1,175,000.000	1,237,945	1,273,444	FIXED INCOME
	US TREASURY BOND 3.125% 8	US TREASURY BOND 3.125% 8	912810RH3	3.125%	8/15/2044	2,595,000.000	2,677,625	2,824,304	FIXED INCOME
	US TREASURY BOND 3.750% 1	US TREASURY BOND 3.750% 1	912810RD2	3.750%	11/15/2043	3,235,000.000	3,508,982	3,904,576	FIXED INCOME
	US TREASURY BOND 5.250% 1	US TREASURY BOND 5.250% 1	912810FF0	5.250%	11/15/2028	17,490,000.000	22,569,493	23,568,060	FIXED INCOME
	US TREASURY BOND 6.500% 1	US TREASURY BOND 6.500% 1	912810EY0	6.500%	11/15/2026	24,130,000.000	34,047,780	34,937,567	FIXED INCOME
	US TREASURY NOTE 0.250% 1	US TREASURY NOTE 0.250% 1	912828UC2	0.250%	12/15/2015	1,265,000.000	1,265,647	1,265,249	FIXED INCOME
	US TREASURY NOTE 0.625% 8	US TREASURY NOTE 0.625% 8	912828VR8	0.625%	8/15/2016	1,985,000.000	1,988,954	1,992,941	FIXED INCOME
	US TREASURY NOTE 2.125% 1	US TREASURY NOTE 2.125% 1	912828B58	2.125%	1/31/2021	8,355,000.000	8,415,085	8,554,623	FIXED INCOME
	VENTAS REALTY LP/CAP 5.70	VENTAS REALTY LP/CAP 5.70	92277GAB3	5.700%	9/30/2043	530,000.000	622,395	643,446	FIXED INCOME
	VERIZON COMMUNICATIO 5.15	VERIZON COMMUNICATIO 5.15	92343VBR4	5.150%	9/15/2023	2,645,000.000	2,658,371	2,960,797	FIXED INCOME
	VERIZON COMMUNICATIO 6.55	VERIZON COMMUNICATIO 6.55	92343VBT0	6.550%	9/15/2043	1,297,000.000	1,631,003	1,686,666	FIXED INCOME
	VORNADO REALTY LP 2.500%	VORNADO REALTY LP 2.500%	929043AH0	2.500%	6/30/2019	1,030,000.000	1,026,076	1,021,152	FIXED INCOME
	WAL-MART STORES INC 6.200	WAL-MART STORES INC 6.200	931142CM3	6.200%	4/15/2038	810,000.000	1,033,771	1,095,451	FIXED INCOME
	WALT DISNEY COMPANY/ 4.12	WALT DISNEY COMPANY/ 4.12	25468PDB9	4.125%	6/1/2044	690,000.000	688,820	726,134	FIXED INCOME
	WASTE MANAGEMENT INC 6.12	WASTE MANAGEMENT INC 6.12	94106LAV1	6.125%	11/30/2039	930,000.000	1,154,130	1,208,734	FIXED INCOME
	WELLPOINT INC 4.650% 1/15	WELLPOINT INC 4.650% 1/15	94973VBB2	4.650%	1/15/2043	1,025,000.000	1,049,897	1,088,757	FIXED INCOME
*	WELLS FARGO & COMPAN 3.50	WELLS FARGO & COMPAN 3.50	94974BFC9	3.500%	3/8/2022	1,405,000.000	1,453,177	1,482,157	FIXED INCOME
*	WELLS FARGO & COMPAN 4.10	WELLS FARGO & COMPAN 4.10	94974BFY1	4.100%	6/3/2026	685,000.000	684,294	702,295	FIXED INCOME
*	WELLS FARGO & COMPAN 5.37	WELLS FARGO & COMPAN 5.37	94974BFP0	5.375%	11/2/2043	1,955,000.000	2,143,658	2,241,445	FIXED INCOME
	WILLIAMS COMPANIES 5.750%	WILLIAMS COMPANIES 5.750%	969457BV1	5.750%	6/24/2044	585,000.000	583,672	509,522	FIXED INCOME
	CANYON VAL REALIZATION FU	CANYON VAL REALIZATION FU	MS6653385			16,900.000	16,900,000	16,725,710	HEDGE FUND
	DISCOVERY GLBL MACRO FUND	DISCOVERY GLBL MACRO FUND	MS6653393			19,300.000	19,300,000	20,341,762	HEDGE FUND
	INDEPENDENT FRNCHSE PRTNR	INDEPENDENT FRNCHSE PRTNR	MS6653161			25,000,000.000	25,000,000	24,972,768	HEDGE FUND
	LITESPEED OFFSHORE FUND L	LITESPEED OFFSHORE FUND L	MS6653401			193,000.000	19,300,000	16,481,615	HEDGE FUND
	PENTWATER EVENT FUND LTD*	PENTWATER EVENT FUND LTD*	MS6653419			19,300.000	19,300,000	19,656,745	HEDGE FUND
	RIMROCK HIGH INC PLUS FUN	RIMROCK HIGH INC PLUS FUN	MS6653427			169,000.000	16,900,000	17,025,025	HEDGE FUND
	WINGSPAN OVERSEAS FUND LT	WINGSPAN OVERSEAS FUND LT	MS6653435			16,900.000	16,900,000	15,080,850	HEDGE FUND
	HARBOURVEST PART VI-PART	HARBOURVEST PART VI-PART	MS6688985			1,238,614.000	1,238,614	1,705,933	LIMITED PARTNERSHIP
	HARBOURVEST PARTNERS VIII	HARBOURVEST PARTNERS VIII	MS6101195			478,098.000	478,098	608,445	LIMITED PARTNERSHIP
	HARBOURVEST PARTNERS VIII	HARBOURVEST PARTNERS VIII	MS6101187			4,722,832.000	4,722,832	5,835,967	LIMITED PARTNERSHIP
	HARBOURVEST PTNRS VIII-CA	HARBOURVEST PTNRS VIII-CA	MS6422286			1,134,282.000	1,134,282	1,480,194	LIMITED PARTNERSHIP
	HARBVEST PART VI-BUYOUT F	HARBVEST PART VI-BUYOUT F	MS6688977			2,373,840.000	2,373,840	2,186,889	LIMITED PARTNERSHIP
	INVESCO NON-US PARTNERSHI	INVESCO NON-US PARTNERSHI	MS6162551			191,822.090	191,822	104,158	LIMITED PARTNERSHIP

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
INVESCO US BUYOUT PARTNER	INVESCO US BUYOUT PARTNER	MS6162569			255,150.600	255,151	951,977	LIMITED PARTNERSHIP
INVESCO VENTURE PARTNERSH	INVESCO VENTURE PARTNERSH	MS6162544			1,305,010.240	1,305,010	271,016	LIMITED PARTNERSHIP
NORTHGATE PEP III LP *CH*	NORTHGATE PEP III LP *CH*	MS6097211			10,642,536.930	10,642,537	10,365,439	LIMITED PARTNERSHIP
DFA INTL SM CO #5089	DFA INTL SM CO #5089	233203629			613,507.992	12,528,759	10,417,365	MUTUAL FUND
DODGE & COX INT'L STOCK F	DODGE & COX INT'L STOCK F	256206103			371,525.907	17,220,184	15,644,956	MUTUAL FUND
HARBOR INTL GROWTH FUND #	HARBOR INTL GROWTH FUND #	411511801			744,756.428	10,099,697	9,115,819	MUTUAL FUND
MSIF MULTI-ASSET PORT-I #	MSIF MULTI-ASSET PORT-I #	61760X877			2,666,271.147	31,461,590	30,795,432	MUTUAL FUND
THORNBERG DEVELOPING WLD-	THORNBERG DEVELOPING WLD-	885216606			623,518.621	12,543,099	11,522,624	MUTUAL FUND
							649,793,213	

* Parties-in-Interest

Assumptions Prescribed by Law	
Mortality	During Benefit Payment Period IRS Prescribed Mortality - Static Annuitant, male and female. Before Benefit Payment Period IRS Prescribed Mortality - Static Non-annuitant, male and female.
Assumptions Selected by Actuary	
Asset Return	7.00% for the current plan year.
Expected Expense	$0 included in Target Normal Cost. Administrative expenses are paid separately.
Retirement Age	Roanoke Rapids active participant: Attained age 62. Charleston Kraft active participant: The later of attained age 62 and 20 years of service, but not later than age 65. Inactive Participants are assumed to retire at age 65.
Disability	1987 Commissioner's Group Disability Table, six month elimination period, male and female.
Marriage	75% married; husbands are 3 years older than wives.
Withdrawal	2003 Society of Actuaries Small Plan Age Table, multiplied by 0.25.
Hours Worked	Each active participant is assumed to earn a full year of accrual service in each future year.
Form of Benefit	Participants are assumed to receive their benefits on the normal form at the assumed retirement age.
Methods Prescribed by Law	
Liability Measure	Funding target is the present value of the benefits accrued on the valuation date. Target Normal Cost is based on benefits expected to accrue during the current plan year and includes an estimate of plan expenses for the year.

Methods Selected by Plan Sponsor	
Asset Method	The asset valuation method is prescribed by law for plans that elect to use a value other than market value. For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years. The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the Maximum Allowable Rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value. When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.
Segment Rates	24 month average with no weighting to prior law basis. Use rates where August is the last month included in the average.
PBGC Premium Basis	Variable Rate Premiums are calculated using census, market value of assets and the one-month average of corporate bond rates in effect on the valuation date. You elected this Standard interest method for the 01/01/2014 plan year and the method must be used for five years before a change can be made.
Methods Elected by Actuary	
Retirees	Assets and liabilities for current and future retirees are included.
Vested Benefits	A benefit is included in vested benefits when the participant will meet age and service eligibility requirements at the valuation date. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date. The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, and pre-retirement death benefits in excess of the Survivor Annuity Death Benefit except as noted in the Plan Provisions.
Assumptions and Methods Elected by Actuary Plan Accounting (ASC 960)	
With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular Funding Target and Target Normal Cost.	
Interest Rate Used to Value Liabilities	6.50%

Schedule SB, Line 32 - Schedule of Amortization Bases
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN
EIN 20-2699372 Plan No. 002

Shortfall			
Date Created	**Present Value**	**Remaining Years**	**Annual Charge**
01/01/2014	$(1,507,614)	7	$(252,313)
01/01/2013	2,224,224	6	421,027
01/01/2012	(1,349,983)	5	(296,910)
01/01/2011	758,057	4	203,573
01/01/2010	364,857	3	127,587
01/01/2009	(149,454)	2	(76,546)
01/01/2008	222,846	1	222,846
Total	$562,933		$349,264

Last year's total shortfall annual charge was $601,577.

The total annual charge used in calculating your Annual Cost cannot be less than zero.

Waiver charges represent your repayment to the plan for an Annual Charge that was not funded. A waiver only exists once the Internal Revenue Service has granted approval. See Waivers in Rules and Regulations.

Waiver			
Date Created	**Present Value**	**Remaining Years**	**Annual Charge**
N/A	N/A	N/A	N/A

There are no waiver bases for the current year.

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SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

KAPSTONE PAPER AND PACKAGING CORPORATION DEFI
NED BENEFIT RETIREMENT PLAN
EIN 20 2699372
PLAN NUMBER 002
PLAN YEAR 01/01/2014 TO 12/31/2014

DESCRIPTION OF ASSET	(A) Total Number of Purchases	(B) Total Number of Sales	(C) Total Value of Purchases	(D) Total Value of Sales	(E) Net Gain/(Loss)
Pooled Separate Accounts PRINCIPAL U.S. PROPERTY SEPARA	3		$ 135,491.35		$ 0.00
Pooled Separate Accounts PRINCIPAL U.S. PROPERTY SEPARA		1		$ 1,378,935.88	$ 380,995.66
Registered Investment Company BLACKROCK HIGH YIELD BOND INST	17		$ 319,221.02		$ 0.00
Registered Investment Company BLACKROCK HIGH YIELD BOND INST		2		$ 1,780,024.73	$ 76,611.58-
Registered Investment Company LOOMIS SAYLES INVESTMENT GRADE	16		$ 440,635.84		$ 0.00
Registered Investment Company LOOMIS SAYLES INVESTMENT GRADE		1		$ 2,776,769.50	$ 160,667.00-
Registered Investment Company PIMCO EMERGING MARKETS BOND IN	17		$ 296,833.65		$ 0.00
Registered Investment Company PIMCO EMERGING MARKETS BOND IN		2		$ 1,668,745.49	$ 284,987.66-
Registered Investment Company PIMCO TOTAL RETURN INSTL FUND	17		$ 385,503.87		$ 0.00
Registered Investment Company PIMCO TOTAL RETURN INSTL FUND		2		$ 2,452,140.17	$ 120,521.64-
Registered Investment Company VANGUARD LONG-TERM INVESTMENT-	18		$ 213,199.55		$ 0.00
Registered Investment Company VANGUARD LONG-TERM INVESTMENT-		2		$ 1,391,085.16	$ 14,389.80
Registered Investment Company VANGUARD TOTAL STOCK MARKET IN	8		$ 963,787.34		$ 0.00
Registered Investment Company VANGUARD TOTAL STOCK MARKET IN		7		$ 8,778,119.69	$ 1,942,127.44
Registered Investment Company OPPENHEIMER DEVELOPING MARKETS	5		$ 326,202.99		$ 0.00

* Schedule is prepared using the alternative way of reporting (iii) series transactions under DOL Regulation 2520.103-6(d)(2).

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

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SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

KAPSTONE PAPER AND PACKAGING CORPORATION DEFI
NED BENEFIT RETIREMENT PLAN
EIN 20 2699372
PLAN NUMBER 002
PLAN YEAR 01/01/2014 TO 12/31/2014

DESCRIPTION OF ASSET	(A) Total Number of Purchases	(B) Total Number of Sales	(C) Total Value of Purchases	(D) Total Value of Sales	(E) Net Gain/(Loss)
Registered Investment Company OPPENHEIMER DEVELOPING MARKETS		1		$ 2,415,424.21	$ 5,903.31
Registered Investment Company VANGUARD TOTAL INTERNATIONAL S	2		$ 2,144,642.76		$ 0.00
Registered Investment Company VANGUARD TOTAL INTERNATIONAL S		1		$ 2,102,272.20	$ 42,370.56-
Registered Investment Company VANGUARD TOTAL INTL STOCK INDE	7		$ 901,685.49		$ 0.00
Registered Investment Company VANGUARD TOTAL INTL STOCK INDE		1		$ 2,127,460.04	$ 29,986.89-
Registered Investment Company PIMCO COMMODITY REAL RETURN ST	5		$ 234,350.42		$ 0.00
Registered Investment Company PIMCO COMMODITY REAL RETURN ST		1		$ 1,018,592.07	$ 348,344.85-

* Schedule is prepared using the alternative way of reporting (iii) series transactions under DOL Regulation 2520.103-6(d)(2).

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

Schedule SB, Line 26 - Schedule of Active Participant Data
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN
EIN 20-2699372 Plan No. 002

Form 5500 - Schedule of Active Participation Data									Valuation Date 01/01/2014	
	YEARS OF CREDITED SERVICE									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Attained Age	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Under 25	0	7	0	0	0	0	0	0	0	0
25 to 29	0	23	10	1	0	0	0	0	0	0
30 to 34	0	17	23	1	0	0	0	0	0	0
35 to 39	0	20	38	11	4	0	0	0	0	0
40 to 44	0	13	55	16	21	8	1	0	0	0
45 to 49	0	19	91	12	14	25	13	1	0	0
50 to 54	0	9	91	10	17	24	11	11	3	0
55 to 59	0	7	70	6	13	18	15	14	19	4
60 to 64	0	1	41	5	8	15	7	6	13	16
65 to 69	0	0	6	0	1	2	5	0	0	4
70 & up	0	0	1	0	0	0	0	0	1	0

Schedule SB, Line 22 - Description Of Weighted Average Retirement Age
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN
EIN 20-2699372 Plan No. 002

Active participants are expected to retire at the plan's assumed retirement age. The retirement rate reflects only those participants who meet retirement eligibility. An active participant working past assumed retirement age is expected to retire at current age.

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
62	630.50	0.9262	584.00	36,207.74
63	64.25	0.3444	22.13	1,394.13
64	57.96	0.3183	18.45	1,180.82
65	51.39	1.0000	51.39	3,340.37
66	4.00	1.0000	4.00	264.00
67	9.00	1.0000	9.00	603.00
68	1.00	1.0000	1.00	68.00
69	0.00	1.0000	0.00	0.00
70	0.00	1.0000	0.00	0.00
71	2.00	1.0000	2.00	142.00
Total			691.97	43,200.06
Average				62.43

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

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
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
KAPSTONE PAPER AND PACKAGING CORPORATION

D Employer Identification Number (EIN)
20-2699372

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

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014

2 Assets:

a Market value	**2a**	23594144
b Actuarial value	**2b**	22819413

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	89	2281653	2281653
b For terminated vested participants	80	1065284	1065284
c For active participants	918	16717582	20035409
d Total	1087	20064519	23382346

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**	6.63 %
6 Target normal cost	**6**	2601559

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

LMK — Signature of actuary

10-2-2015 — Date

Linda M. Kirk — Type or print name of actuary

1406140 — Most recent enrollment number

Principal Financial Group — Firm name

515-248-2947 — Telephone number (including area code)

PO Box 9394 Des Moines, IA 50306-9394 — Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (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 11.00 %	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)		245
	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 6.44 %		16
	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		261
	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	97.59 %
15	Adjusted funding target attainment percentage	15	97.59 %
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	87.52 %
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
04/14/2014	813939	0			
07/14/2014	813939	0			
10/14/2014	363930	0			
01/15/2015	663936	0			
09/02/2015	443632	0			
			Totals ▶ 18(b)	3099376	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	2951734

20 Quarterly contributions and liquidity shortfalls:

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

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
4.99 %	6.32 %	6.99 %	

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	62

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	2601559
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	562933	349264
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	2950823

	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	2950823
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	2951734
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	911
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 SB, Line 2a - Explanation of Assets
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN
EIN 20-2699372 Plan No. 002

The market value of assets on line 2a does not equal assets shown on Schedule H, Schedule I or Form 5500-SF. Schedule H, Schedule I and Form 5500-SF use the full value of contributions received after plan year end. Line 2a includes the value of $1,531,958 contributions received after the plan year end with a discounted value of $1,528,556.

Schedule SB, Part V - Summary of Plan Provisions
KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN
EIN 20-2699372 Plan No. 002

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the plan signed 08/14/2012, including amendments through number 2 signed 09/23/2013.

Plan Eligibility	
Roanoke Rapids Mill or Fordyce Ride Rite location:	
Age	Attained age 21.
Service	One year of service in which 1,000 hours of service is credited. For purposes of eligibility, service with International Paper Company is included.
Class	Represented for collectively bargaining purposes by United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers Union, AFL-CIO, CLC Local 5-368, Fordyce, AR, or United Steel Workers local 9-425, Roanoke Rapids, NC, and is not a leased employee or an independent contractor.
Entry Date	The earliest date an employee meets the eligibility requirements.
Charleston Kraft location:	
Class	Represented for collectively bargaining purposes by USWA Local 9-0508, USWA 9-1435, IAM 183, or IBEW Local 1753, Charleston, SC, and is not a leased employee or an independent contractor.
Entry Date	The earliest date an employee meets the eligibility requirements.

Normal Retirement Benefit	
Age	Attained age 65.
Form	Monthly annuity payable for life (optional forms may be elected in advance of retirement).
Roanoke Rapids Mill location:	
Amount	The sum of (a) and (b):
	(a) $3 (benefit increase from $42 to $45) * Accrual service attributable to service credited under the Retirement Plan of International Paper Company, as of January 1, 2007, provided such prior service continued without interruption.
	(b) $45 * Accrual service attributable to service with KapStone Packaging and Paper Corporation, on and after January 1, 2007. (Effective January 1, 2011, $48; effective January 1, 2012, $50; effective January 1, 2014, $51.50.)
Fordyce Ride Rite location:	
Amount	The product of (a) and (b):
	(a) An amount equal to
	(i) $28 before October 1, 2007
	(ii) $30 on and after October 1, 2007
	(b) Accrual service.
	Solely for the purposes of the $2 difference between (i) and (ii), accrual service shall include accrual service credited under the Retirement Plan of International Paper Company as of January 1, 2007, provided such prior service continued without interruption.
Charleston Kraft location:	
Amount	The sum of (a) and (b), reduced by (c):
	(a) $45 * Accrual service attributable to service with MeadWestvaco Corporation, as of June 30, 2008.
	(b) $48 * Accrual service attributable to service with KapStone Packaging and Paper Corporation, on and after July 1, 2008. (Effective April 1, 2011, $50; effective April 1, 2012, $51; effective April 1, 2013, $51.50.)
	(c) The participant's accrued benefit, as of June 30, 2008 (regardless of when payments begin) under the MeadWestvaco Corporation Retirement Plan for Bargained Hourly Employees, if any.

Early Retirement Benefit	
Roanoke Rapids Mill or Fordyce Ride Rite location:	
Age	Attained age 55.
Service	Ten years of vesting service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced 6% for the first year, 7% for the second year, 4% for the third year, 5% for the fourth and fifth year, and 4% for the sixth and seventh year preceding age 62. If an active participant terminates employment on or after attaining age 62, no reduction shall apply to reflect the fact that early retirement date precedes normal retirement date. If an active participant terminates employment on or after attaining age 61 and 20 years of vesting service, no reduction shall apply to reflect the fact that early retirement date precedes normal retirement date.
Charleston Kraft location:	
Age	Attained age 55.
Service	Five years of vesting service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced accordingly: • If less than 20 years of accrual service, then reduced 3% for the first three years, and 6% for the following seven years preceding normal retirement date. • If 20 or more years of accrual service, then reduced 6% for each of the seven years preceding age 62. There is no reduction between age 62 and 65. If an employee has less than 20 years of accrual service when he retires under the MeadWestvaco Corporation Retirement Plan for Bargained Hourly Employees and later has 20 or years of accrual service under this plan, the benefit on his early retirement date will be increased by the difference between the benefit payable on his early retirement date under the MeadWestvaco Corporation Retirement Plan for Bargained Hourly Employees and the benefit payable at early retirement date under this plan, which is attributable to the difference of early retirement factors between such plan and this plan.

Mill Closure Early Retirement Benefit	
Roanoke Rapids Mill or Fordyce Ride Rite location:	
Age	Attained age 50.
Service	Twenty years of vesting service.
Eligibility	Actively employed at the date of permanent (or partial) closure of a mill.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced 6% for the first year, 7% for the second year, 4% for the third year, 5% for the fourth and fifth year, and 4% for the sixth through twelfth year preceding age 62. If an active participant terminates employment on or after attaining age 62, no reduction shall apply to reflect the fact that early retirement date precedes normal retirement date. If an active participant terminates employment on or after attaining age 61 and 20 years of vesting service, no reduction shall apply to reflect the fact that early retirement date precedes normal retirement date.

Late Retirement Benefit	
Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on date of late retirement date.

Termination Benefit	
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.
Roanoke Rapids Mill or Fordyce Ride Rite location:	
Vesting Percentage	100% after five years of vesting service. In addition, an active employee will become 100% vested at normal retirement age, date of disability, or mill closure date.
Charleston Kraft location:	
Vesting Percentage	100% after five years of vesting service. In addition, an active employee will become 100% vested at normal retirement age, or date of disability.

Disability Retirement Benefit	
Roanoke Rapids Mill or Fordyce Ride Rite location, Benefit A or B below:	
A.	
Eligibility	Qualified for disability benefits under the Federal Social Security Act.
Service	Less than 10 years of vesting service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on date of disability.
B.	
Eligibility	Qualified for disability benefits under the Federal Social Security Act.
Service	Ten or more years of vesting service.
Form	Same as normal retirement benefit.
Amount	The greater of (a) or (b):
	(a) Accrued benefit on date of disability.
	(b) $250, if greater than the projected accrued benefit at normal retirement date.
	If (b) is greater, such benefit shall be a temporary benefit payable up to normal retirement date. On and after normal retirement date, the benefit payable shall be the accrued benefit on date of disability.
Charleston Kraft location:	
Eligibility	Qualified for disability benefits under the Federal Social Security Act.
Service	Ten or more years of vesting service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on date of disability. Any reduction in the accrued benefit for benefits earned under the MeadWestvaco Corporation Retirement Plan for Bargained Hourly Employees, shall not apply until the date those payments begin.

Survivor Annuity Death Benefit	
Eligibility	Qualified married participant fully or partially vested in an accrued benefit.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions	
Optional Forms of Benefit Payments	The optional forms of benefit payments are: • Monthly annuity payable for life, or 5, 10, 15, or 20 years certain and life. • Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 75, or 100. • Monthly annuity payable as a life annuity or 50% survivorship life annuity, with a level income option. The conversion basis is 7.5% interest and the mortality table in Revenue Ruling 95-6 for payments other than lump sums.
Roanoke Rapids Mill or Fordyce Ride Rite location:	
Accrual Service	One year of service in which an employee is credited with 1,000 hours. However, except as noted in the Roanoke Rapids Mill location, service prior to January 1, 2007 is excluded.
Vesting Service	One year of service in which an employee is credited with 1,000 hours, including service with International Paper prior to January 1, 2007.
Charleston Kraft location:	
Accrual Service	Calculated so partial months count as complete months, and expressed as year and fractional parts of a year. Service with MeadWestvaco shall be included as service with the employer.
Vesting Service	Calculated so partial months count as complete months, and expressed as year and fractional parts of a year. Service with MeadWestvaco shall be included as service with the employer.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.

Changes in Principal Eligibility or Benefit Provisions

The actuarial valuation for this plan year recognized the following eligibility and/or benefit changes:

- Roanoke Rapids location – effective 01/01/2014, the benefit multiplier applied to service with KapStone Paper and Packaging increased to $51.50.

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

	Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
	BANK OF AMERICA	BANK OF AMERICA				3,329,575.000	3,329,575	3,329,575	CASH EQUIVALENTS
	FIDELITY	FIDELITY				2,870,879.000	2,870,879	2,870,879	CASH EQUIVALENTS
*	WF ADV GOVT MM FD-INSTL #	WF ADV GOVT MM FD-INSTL #	GVIXX			34,074,298.690	34,074,299	34,074,299	CASH EQUIVALENTS
	NORTHERN TRUST COLL S&P 5	NORTHERN TRUST COLL S&P 5	630992519			6,521.360	40,818,092	43,612,267	COMMON COLLECTIVE TRUST
	WTC-CTF GLOBAL SELECT CAP	WTC-CTF GLOBAL SELECT CAP	728993585			1,997,317.691	31,559,818	32,096,895	COMMON COLLECTIVE TRUST
	ACTUANT CORP-CL A	ACTUANT CORP-CL A	00508X203			1,530.000	48,928	41,677	COMMON STOCK
	ADTRAN INC	ADTRAN INC	00738A106			3,908.000	85,969	85,194	COMMON STOCK
	ALAMO GROUP INC COM	ALAMO GROUP INC COM	11311107			2,710.000	121,818	134,391	COMMON STOCK
	ALLETE INC	ALLETE INC	18522300			2,090.000	98,960	118,361	COMMON STOCK
	ALTRA HOLDINGS INC	ALTRA HOLDINGS INC	02208R106			2,904.000	92,384	82,445	COMMON STOCK
	AMERICAN AXLE & MFG HLDGS	AMERICAN AXLE & MFG HLDGS	24061103			2,498.000	42,889	56,430	COMMON STOCK
	AMERICAN EQUITY INVT LIFE	AMERICAN EQUITY INVT LIFE	25676206			4,988.000	110,161	145,600	COMMON STOCK
	APPLIED INDL TECHNOLOGIES	APPLIED INDL TECHNOLOGIES	03820C105			1,834.000	88,095	83,612	COMMON STOCK
	ARGO GROUP INTL HLDGS LTD	ARGO GROUP INTL HLDGS LTD	G0464B107			802.000	40,268	44,487	COMMON STOCK
	ASSOCIATED ESTATES RLTY C	ASSOCIATED ESTATES RLTY C	45604105			6,348.000	113,413	147,332	COMMON STOCK
	ASTEC INDS INC	ASTEC INDS INC	46224101			3,344.000	130,124	131,453	COMMON STOCK
	AVISTA CORP	AVISTA CORP	05379B107			2,580.000	80,672	91,203	COMMON STOCK
	AVIV REIT INC	AVIV REIT INC	05381L101			1,082.000	30,571	37,307	COMMON STOCK
	BALTIC TRADING LTD	BALTIC TRADING LTD	Y0553W103			3,422.000	16,494	17,806	COMMON STOCK
	BANK OF THE OZARKS INC	BANK OF THE OZARKS INC	63904106			3,208.000	102,634	124,766	COMMON STOCK
	BANKUNITED INC	BANKUNITED INC	06652K103			2,714.000	83,667	78,625	COMMON STOCK
	BANNER CORP	BANNER CORP	06652V208			1,834.000	73,093	78,899	COMMON STOCK
	BARRETT BILL CORP	BARRETT BILL CORP	06846N104			3,306.000	72,198	37,655	COMMON STOCK
	BEACON ROOFING SUPPLY INC	BEACON ROOFING SUPPLY INC	73685109			1,648.000	43,691	45,814	COMMON STOCK
	BEL FUSE	BEL FUSE	77347300			2,108.000	50,064	57,633	COMMON STOCK
	BIO-REFERENCE LABS INC	BIO-REFERENCE LABS INC	09057G602			3,440.000	108,742	110,527	COMMON STOCK
	BLACK HILLS CORP	BLACK HILLS CORP	92113109			1,676.000	88,269	88,895	COMMON STOCK
	BROOKS AUTOMATION INC	BROOKS AUTOMATION INC	114340102			734.000	19,244	21,369	COMMON STOCK
	BUCKLE INC COM	BUCKLE INC COM	118440106			1,066.000	47,562	55,986	COMMON STOCK
	BUILDERS FIRSTSOURCE INC	BUILDERS FIRSTSOURCE INC	12008R107			8,548.000	51,501	58,725	COMMON STOCK
	CALAMP CORP	CALAMP CORP	128126109			3,620.000	64,958	66,246	COMMON STOCK
	CAMBREX CORP COM	CAMBREX CORP COM	132011107			1,370.000	17,810	19,588	COMMON STOCK
	CAMDEN NATL CORP	CAMDEN NATL CORP	133034108			876.000	31,427	34,900	COMMON STOCK
	CARDINAL FINL CORP	CARDINAL FINL CORP	14149F109			1,698.000	29,515	33,671	COMMON STOCK
	CARRIZO OIL & GAS INC	CARRIZO OIL & GAS INC	144577103			1,456.000	87,471	60,570	COMMON STOCK
	CASCADE BANCORP	CASCADE BANCORP	147154207			382.000	18,421	17,760	COMMON STOCK
	CASEYS GEN STORES INC	CASEYS GEN STORES INC	147528103			1,530.000	102,726	138,190	COMMON STOCK
	CELESTICA INC	CELESTICA INC	15101Q108			870.000	24,967	29,068	COMMON STOCK
	CLARCOR INC	CLARCOR INC	179895107			1,190.000	69,704	79,302	COMMON STOCK
	COBIZ FINANCIAL INC - RR.	COBIZ FINANCIAL INC - RR.	190897108			998.000	26,061	28,151	COMMON STOCK
	COHERENT INC	COHERENT INC	192479103			650.000	38,894	39,468	COMMON STOCK
	COLUMBIA BANKING SYSTEM I	COLUMBIA BANKING SYSTEM I	197236102			2,012.000	50,496	55,551	COMMON STOCK
	COLUMBUS MCKINNON CORP N	COLUMBUS MCKINNON CORP N	199333105			1,768.000	40,735	49,575	COMMON STOCK
	COMVERSE INC	COMVERSE INC	20585P105			1.000	347	1,409	COMMON STOCK

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
COUSINS PPTYS INC	COUSINS PPTYS INC	222795106			8,884.000	110,110	101,455	COMMON STOCK
CROCS INC	CROCS INC	227046109			2,650.000	33,605	33,099	COMMON STOCK
DANA HOLDING CORP	DANA HOLDING CORP	235825205			4,956.000	109,587	107,743	COMMON STOCK
DATALINK CORP	DATALINK CORP	237934104			1,676.000	20,303	22,214	COMMON STOCK
DEVRY EDUCATION GROUP INC	DEVRY EDUCATION GROUP INC	251893103			1,068.000	43,063	50,698	COMMON STOCK
DIODES INC	DIODES INC	254543101			3,460.000	88,001	95,392	COMMON STOCK
ENCORE WIRE CORP	ENCORE WIRE CORP	292562105			3,310.000	137,248	123,562	COMMON STOCK
ENERSYS	ENERSYS	29275Y102			1,548.000	97,718	95,543	COMMON STOCK
ENTERPRISE FINL SVCS CORP	ENTERPRISE FINL SVCS CORP	293712105			1,676.000	29,199	33,067	COMMON STOCK
ESTERLINE CORP	ESTERLINE CORP	297425100			840.000	91,468	92,131	COMMON STOCK
ETHAN ALLEN INTERIORS INC	ETHAN ALLEN INTERIORS INC	297602104			4,102.000	93,173	127,039	COMMON STOCK
EXACTECH INC COM	EXACTECH INC COM	3.01E+113			1,626.000	36,439	38,325	COMMON STOCK
EXAR CORP	EXAR CORP	300645108			5,610.000	52,695	57,222	COMMON STOCK
FCB FINANCIAL HOLDINGS, I	FCB FINANCIAL HOLDINGS, I	30255G103			2,224.000	49,681	54,799	COMMON STOCK
FIDELITY SOUTHERN CORP	FIDELITY SOUTHERN CORP	316394105			2,448.000	33,882	39,437	COMMON STOCK
FINISAR CORP	FINISAR CORP	31787A507			3,938.000	76,630	76,437	COMMON STOCK
FINISH LINE INC CL A	FINISH LINE INC CL A	317923100			1,722.000	19,385	26,255	COMMON STOCK
FRANKLIN STREET PROPERTIE	FRANKLIN STREET PROPERTIE	35471R106			2,700.000	32,136	33,129	COMMON STOCK
FREIGHTCAR AMER INC	FREIGHTCAR AMER INC	357023100			1,276.000	27,530	33,572	COMMON STOCK
FRESH DEL MONTE PRODUCE I	FRESH DEL MONTE PRODUCE I	G36738105			1,268.000	38,096	42,541	COMMON STOCK
FULLER H B CO	FULLER H B CO	359694106			2,822.000	123,479	125,664	COMMON STOCK
GENESCO INC COM	GENESCO INC COM	371532102			1,202.000	88,839	92,097	COMMON STOCK
GEOSPACE TECHNOLOGIES COR	GEOSPACE TECHNOLOGIES COR	37364X109			1,336.000	52,855	35,404	COMMON STOCK
GLACIER BANCORP INC MONTA	GLACIER BANCORP INC MONTA	37637Q105			1,600.000	23,833	27,714	COMMON STOCK
GLIMCHER RLTY TR COM	GLIMCHER RLTY TR COM	379302102			5,654.000	61,069	77,686	COMMON STOCK
GRAMERCY CAP CORP	GRAMERCY CAP CORP	38489R100			97.000	2,472	9,660	COMMON STOCK
GRANITE CONSTR INC	GRANITE CONSTR INC	387328107			1,630.000	52,822	61,973	COMMON STOCK
GREAT SOUTHN BANCORP INC	GREAT SOUTHN BANCORP INC	390905107			1,214.000	37,563	48,159	COMMON STOCK
GREATBATCH INC	GREATBATCH INC	39153L106			732.000	35,295	36,088	COMMON STOCK
HANCOCK HOLDING CO	HANCOCK HOLDING CO	410120109			1,068.000	34,095	32,788	COMMON STOCK
HELEN OF TROY LIMITED	HELEN OF TROY LIMITED	G4388N106			1,076.000	57,546	70,005	COMMON STOCK
HERSHA HOSPITALITY TR	HERSHA HOSPITALITY TR	427825104			16,788.000	111,358	118,020	COMMON STOCK
HILL ROM HLDGS	HILL ROM HLDGS	431475102			1,052.000	41,377	47,992	COMMON STOCK
HOME BANCSHARES INC/CONWA	HOME BANCSHARES INC/CONWA	436893200			2,476.000	72,749	79,628	COMMON STOCK
HOOKER FURNITURE CORP	HOOKER FURNITURE CORP	439038100			1,080.000	24,856	27,472	COMMON STOCK
HORACE MANN EDUCATORS COR	HORACE MANN EDUCATORS COR	440327104			2,144.000	24,198	28,867	COMMON STOCK
HORNBECK OFFSHORE SVCS IN	HORNBECK OFFSHORE SVCS IN	440543106			3,338.000	139,804	83,350	COMMON STOCK
IBERIABANK CORP	IBERIABANK CORP	450828108			980.000	63,373	63,553	COMMON STOCK
IDACORP INC	IDACORP INC	451107106			942.000	50,236	62,351	COMMON STOCK
INLAND REAL ESTATE CORP	INLAND REAL ESTATE CORP	457461200			10,056.000	104,307	110,113	COMMON STOCK
INSIGHT ENTERPRISES INC C	INSIGHT ENTERPRISES INC C	45765U103			1,882.000	51,622	48,725	COMMON STOCK
INTER PARFUMS INC	INTER PARFUMS INC	458334109			1,960.000	18,944	20,148	COMMON STOCK
INTREPID POTASH INC	INTREPID POTASH INC	46121Y102			2,476.000	26,158	29,342	COMMON STOCK
LAKELAND FINL CORP	LAKELAND FINL CORP	511656100			758.000	27,421	32,950	COMMON STOCK

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
LB FOSTER CO	LB FOSTER CO	350060109			2,052.000	94,621	99,666	COMMON STOCK
MAIDEN HOLDINGS LTD	MAIDEN HOLDINGS LTD	G5753U112			7,062.000	82,279	90,323	COMMON STOCK
MARTEN TRANS LTD	MARTEN TRANS LTD	573075108			4,326.000	86,783	94,566	COMMON STOCK
MERIT MEDICAL SYS INC	MERIT MEDICAL SYS INC	589889104			7,094.000	29,640	18,093	COMMON STOCK
MERITAGE HOMES CORPORATIO	MERITAGE HOMES CORPORATIO	59001A102			2,554.000	97,077	91,918	COMMON STOCK
METHODE ELECTRON INC COMM	METHODE ELECTRON INC COMM	591520200			2,414.000	75,295	88,135	COMMON STOCK
MICROSEMI CORP COM	MICROSEMI CORP COM	595137100			3,966.000	95,073	112,555	COMMON STOCK
MOOG INC CL A	MOOG INC CL A	615394202			1,032.000	68,375	76,399	COMMON STOCK
MULTI-FINELINE ELECTRONIX	MULTI-FINELINE ELECTRONIX	62541B101			3,138.000	31,603	35,240	COMMON STOCK
NABORS INDUSTRIES LTD	NABORS INDUSTRIES LTD	G6359F103			4,762.000	62,474	61,811	COMMON STOCK
NATURAL GAS SERVICES GROU	NATURAL GAS SERVICES GROU	63886Q109			2,254.000	72,132	51,932	COMMON STOCK
NATUS MEDICAL INC	NATUS MEDICAL INC	639050103			2,046.000	56,655	73,738	COMMON STOCK
NEENAH PAPER INC	NEENAH PAPER INC	640079109			2,206.000	109,106	132,956	COMMON STOCK
NETGEAR INC	NETGEAR INC	64111Q104			2,280.000	71,655	81,122	COMMON STOCK
NEWSTAR FINANCIAL INC	NEWSTAR FINANCIAL INC	65251F105			3,158.000	35,555	40,422	COMMON STOCK
NORTEL NETWORKS CORP	NORTEL NETWORKS CORP	656568508			593.000	1	2	COMMON STOCK
OLD NATL BANCORP	OLD NATL BANCORP	680033107			7,332.000	97,266	109,100	COMMON STOCK
OM GROUP INC COM	OM GROUP INC COM	670872100			2,176.000	54,495	64,845	COMMON STOCK
ORTHOFIX INTL NV	ORTHOFIX INTL NV	N6748L102			1,718.000	53,733	51,643	COMMON STOCK
OWENS & MINOR INC COM	OWENS & MINOR INC COM	690732102			1,544.000	50,422	54,210	COMMON STOCK
PACWEST BANCORP	PACWEST BANCORP	695263103			3,406.000	137,456	154,837	COMMON STOCK
PINNACLE ENTERTAINMENT IN	PINNACLE ENTERTAINMENT IN	723456109			1,938.000	42,520	43,121	COMMON STOCK
PIPER JAFFRAY COS	PIPER JAFFRAY COS	724078100			2,028.000	103,223	117,807	COMMON STOCK
PLANTRONICS INC COM	PLANTRONICS INC COM	727493108			1,192.000	54,834	63,200	COMMON STOCK
PLATINUM UNDERWRITERS HLD	PLATINUM UNDERWRITERS HLD	G7127P100			762.000	45,134	55,946	COMMON STOCK
PLEXUS CORP COM	PLEXUS CORP COM	729132100			2,528.000	99,271	104,179	COMMON STOCK
RAMCO-GERSHENSON PPTYS TR	RAMCO-GERSHENSON PPTYS TR	751452202			2,776.000	46,215	52,022	COMMON STOCK
REGAL BELOIT CORP	REGAL BELOIT CORP	758750103			788.000	55,117	59,258	COMMON STOCK
REXFORD INDUSTRIAL REALTY	REXFORD INDUSTRIAL REALTY	76169C100			4,807.000	66,490	75,518	COMMON STOCK
RIVERBED TECHNOLGOY INC	RIVERBED TECHNOLGOY INC	768573107			6,643.000	119,462	135,584	COMMON STOCK
ROFIN SINAR TECHNOLOGIES	ROFIN SINAR TECHNOLOGIES	775043102			2,214.000	49,800	63,697	COMMON STOCK
RUTH'S HOSPITALITY GROUP	RUTH'S HOSPITALITY GROUP	783332109			1,558.000	25,540	30,090	COMMON STOCK
SAIA INC	SAIA INC	78709Y105			1,804.000	82,219	99,869	COMMON STOCK
SANDERSON FARMS INC	SANDERSON FARMS INC	800013104			686.000	63,013	57,641	COMMON STOCK
SCANSOURCE INC COM	SCANSOURCE INC COM	806037107			1,922.000	69,792	77,188	COMMON STOCK
SCHNITZER STL INDS INC CL	SCHNITZER STL INDS INC CL	806882106			2,450.000	64,943	55,272	COMMON STOCK
SELECT COMFORT CORPORATIO	SELECT COMFORT CORPORATIO	81616X103			1,438.000	29,062	38,869	COMMON STOCK
SENSIENT TECHNOLOGIES COR	SENSIENT TECHNOLOGIES COR	81725T100			1,980.000	103,320	119,473	COMMON STOCK
SOUTH JERSEY INDS INC COM	SOUTH JERSEY INDS INC COM	838518108			1,864.000	99,714	109,846	COMMON STOCK
SOUTH STATE CORP	SOUTH STATE CORP	840441109			992.000	56,826	66,543	COMMON STOCK
SOUTHWEST BANCORP INC OKL	SOUTHWEST BANCORP INC OKL	844767103			2,930.000	45,253	50,865	COMMON STOCK
STAG INDUSTRIAL INC	STAG INDUSTRIAL INC	85254J102			4,526.000	102,203	110,887	COMMON STOCK
STANCORP FINL GROUP INC	STANCORP FINL GROUP INC	852891100			1,258.000	75,638	87,884	COMMON STOCK
STEELCASE INC CL A	STEELCASE INC CL A	858155203			3,494.000	52,755	62,717	COMMON STOCK

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
STEPAN CO COM	STEPAN CO COM	858586100			1,400.000	8,260	15,311	COMMON STOCK
STIFEL FINANCIAL CORP	STIFEL FINANCIAL CORP	860630102			1,642.000	74,415	83,775	COMMON STOCK
SUMMIT HOTEL PROPERTIES I	SUMMIT HOTEL PROPERTIES I	866082100			9,114.000	93,603	113,378	COMMON STOCK
SUSQUEHANNA BANCSHARES IN	SUSQUEHANNA BANCSHARES IN	869099101			5,152.000	51,998	69,191	COMMON STOCK
SYNERGY RESOURCES CORP	SYNERGY RESOURCES CORP	87164P103			4,716.000	47,552	59,139	COMMON STOCK
TECH DATA CORP	TECH DATA CORP	878237106			1,646.000	101,797	104,077	COMMON STOCK
THE CHILDREN'S PLACE INC	THE CHILDREN'S PLACE INC	168905107			984.000	50,017	56,088	COMMON STOCK
THE GREENBRIER COMPANIES,	THE GREENBRIER COMPANIES,	393657101			1,054.000	66,914	56,631	COMMON STOCK
THUNDERBIRD RESOURCES EQU	THUNDERBIRD RESOURCES EQU	GMXRQ			2,016.373	256,364	105	COMMON STOCK
TILLY'S INC	TILLY'S INC	886885102			3,388.000	26,023	32,830	COMMON STOCK
TRIMAS CORP	TRIMAS CORP	896215209			964.000	30,586	30,164	COMMON STOCK
TRISTATE CAPITAL HOLDINGS	TRISTATE CAPITAL HOLDINGS	89678F100			906.000	20,282	20,070	COMMON STOCK
TRUEBLUE INC	TRUEBLUE INC	89785X101			3,028.000	81,073	67,373	COMMON STOCK
UMPQUA HOLDINGS CORP	UMPQUA HOLDINGS CORP	904214103			7,634.000	127,071	129,854	COMMON STOCK
UNIFIRST CORP MASS	UNIFIRST CORP MASS	904708104			1,016.000	98,863	123,393	COMMON STOCK
UNION BANKSHARES CORP	UNION BANKSHARES CORP	90539J109			2,830.000	67,088	68,146	COMMON STOCK
UNITED COMMUNITY BANKS IN	UNITED COMMUNITY BANKS IN	90984P303			2,114.000	29,864	29,509	COMMON STOCK
UNIVERSAL FST PRODS INC C	UNIVERSAL FST PRODS INC C	913543104			2,398.000	106,108	127,574	COMMON STOCK
VERINT SYS INC	VERINT SYS INC	92343X100			78.000	4,580	5,653	COMMON STOCK
VERITEX HOLDINGS INC	VERITEX HOLDINGS INC	923451108			1,044.000	12,550	19,413	COMMON STOCK
VIEWPOINT FINANCIAL GROUP	VIEWPOINT FINANCIAL GROUP	92672A101			3,584.000	88,368	85,478	COMMON STOCK
WABASH NATL CORP	WABASH NATL CORP	929566107			8,738.000	115,981	108,002	COMMON STOCK
WASHINGTON FEDERAL INC	WASHINGTON FEDERAL INC	938824109			4,188.000	87,037	92,764	COMMON STOCK
WESTERN REFNG INC	WESTERN REFNG INC	959319104			2,122.000	85,208	80,169	COMMON STOCK
WESTWOOD HOLDINGS GROUP I	WESTWOOD HOLDINGS GROUP I	961765104			75.000	2,266	4,822	COMMON STOCK
WINNEBAGO INDS INC	WINNEBAGO INDS INC	974637100			4,423.000	101,970	96,244	COMMON STOCK
WINTRUST FINL CORP	WINTRUST FINL CORP	97650W108			2,226.000	101,079	104,088	COMMON STOCK
ACE INA HOLDINGS 3.350% 5	ACE INA HOLDINGS 3.350% 5	00440EAR8	3.350%	5/15/2024	1,040,000.000	1,038,440	1,055,372	FIXED INCOME
ACTAVIS FUNDING SCS 4.850	ACTAVIS FUNDING SCS 4.850	00507UAH4	4.850%	6/15/2044	2,490,000.000	2,462,461	2,532,067	FIXED INCOME
AETNA INC 4.500% 5/15/42	AETNA INC 4.500% 5/15/42	00817YAJ7	4.500%	5/15/2042	860,000.000	888,698	915,453	FIXED INCOME
AGRIUM INC 6.125% 1/15/41	AGRIUM INC 6.125% 1/15/41	008916AJ7	6.13%	1/15/2041	854,000.000	1,013,941	1,037,314	FIXED INCOME
ALCAN INC 6.125% 12/15/33	ALCAN INC 6.125% 12/15/33	013716AU9	6.13%	12/15/2033	990,000.000	1,186,347	1,204,040	FIXED INCOME
ALTRIA GROUP INC 5.375% 1	ALTRIA GROUP INC 5.375% 1	02209SAR4	5.375%	1/31/2044	840,000.000	912,341	975,127	FIXED INCOME
AMERICAN INTL GROUP 6.400	AMERICAN INTL GROUP 6.400	026874BW6	6.400%	12/15/2020	1,600,000.000	1,668,912	1,920,174	FIXED INCOME
AMERICAN INTL GROUP 8.175	AMERICAN INTL GROUP 8.175	026874BS5	8.175%	5/15/2068	1,170,000.000	1,591,083	1,589,901	FIXED INCOME
AMERIPRISE FINANCIAL 3.70	AMERIPRISE FINANCIAL 3.70	03076CAG1	3.700%	10/15/2024	705,000.000	702,575	728,474	FIXED INCOME
AMGEN INC 3.625% 5/22/24	AMGEN INC 3.625% 5/22/24	031162BV1	6.625%	5/22/2024	1,205,000.000	1,203,000	1,229,542	FIXED INCOME
AMGEN INC 6.400% 2/01/39	AMGEN INC 6.400% 2/01/39	031162BA7	6.400%	2/1/2039	845,000.000	1,061,303	1,095,379	FIXED INCOME
ANADARKO PETROLEUM 6.450%	ANADARKO PETROLEUM 6.450%	032511AY3	6.450%	9/15/2036	1,786,000.000	2,243,105	2,180,137	FIXED INCOME
ANHEUSER-BUSCH INBEV 8.20	ANHEUSER-BUSCH INBEV 8.20	03523TBF4	8.200%	1/15/2039	1,100,000.000	1,691,855	1,739,794	FIXED INCOME
APPALACHIAN POWER CO 7.00	APPALACHIAN POWER CO 7.00	037735CM7	7.000%	4/1/2038	650,000.000	883,487	915,720	FIXED INCOME
ARCHER-DANIELS-MIDLA 5.76	ARCHER-DANIELS-MIDLA 5.76	039483BC5	5.765%	3/1/2041	1,125,000.000	1,412,516	1,463,396	FIXED INCOME
AT&T INC 5.350% 9/01/40	AT&T INC 5.350% 9/01/40	04650NAB0	5.350%	9/1/2040	2,815,000.000	3,104,438	3,098,339	FIXED INCOME
BANK OF AMERICA CORP 5.62	BANK OF AMERICA CORP 5.62	06051GEC9	5.625%	7/1/2020	1,070,000.000	1,113,849	1,248,385	FIXED INCOME

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
BARRICK NA FINANCE 5.750%	BARRICK NA FINANCE 5.750%	06849RAK8	5.750%	5/1/2043	410,000.000	429,686	410,743	FIXED INCOME
BECTON DICKINSON AND 3.73	BECTON DICKINSON AND 3.73	075887BF5	3.734%	12/15/2024	400,000.000	400,000	412,496	FIXED INCOME
BERKSHIRE HATHAWAY 5.750%	BERKSHIRE HATHAWAY 5.750%	084664BL4	5.750%	1/15/2040	1,755,000.000	2,105,084	2,292,353	FIXED INCOME
BHP BILLITON FIN USA 5.00	BHP BILLITON FIN USA 5.00	055451AV0	5.000%	9/30/2043	1,110,000.000	1,215,239	1,272,236	FIXED INCOME
BOEING CO 6.875% 3/15/39	BOEING CO 6.875% 3/15/39	097023AX3	6.875%	3/15/2039	620,000.000	862,594	916,449	FIXED INCOME
BP CAPITAL MARKETS 3.535%	BP CAPITAL MARKETS 3.535%	05565QCS5	3.535%	11/4/2024	475,000.000	475,000	474,956	FIXED INCOME
BURLINGTN NORTH SANT 4.95	BURLINGTN NORTH SANT 4.95	12189LAG6	4.950%	9/15/2041	2,290,000.000	2,478,847	2,580,635	FIXED INCOME
CAPITAL ONE BANK USA 2.30	CAPITAL ONE BANK USA 2.30	140420NK2	2.300%	6/5/2019	1,215,000.000	1,213,226	1,207,602	FIXED INCOME
CATHOLIC HEALTH INIT 4.35	CATHOLIC HEALTH INIT 4.35	14916RAD6	4.350%	11/1/2042	950,000.000	901,113	950,057	FIXED INCOME
CENOVUS ENERGY INC 5.200%	CENOVUS ENERGY INC 5.200%	15135UAK5	5.200%	9/15/2043	800,000.000	882,016	782,705	FIXED INCOME
CENTERPOINT ENERGY 5.850%	CENTERPOINT ENERGY 5.850%	15189WAH3	5.850%	1/15/2041	700,000.000	858,837	914,610	FIXED INCOME
CF INDUSTRIES INC 4.950%	CF INDUSTRIES INC 4.950%	12527GAD5	4.950%	6/1/2043	695,000.000	706,627	695,671	FIXED INCOME
CIGNA CORP 5.375% 2/15/42	CIGNA CORP 5.375% 2/15/42	125509BT5	5.375%	2/15/2042	685,000.000	780,928	823,970	FIXED INCOME
CITIGROUP INC 6.125% 5/15	CITIGROUP INC 6.125% 5/15	172967ES6	6.125%	5/15/2018	3,725,000.000	3,755,098	4,244,624	FIXED INCOME
CNOOC FINANCE 2013 3.000%	CNOOC FINANCE 2013 3.000%	12625GAC8	3.000%	5/9/2023	1,075,000.000	1,003,620	1,022,049	FIXED INCOME
COMCAST CORP 6.400% 3/01/	COMCAST CORP 6.400% 3/01/	20030NBB6	6.400%	3/1/2040	3,105,000.000	3,973,996	4,266,963	FIXED INCOME
CONAGRA FOODS INC 4.650%	CONAGRA FOODS INC 4.650%	205887BS0	4.650%	1/25/2043	383,000.000	383,517	407,443	FIXED INCOME
CONOCOPHILLIPS 6.500% 2/0	CONOCOPHILLIPS 6.500% 2/0	20825CAQ7	6.500%	2/1/2039	995,000.000	1,358,195	1,348,955	FIXED INCOME
CONS EDISON CO OF NY 6.75	CONS EDISON CO OF NY 6.75	209111EU3	6.750%	4/1/2038	1,050,000.000	1,396,472	1,479,917	FIXED INCOME
COVIDIEN INTERNATION 6.55	COVIDIEN INTERNATION 6.55	22303QAH3	6.550%	10/15/2037	800,000.000	1,058,648	1,056,062	FIXED INCOME
CREDIT SUISSE NEW YO 3.62	CREDIT SUISSE NEW YO 3.62	22546QAP2	3.625%	9/9/2024	575,000.000	571,757	591,398	FIXED INCOME
CSX CORP 4.750% 5/30/42	CSX CORP 4.750% 5/30/42	126408GW7	4.750%	5/30/2042	985,000.000	1,041,155	1,085,835	FIXED INCOME
CVS CAREMARK CORP 3.375%	CVS CAREMARK CORP 3.375%	126650CF5	3.375%	8/12/2024	855,000.000	847,117	874,435	FIXED INCOME
DAIMLERCHRYSLER NA 8.500%	DAIMLERCHRYSLER NA 8.500%	233835AQ0	8.500%	1/18/2031	565,000.000	864,252	885,907	FIXED INCOME
DEVON FINANCING CORP 7.87	DEVON FINANCING CORP 7.87	25179SAD2	7.875%	9/30/2031	860,000.000	1,206,589	1,190,288	FIXED INCOME
DISCOVER FINANCIAL 3.200%	DISCOVER FINANCIAL 3.200%	25466AAF8	3.200%	8/9/2021	725,000.000	723,057	737,398	FIXED INCOME
DISCOVERY COMMUNICAT 4.87	DISCOVERY COMMUNICAT 4.87	25470DAJ8	4.870%	4/1/2043	675,000.000	673,704	704,165	FIXED INCOME
DOMINION GAS HLDGS 4.800%	DOMINION GAS HLDGS 4.800%	257375AF2	4.800%	11/1/2043	980,000.000	1,048,486	1,063,957	FIXED INCOME
DOMINION RESOURCES 5.950%	DOMINION RESOURCES 5.950%	25746UAV1	5.950%	6/15/2035	1,260,000.000	1,502,348	1,605,510	FIXED INCOME
DOW CHEMICAL COMPANY 7.37	DOW CHEMICAL COMPANY 7.37	260543BJ1	7.375%	11/1/2029	1,620,000.000	2,157,937	2,176,489	FIXED INCOME
ECOLAB INC 5.500% 12/08/4	ECOLAB INC 5.500% 12/08/4	278865AM2	5.500%	12/8/2041	1,020,000.000	1,207,415	1,231,389	FIXED INCOME
ENERGY TRANSFER PART 4.65	ENERGY TRANSFER PART 4.65	29273RAN9	4.650%	6/1/2021	615,000.000	663,210	645,267	FIXED INCOME
ENSCO PLC 4.500% 10/01/24	ENSCO PLC 4.500% 10/01/24	29358QAC3	4.500%	10/1/2024	315,000.000	314,572	309,836	FIXED INCOME
ENTERPRISE PRODUCTS 5.950	ENTERPRISE PRODUCTS 5.950	29379VAT0	5.950%	2/1/2041	1,740,000.000	2,096,700	2,088,838	FIXED INCOME
ENTERTAINMENT PROPER 5.75	ENTERTAINMENT PROPER 5.75	29380TAT2	5.750%	8/15/2022	950,000.000	1,031,615	1,058,388	FIXED INCOME
EXELON GENERATION CO 6.25	EXELON GENERATION CO 6.25	30161MAG8	6.250%	10/1/2039	1,640,000.000	1,899,235	1,995,380	FIXED INCOME
EXPRESS SCRIPTS HOLD 3.50	EXPRESS SCRIPTS HOLD 3.50	30219GAK4	3.500%	6/15/2024	860,000.000	853,739	858,319	FIXED INCOME
FEDEX CORP 4.000% 1/15/24	FEDEX CORP 4.000% 1/15/24	31428XAY2	4.000%	1/15/2024	640,000.000	668,762	693,014	FIXED INCOME
FIDELITY NATIONAL IN 3.87	FIDELITY NATIONAL IN 3.87	31620MAM8	3.875%	6/5/2024	805,000.000	801,957	815,383	FIXED INCOME
FORD MOTOR COMPANY 7.450%	FORD MOTOR COMPANY 7.450%	345370CA6	7.450%	7/16/2031	1,200,000.000	1,599,672	1,670,095	FIXED INCOME
FREEPORT-MCMORAN C 5.450%	FREEPORT-MCMORAN C 5.450%	35671DBC8	5.450%	3/15/2043	1,145,000.000	1,187,434	1,101,052	FIXED INCOME
FREEPORT-MCMORAN INC 5.40	FREEPORT-MCMORAN INC 5.40	35671DBJ3	5.400%	11/14/2034	305,000.000	303,524	299,495	FIXED INCOME
GENERAL ELEC CAP COR 6.75	GENERAL ELEC CAP COR 6.75	36962GXZ2	6.750%	3/15/2032	3,000,000.000	3,929,970	4,157,265	FIXED INCOME
GENERAL ELECTRIC CO 4.125	GENERAL ELECTRIC CO 4.125	369604BF9	4.125%	10/9/2042	930,000.000	904,639	971,483	FIXED INCOME

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GEORGIA POWER COMPAN 5.40	GEORGIA POWER COMPAN 5.40	373334JR3	5.400%	6/1/2040	1,680,000.000	1,971,228	2,043,586	FIXED INCOME
GILEAD SCIENCES INC 5.650	GILEAD SCIENCES INC 5.650	375558AS2	5.650%	12/1/2041	1,000,000.000	1,187,220	1,242,888	FIXED INCOME
GLAXOSMITHKLINE CAPI 6.37	GLAXOSMITHKLINE CAPI 6.37	377372AE7	6.375%	5/15/2038	940,000.000	1,206,669	1,259,258	FIXED INCOME
GOLDMAN SACHS GROUP 6.750	GOLDMAN SACHS GROUP 6.750	38141GFD1	6.750%	10/1/2037	1,000,000.000	1,184,990	1,274,255	FIXED INCOME
GOLDMAN SACHS GROUP 7.500	GOLDMAN SACHS GROUP 7.500	38141EA25	7.500%	2/15/2019	1,250,000.000	1,530,813	1,522,242	FIXED INCOME
HALLIBURTON COMPANY 4.750	HALLIBURTON COMPANY 4.750	406216BE0	4.750%	8/1/2043	570,000.000	619,356	601,482	FIXED INCOME
HCP INC 6.750% 2/01/41	HCP INC 6.750% 2/01/41	40414LAE9	6.750%	2/1/2041	745,000.000	986,626	1,032,216	FIXED INCOME
HESS CORP 5.600% 2/15/41	HESS CORP 5.600% 2/15/41	42809HAD9	5.600%	2/15/2041	610,000.000	691,807	667,026	FIXED INCOME
HEWLETT-PACKARD CO 6.000%	HEWLETT-PACKARD CO 6.000%	428236BR3	6.000%	9/15/2041	1,225,000.000	1,398,717	1,399,460	FIXED INCOME
HOME DEPOT INC 5.875% 12/	HOME DEPOT INC 5.875% 12/	437076AS1	5.875%	12/16/2036	1,410,000.000	1,733,941	1,844,912	FIXED INCOME
HSBC HOLDINGS PLC 6.800%	HSBC HOLDINGS PLC 6.800%	404280AJ8	6.800%	6/1/2038	1,595,000.000	2,009,812	2,124,279	FIXED INCOME
HUSKY ENERGY INC 4.000% 4	HUSKY ENERGY INC 4.000% 4	448055AK9	4.000%	4/15/2024	1,000,000.000	1,041,930	990,604	FIXED INCOME
INTERNATIONAL PAPER 3.650	INTERNATIONAL PAPER 3.650	460146CJ0	3.650%	6/15/2024	1,240,000.000	1,235,362	1,241,119	FIXED INCOME
JPMORGAN CHASE & CO 3.875	JPMORGAN CHASE & CO 3.875	46625HJY7	3.875%	9/10/2024	285,000.000	283,504	288,647	FIXED INCOME
JPMORGAN CHASE & CO 5.625	JPMORGAN CHASE & CO 5.625	46625HJM3	5.625%	8/16/2043	1,155,000.000	1,296,349	1,367,513	FIXED INCOME
JPMORGAN CHASE & CO 6.400	JPMORGAN CHASE & CO 6.400	46625HHF0	6.400%	5/15/2038	665,000.000	831,263	874,287	FIXED INCOME
KINDER MORGAN ENER 3.950%	KINDER MORGAN ENER 3.950%	494550BL9	3.950%	9/1/2022	850,000.000	862,674	854,018	FIXED INCOME
KINDER MORGAN ENER 6.375%	KINDER MORGAN ENER 6.375%	494550BH8	6.375%	3/1/2041	1,400,000.000	1,654,716	1,588,930	FIXED INCOME
KRAFT FOODS GROUP IN 6.50	KRAFT FOODS GROUP IN 6.50	50076QAN6	6.500%	2/9/2040	940,000.000	1,171,579	1,232,348	FIXED INCOME
KRAFT FOODS INC 6.500% 2/	KRAFT FOODS INC 6.500% 2/	50075NAZ7	6.500%	2/9/2040	715,000.000	917,795	971,234	FIXED INCOME
KROGER CO. 6.900% 4/15/38	KROGER CO. 6.900% 4/15/38	501044CK5	6.900%	4/15/2038	720,000.000	925,150	968,570	FIXED INCOME
LLOYDS BANK PLC 4.500% 11	LLOYDS BANK PLC 4.500% 11	53944YAA1	4.500%	11/4/2024	875,000.000	870,056	889,232	FIXED INCOME
LYB INTL FINANCE BV 4.875	LYB INTL FINANCE BV 4.875	50247VAC3	4.875%	3/15/2044	1,430,000.000	1,495,897	1,491,653	FIXED INCOME
MACYS RETAIL HLDGS 3.625%	MACYS RETAIL HLDGS 3.625%	55616XAL1	3.625%	6/1/2024	1,180,000.000	1,178,808	1,200,453	FIXED INCOME
MARATHON PETROLEUM 5.125%	MARATHON PETROLEUM 5.125%	56585AAD4	5.125%	3/1/2041	910,000.000	1,032,286	1,010,212	FIXED INCOME
MCKESSON CORP 6.000% 3/01	MCKESSON CORP 6.000% 3/01	58155QAE3	6.000%	3/1/2041	720,000.000	852,516	905,098	FIXED INCOME
MERRILL LYNCH & CO 7.750%	MERRILL LYNCH & CO 7.750%	59023VAA8	7.750%	5/14/2038	1,775,000.000	2,426,848	2,524,792	FIXED INCOME
METLIFE INC 1.903% 12/15/	METLIFE INC 1.903% 12/15/	59156RBK3	1.903%	12/15/2017	505,000.000	506,542	506,579	FIXED INCOME
MICROSOFT CORP 5.300% 2/0	MICROSOFT CORP 5.300% 2/0	594918AM6	5.300%	2/8/2041	1,195,000.000	1,376,469	1,491,244	FIXED INCOME
MONSANTO CO 4.200% 7/15/3	MONSANTO CO 4.200% 7/15/3	61166WAN1	4.200%	7/15/2034	185,000.000	183,807	196,655	FIXED INCOME
MONSANTO CO 4.400% 7/15/4	MONSANTO CO 4.400% 7/15/4	61166WAP6	4.400%	7/15/2044	445,000.000	441,471	471,495	FIXED INCOME
MONSANTO CO 4.700% 7/15/6	MONSANTO CO 4.700% 7/15/6	61166WAQ4	4.700%	7/15/2064	975,000.000	966,059	1,045,220	FIXED INCOME
MORGAN STANLEY 4.100% 5/2	MORGAN STANLEY 4.100% 5/2	61747YDU6	4.100%	5/22/2023	1,380,000.000	1,385,672	1,403,297	FIXED INCOME
MORGAN STANLEY 4.350% 9/0	MORGAN STANLEY 4.350% 9/0	6174467Y9	4.350%	9/8/2026	260,000.000	259,542	265,105	FIXED INCOME
NEVADA POWER CO 6.750% 7/	NEVADA POWER CO 6.750% 7/	641423BU1	6.750%	7/1/2037	1,540,000.000	2,111,201	2,211,891	FIXED INCOME
NEWS AMERICA HLDGS 7.750%	NEWS AMERICA HLDGS 7.750%	652478BA5	7.750%	12/1/2045	1,830,000.000	2,618,822	2,764,688	FIXED INCOME
NOBLE HOLDING INTL 5.250%	NOBLE HOLDING INTL 5.250%	65504LAK3	5.250%	3/15/2042	1,000,000.000	1,037,550	804,298	FIXED INCOME
NORFOLK SOUTHERN COR 4.83	NORFOLK SOUTHERN COR 4.83	655844BH0	4.837%	10/1/2041	1,310,000.000	1,414,053	1,469,050	FIXED INCOME
NORTHROP GRUMMAN COR 4.75	NORTHROP GRUMMAN COR 4.75	666807BH4	4.750%	6/1/2043	815,000.000	856,402	913,133	FIXED INCOME
ORACLE CORP 6.125% 7/08/3	ORACLE CORP 6.125% 7/08/3	68389XAH8	6.125%	7/8/2039	615,000.000	771,185	816,495	FIXED INCOME
P/P AP MOELLER-MAERS 3.75	P/P AP MOELLER-MAERS 3.75	00203QAB3	3.750%	9/22/2024	1,000,000.000	996,610	1,037,023	FIXED INCOME
P/P BAE SYSTEMS HOLD 3.80	P/P BAE SYSTEMS HOLD 3.80	05523UAK6	3.800%	10/7/2024	385,000.000	383,857	398,069	FIXED INCOME
P/P ENABLE MIDSTREAM 3.90	P/P ENABLE MIDSTREAM 3.90	292480AC4	3.900%	5/15/2024	660,000.000	659,254	639,456	FIXED INCOME
P/P ERAC USA FINANCE 3.85	P/P ERAC USA FINANCE 3.85	26884TAL6	3.850%	11/15/2024	545,000.000	544,074	562,243	FIXED INCOME

KapStone Paper and Packaging Corporation
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SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
P/P ERAC USA FINANCE 7.00	P/P ERAC USA FINANCE 7.00	26882PBE1	7.000%	5/15/2024	645,000.000	841,680	871,889	FIXED INCOME
P/P LIBERTY MUTUAL 4.850%	P/P LIBERTY MUTUAL 4.850%	53079EBF0	4.850%	8/1/2044	715,000.000	714,428	734,684	FIXED INCOME
P/P LIBERTY MUTUAL 6.500%	P/P LIBERTY MUTUAL 6.500%	53079EAZ7	6.500%	5/1/2042	730,000.000	929,845	907,789	FIXED INCOME
P/P MASS MUTUAL LIFE 8.87	P/P MASS MUTUAL LIFE 8.87	575767AG3	8.875%	6/1/2039	750,000.000	1,202,468	1,218,672	FIXED INCOME
P/P NEW YORK LIFE IN 6.75	P/P NEW YORK LIFE IN 6.75	64952GAF5	6.750%	11/15/2039	730,000.000	986,858	1,022,369	FIXED INCOME
P/P PACIFIC LIFE INS 9.25	P/P PACIFIC LIFE INS 9.25	694475AA2	9.250%	6/15/2039	635,000.000	974,668	1,001,466	FIXED INCOME
P/P PERNOD-RICARD SA 4.45	P/P PERNOD-RICARD SA 4.45	714264AD0	4.450%	1/15/2022	800,000.000	856,832	872,960	FIXED INCOME
P/P TEACHERS INSUR 4.900%	P/P TEACHERS INSUR 4.900%	878091BD8	4.900%	9/15/2044	1,660,000.000	1,658,456	1,873,093	FIXED INCOME
P/P VERIZON COMMUNIC 5.01	P/P VERIZON COMMUNIC 5.01	92343VCL6	5.012%	8/21/2054	1,299,000.000	1,349,977	1,367,391	FIXED INCOME
P/P WEA FINANCE LLC/ 4.75	P/P WEA FINANCE LLC/ 4.75	92890HAD4	4.750%	9/17/2044	690,000.000	687,813	745,340	FIXED INCOME
P/P XSTRATA CANADA 4.950%	P/P XSTRATA CANADA 4.950%	98417EAK6	4.950%	11/15/2021	1,150,000.000	1,228,005	1,220,501	FIXED INCOME
PACIFIC GAS & ELECTR 6.05	PACIFIC GAS & ELECTR 6.05	694308GE1	6.050%	3/1/2034	1,600,000.000	1,949,072	2,069,227	FIXED INCOME
PACIFICORP 4.100% 2/01/42	PACIFICORP 4.100% 2/01/42	695114CN6	4.100%	2/1/2042	1,570,000.000	1,539,872	1,683,249	FIXED INCOME
PETRO-CANADA 6.800% 5/15/	PETRO-CANADA 6.800% 5/15/	71644EAJ1	6.800%	5/15/2038	1,185,000.000	1,564,283	1,507,236	FIXED INCOME
PHILIP MORRIS INTL 6.375%	PHILIP MORRIS INTL 6.375%	718172AC3	6.375%	5/16/2038	845,000.000	1,070,074	1,087,117	FIXED INCOME
PHILLIPS 66 5.875% 5/01/4	PHILLIPS 66 5.875% 5/01/4	718546AH7	5.875%	5/1/2042	865,000.000	1,052,117	1,004,604	FIXED INCOME
PLAINS ALL AMER PIPE 6.65	PLAINS ALL AMER PIPE 6.65	72650RAR3	6.650%	1/15/2037	910,000.000	1,151,942	1,158,716	FIXED INCOME
PNC BANK NA 2.250% 7/02/1	PNC BANK NA 2.250% 7/02/1	69353RDD7	2.250%	7/2/2019	1,100,000.000	1,096,568	1,111,437	FIXED INCOME
POTASH CORP-SASKATCH 3.62	POTASH CORP-SASKATCH 3.62	73755LAL1	3.625%	3/15/2024	850,000.000	866,465	881,207	FIXED INCOME
PPL ELECTRIC UTILITI 4.12	PPL ELECTRIC UTILITI 4.12	69351UAS2	4.125%	6/5/2044	1,000,000.000	988,270	1,048,093	FIXED INCOME
PRINCIPAL FINANCIAL 6.050	PRINCIPAL FINANCIAL 6.050	74251VAA0	6.050%	10/15/2036	700,000.000	849,933	881,470	FIXED INCOME
PROGRESS ENERGY INC 6.000	PROGRESS ENERGY INC 6.000	743263AP0	6.000%	12/1/2039	2,300,000.000	2,890,732	2,982,663	FIXED INCOME
PRUDENTIAL FINANCIAL 2.35	PRUDENTIAL FINANCIAL 2.35	74432QCB9	2.350%	8/15/2019	565,000.000	564,548	570,386	FIXED INCOME
PRUDENTIAL FINANCIAL 5.80	PRUDENTIAL FINANCIAL 5.80	74432QBU8	5.800%	11/16/2041	1,100,000.000	1,325,632	1,340,174	FIXED INCOME
PUBLIC SERVICE ELECT 4.00	PUBLIC SERVICE ELECT 4.00	74456QBF2	4.000%	6/1/2044	865,000.000	856,791	894,361	FIXED INCOME
RABOBANK NEDERLAND 5.750%	RABOBANK NEDERLAND 5.750%	21684AAB2	5.750%	12/1/2043	1,055,000.000	1,205,738	1,264,156	FIXED INCOME
REALTY INCOME CORP 4.125%	REALTY INCOME CORP 4.125%	756109AR5	4.125%	10/15/2026	705,000.000	701,468	726,587	FIXED INCOME
REPUBLIC SERVICES IN 3.55	REPUBLIC SERVICES IN 3.55	760759AP5	3.550%	6/1/2022	1,500,000.000	1,538,925	1,544,368	FIXED INCOME
REYNOLDS AMERICAN IN 4.75	REYNOLDS AMERICAN IN 4.75	761713AW6	4.750%	11/1/2042	705,000.000	681,707	689,819	FIXED INCOME
ROGERS COMMUNICATION 5.45	ROGERS COMMUNICATION 5.45	775109AZ4	5.450%	10/1/2043	1,105,000.000	1,220,373	1,286,308	FIXED INCOME
ROYAL BK OF SCOTLAND 1.87	ROYAL BK OF SCOTLAND 1.87	780099CG0	1.875%	3/31/2017	1,000,000.000	1,008,940	1,003,950	FIXED INCOME
SEMPRA ENERGY 6.000% 10/1	SEMPRA ENERGY 6.000% 10/1	816851AP4	6.000%	10/15/2039	770,000.000	944,598	961,019	FIXED INCOME
SHELL INTERNATIONAL 5.500	SHELL INTERNATIONAL 5.500	822582AN2	5.500%	3/25/2040	1,485,000.000	1,756,116	1,833,079	FIXED INCOME
SIMON PROPERTY GROUP 6.75	SIMON PROPERTY GROUP 6.75	828807CE5	6.750%	2/1/2040	750,000.000	1,012,478	1,064,981	FIXED INCOME
SOUTH CAROLINA ELEC& 4.50	SOUTH CAROLINA ELEC& 4.50	837004CH1	4.500%	6/1/2064	340,000.000	336,389	368,778	FIXED INCOME
SOUTH CAROLINA ELEC& 6.05	SOUTH CAROLINA ELEC& 6.05	837004CB4	6.050%	1/15/2038	820,000.000	1,041,925	1,088,004	FIXED INCOME
SOUTHERN CAL EDISON 6.050	SOUTHERN CAL EDISON 6.050	842400FL2	6.750%	4/1/2038	820,000.000	1,053,306	1,094,210	FIXED INCOME
SPECTRA ENERGY PARTN 5.95	SPECTRA ENERGY PARTN 5.95	84756NAE9	5.950%	9/25/2043	665,000.000	793,365	799,886	FIXED INCOME
SYSCO CORPORATION 4.350%	SYSCO CORPORATION 4.350%	871829AV9	4.350%	10/2/2034	570,000.000	569,094	619,786	FIXED INCOME
SYSCO CORPORATION 4.500%	SYSCO CORPORATION 4.500%	871829AW7	4.500%	10/2/2044	630,000.000	623,650	690,351	FIXED INCOME
TALISMAN ENERGY 6.250% 2/	TALISMAN ENERGY 6.250% 2/	87425EAK9	6.250%	2/1/2038	910,000.000	1,053,161	947,539	FIXED INCOME
TECK RESOURCES LIMIT 3.75	TECK RESOURCES LIMIT 3.75	878742AY1	3.750%	2/1/2023	1,075,000.000	1,031,903	980,309	FIXED INCOME
TELEFONICA EMISIONES 7.04	TELEFONICA EMISIONES 7.04	87938WAC7	7.045%	6/20/2036	1,350,000.000	1,706,382	1,778,804	FIXED INCOME
TIME WARNER CABLE IN 5.87	TIME WARNER CABLE IN 5.87	88732JAY4	5.875%	11/15/2040	1,200,000.000	1,402,092	1,439,840	FIXED INCOME

KapStone Paper and Packaging Corporation
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	Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
	TIME WARNER CO INC 7.570%	TIME WARNER CO INC 7.570%	887315BH1	7.570%	2/1/2024	1,330,000.000	1,765,522	1,768,530	FIXED INCOME
	TIME WARNER INC 4.650% 6/	TIME WARNER INC 4.650% 6/	887317AU9	4.650%	6/1/2044	870,000.000	860,691	910,407	FIXED INCOME
	TOTAL CAPITAL INTL 2.750%	TOTAL CAPITAL INTL 2.750%	89153VAP4	2.750%	6/19/2021	765,000.000	763,554	768,562	FIXED INCOME
	TRANS-CANADA PIPELIN 4.62	TRANS-CANADA PIPELIN 4.62	89352HAM1	4.625%	3/1/2034	1,600,000.000	1,694,224	1,647,899	FIXED INCOME
	TRANSOCEAN INC 7.350% 12/	TRANSOCEAN INC 7.350% 12/	893830AZ2	7.350%	12/15/2041	550,000.000	591,477	502,358	FIXED INCOME
	TRAVELERS COS INC 6.250%	TRAVELERS COS INC 6.250%	89417EAD1	6.250%	6/15/1937	555,000.000	720,262	738,815	FIXED INCOME
	TREAS INFL IND BD 0.125%	TREAS INFL IND BD 0.125%	912828C99	0.125%	4/15/2019	5,456,997.450	5,589,320	5,398,323	FIXED INCOME
	TRINITY ACQUISITION 6.125	TRINITY ACQUISITION 6.125	89641UAB7	6.125%	8/15/2043	615,000.000	678,271	718,891	FIXED INCOME
	TYSON FOODS INC 4.875% 8/	TYSON FOODS INC 4.875% 8/	902494AZ6	4.875%	8/15/2034	445,000.000	444,938	496,769	FIXED INCOME
	UNION PACIFIC CORP 3.646%	UNION PACIFIC CORP 3.646%	907818DR6	3.646%	2/15/2038	1,300,000.000	1,349,374	1,393,839	FIXED INCOME
	UNITED TECHNOLOGIES 6.125	UNITED TECHNOLOGIES 6.125	913017BP3	6.125%	7/15/2038	1,600,000.000	2,047,920	2,155,797	FIXED INCOME
	UNITEDHEALTH GROUP 4.625%	UNITEDHEALTH GROUP 4.625%	91324PBU5	4.625%	11/15/2041	1,175,000.000	1,237,945	1,273,444	FIXED INCOME
	US TREASURY BOND 3.125% 8	US TREASURY BOND 3.125% 8	912810RH3	3.125%	8/15/2044	2,595,000.000	2,677,625	2,824,304	FIXED INCOME
	US TREASURY BOND 3.750% 1	US TREASURY BOND 3.750% 1	912810RD2	3.750%	11/15/2043	3,235,000.000	3,508,982	3,904,576	FIXED INCOME
	US TREASURY BOND 5.250% 1	US TREASURY BOND 5.250% 1	912810FF0	5.250%	11/15/2028	17,490,000.000	22,569,493	23,568,060	FIXED INCOME
	US TREASURY BOND 6.500% 1	US TREASURY BOND 6.500% 1	912810EY0	6.500%	11/15/2026	24,130,000.000	34,047,780	34,937,567	FIXED INCOME
	US TREASURY NOTE 0.250% 1	US TREASURY NOTE 0.250% 1	912828UC2	0.250%	12/15/2015	1,265,000.000	1,265,647	1,265,249	FIXED INCOME
	US TREASURY NOTE 0.625% 8	US TREASURY NOTE 0.625% 8	912828VR8	0.625%	8/15/2016	1,985,000.000	1,988,954	1,992,941	FIXED INCOME
	US TREASURY NOTE 2.125% 1	US TREASURY NOTE 2.125% 1	912828B58	2.125%	1/31/2021	8,355,000.000	8,415,085	8,554,623	FIXED INCOME
	VENTAS REALTY LP/CAP 5.70	VENTAS REALTY LP/CAP 5.70	92277GAB3	5.700%	9/30/2043	530,000.000	622,395	643,446	FIXED INCOME
	VERIZON COMMUNICATIO 5.15	VERIZON COMMUNICATIO 5.15	92343VBR4	5.150%	9/15/2023	2,645,000.000	2,658,371	2,960,797	FIXED INCOME
	VERIZON COMMUNICATIO 6.55	VERIZON COMMUNICATIO 6.55	92343VBT0	6.550%	9/15/2043	1,297,000.000	1,631,003	1,686,666	FIXED INCOME
	VORNADO REALTY LP 2.500%	VORNADO REALTY LP 2.500%	929043AH0	2.500%	6/30/2019	1,030,000.000	1,026,076	1,021,152	FIXED INCOME
	WAL-MART STORES INC 6.200	WAL-MART STORES INC 6.200	931142CM3	6.200%	4/15/2038	810,000.000	1,033,771	1,095,451	FIXED INCOME
	WALT DISNEY COMPANY/ 4.12	WALT DISNEY COMPANY/ 4.12	25468PDB9	4.125%	6/1/2044	690,000.000	688,820	726,134	FIXED INCOME
	WASTE MANAGEMENT INC 6.12	WASTE MANAGEMENT INC 6.12	94106LAV1	6.125%	11/30/2039	930,000.000	1,154,130	1,208,734	FIXED INCOME
	WELLPOINT INC 4.650% 1/15	WELLPOINT INC 4.650% 1/15	94973VBB2	4.650%	1/15/2043	1,025,000.000	1,049,897	1,088,757	FIXED INCOME
*	WELLS FARGO & COMPAN 3.50	WELLS FARGO & COMPAN 3.50	94974BFC9	3.500%	3/8/2022	1,405,000.000	1,453,177	1,482,157	FIXED INCOME
*	WELLS FARGO & COMPAN 4.10	WELLS FARGO & COMPAN 4.10	94974BFY1	4.100%	6/3/2026	685,000.000	684,294	702,295	FIXED INCOME
*	WELLS FARGO & COMPAN 5.37	WELLS FARGO & COMPAN 5.37	94974BFP0	5.375%	11/2/2043	1,955,000.000	2,143,658	2,241,445	FIXED INCOME
	WILLIAMS COMPANIES 5.750%	WILLIAMS COMPANIES 5.750%	969457BV1	5.750%	6/24/2044	585,000.000	583,672	509,522	FIXED INCOME
	CANYON VAL REALIZATION FU	CANYON VAL REALIZATION FU	MS6653385			16,900.000	16,900,000	16,725,710	HEDGE FUND
	DISCOVERY GLBL MACRO FUND	DISCOVERY GLBL MACRO FUND	MS6653393			19,300.000	19,300,000	20,341,762	HEDGE FUND
	INDEPENDENT FRNCHSE PRTNR	INDEPENDENT FRNCHSE PRTNR	MS6653161			25,000,000.000	25,000,000	24,972,768	HEDGE FUND
	LITESPEED OFFSHORE FUND L	LITESPEED OFFSHORE FUND L	MS6653401			193,000.000	19,300,000	16,481,615	HEDGE FUND
	PENTWATER EVENT FUND LTD*	PENTWATER EVENT FUND LTD*	MS6653419			19,300.000	19,300,000	19,656,745	HEDGE FUND
	RIMROCK HIGH INC PLUS FUN	RIMROCK HIGH INC PLUS FUN	MS6653427			169,000.000	16,900,000	17,025,025	HEDGE FUND
	WINGSPAN OVERSEAS FUND LT	WINGSPAN OVERSEAS FUND LT	MS6653435			16,900.000	16,900,000	15,080,850	HEDGE FUND
	HARBOURVEST PART VI-PART	HARBOURVEST PART VI-PART	MS6688985			1,238,614.000	1,238,614	1,705,933	LIMITED PARTNERSHIP
	HARBOURVEST PARTNERS VIII	HARBOURVEST PARTNERS VIII	MS6101195			478,098.000	478,098	608,445	LIMITED PARTNERSHIP
	HARBOURVEST PARTNERS VIII	HARBOURVEST PARTNERS VIII	MS6101187			4,722,832.000	4,722,832	5,835,967	LIMITED PARTNERSHIP
	HARBOURVEST PTNRS VIII-CA	HARBOURVEST PTNRS VIII-CA	MS6422286			1,134,282.000	1,134,282	1,480,194	LIMITED PARTNERSHIP
	HARBVEST PART VI-BUYOUT F	HARBVEST PART VI-BUYOUT F	MS6688977			2,373,840.000	2,373,840	2,186,889	LIMITED PARTNERSHIP
	INVESCO NON-US PARTNERSHI	INVESCO NON-US PARTNERSHI	MS6162551			191,822.090	191,822	104,158	LIMITED PARTNERSHIP

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December 31, 2014

Identity of Issuer	Desciption	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
INVESCO US BUYOUT PARTNER	INVESCO US BUYOUT PARTNER	MS6162569			255,150.600	255,151	951,977	LIMITED PARTNERSHIP
INVESCO VENTURE PARTNERSH	INVESCO VENTURE PARTNERSH	MS6162544			1,305,010.240	1,305,010	271,016	LIMITED PARTNERSHIP
NORTHGATE PEP III LP *CH*	NORTHGATE PEP III LP *CH*	MS6097211			10,642,536.930	10,642,537	10,365,439	LIMITED PARTNERSHIP
DFA INTL SM CO #5089	DFA INTL SM CO #5089	233203629			613,507.992	12,528,759	10,417,365	MUTUAL FUND
DODGE & COX INT'L STOCK F	DODGE & COX INT'L STOCK F	256206103			371,525.907	17,220,184	15,644,956	MUTUAL FUND
HARBOR INTL GROWTH FUND #	HARBOR INTL GROWTH FUND #	411511801			744,756.428	10,099,697	9,115,819	MUTUAL FUND
MSIF MULTI-ASSET PORT-I #	MSIF MULTI-ASSET PORT-I #	61760X877			2,666,271.147	31,461,590	30,795,432	MUTUAL FUND
THORNBERG DEVELOPING WLD-	THORNBERG DEVELOPING WLD-	885216606			623,518.621	12,543,099	11,522,624	MUTUAL FUND
							649,793,213	

* Parties-in-Interest