

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
		2015
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN	1b Three-digit plan number (PN) ▶ <u>002</u> 1c Effective date of plan <u>01/01/2007</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) KAPSTONE PAPER AND PACKAGING CORPORA TION JEFFREY ZROBACK 1101 SKOKIE BLVD. SUITE 300 NORTHBROOK, IL 60062-4124	2b Employer Identification Number (EIN) <u>20-2699372</u> 2c Plan Sponsor's telephone number <u>847-239-8878</u> 2d Business code (see instructions) <u>322100</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2016	JEFFREY ZROBACK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) ANTHONY MAYER KAPSTONE PAPER AND PACKAGING CO 300 FIBRE WAY LONGVIEW, WA 98632			Preparer's telephone number 360-442-7639

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2015)
v. 150123

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 6314
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) 2179
a(2) Total number of active participants at the end of the plan year	6a(2) 2014
b Retired or separated participants receiving benefits.....	6b 2236
c Other retired or separated participants entitled to future benefits.....	6c 1626
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 5876
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 325
f Total. Add lines 6d and 6e	6f 6201
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 27
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) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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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 2015 Form M-1 annual report. If the plan was not required to file the 2015 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 _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2015			
2 Assets:			
a Market value	2a	650662332	
b Actuarial value	2b	654758855	
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	2498	326559282	326559282
b For terminated vested participants	1637	53172706	53172706
c For active participants	2179	121434500	135267666
d Total	6314	501166488	514999654
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	6.24 %	
6 Target normal cost	6	2846939	

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	05/24/2016	Date
MATT AVERY	14-07246	Most recent enrollment number
FIDELITY INVESTMENTS	312-239-9101	Telephone number (including area code)
311 S. WACKER DRIVE SUITE 1400 CHICAGO, IL 60606		
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 ☐

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ 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	2846939	
b Excess assets, if applicable, but not greater than line 31a	31b	2846939	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

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

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

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
<div>A Name of plan</div> <div>KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN</div>	<div>B Three-digit plan number (PN)</div> <div>▶</div>	002
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>KAPSTONE PAPER AND PACKAGING CORPORA TION</div>	<div>D Employer Identification Number (EIN)</div> <div>20-2699372</div>	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a

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

☒ Yes ☐ No
- b

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
WELLS FARGO BANK, N.A.
95-4428141

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

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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)

FID INV INST OPS CO

04-2647786

(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?
15 50	RECORDKEEPER	939196	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

STANDISH MELLON ASST MGMT CO LLC

25-1890416

(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?
27 50	INVESTMENT	820482	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLINGTON TRUST COMPANY, NA

20-5853753

(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?
27 50	INVESTMENT	366482	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)

JEFFREY SLOCUM & ASSOCIATES

41-1567437

(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?
27 50	INVESTMENT	148124	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO BANK, N.A

95-4428141

(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?
26 50	TRUSTEE	143800	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MILLIMAN INC.

91-0675641

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	ACTUARIAL	22503	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)

KENNEDY CAPITAL MANAGEMENT

43-1225960

(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?
27 50	INVESTMENT	131988	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

GRANT THORTON LLP

36-6055558

(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?
10 50	AUDITOR	47663	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

NT NORTHERN TRUST

45-6138589

(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?
27 50	INVESTMENT	20400	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

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 2015 This Form is Open to Public Inspection.
	For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
	A Name of plan <u>KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN</u>	

B Three-digit plan number (PN) ►	<u>002</u>
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>KAPSTONE PAPER AND PACKAGING CORPORATION</u>

D Employer Identification Number (EIN) <u>20-2699372</u>
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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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>NT COLLECTIVE S&P 500 INDEX FD</u>
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b Name of sponsor of entity listed in (a):	<u>NORTHERN TRUST GLOBAL INVESTMENTS</u>
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c EIN-PN <u>45-6138589-003</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>60928885</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>WTC-CTF GLOBAL SEL CAP APPRECIATION</u>
--	--

b Name of sponsor of entity listed in (a):	<u>WELLINGTON TRUST COMPANY, NA</u>
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c EIN-PN <u>20-5853753-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>49018250</u>
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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)
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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)
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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)**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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <div style="font-size: 24pt; font-weight: bold;">2015</div> This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN</u>		B Three-digit plan number (PN) ► <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KAPSTONE PAPER AND PACKAGING CORPOR ATION</u>		D Employer Identification Number (EIN) <u>20-2699372</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1107636	0
(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	9201985
(2) U.S. Government securities.....	1c(2)	82445644	85688477
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	209685685	206941406
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	10387280	9885025
(5) Partnership/joint venture interests	1c(5)	23510018	16885880
(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)	0	109947135
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	153205358	59242200
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	130284475	95183048

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	650900849	592975156

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	218249	636121
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	218249	636121

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	650682600	592339035
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
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)	2052629	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2052629
(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)	-12136525	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-12136525

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		2581087
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-7750514
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-15253323

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	39874762	
(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)		39874762
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)	70166	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	1487476	
(4) Other	2i(4)	1657838	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		3215480
j Total expenses. Add all expense amounts in column (b) and enter total	2j		43090242

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-58343565
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

☐ Yes ☒ No

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

(1) Name: 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	N/A	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.)		☒		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	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?		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?		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?		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.)	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.)		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?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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

6a Name of trust

6b Trust's EIN

6c Name of trustee or custodian

6d Trustee's or custodian's telephone number

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
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>KAPSTONE PAPER AND PACKAGING CORPORATION DEFINED BENEFIT RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KAPSTONE PAPER AND PACKAGING CORPORA TION</u>	D Employer Identification Number (EIN) <u>20-2699372</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-0127290</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>9</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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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
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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
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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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: <u>51.0</u> % Investment-Grade Debt: <u>28.0</u> % High-Yield Debt: <u>10.0</u> % Real Estate: <u>5.0</u> % Other: <u>6.0</u> %
	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):

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No



KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan

Financial Statements and Report of Independent Certified Public Accountants
December 31, 2015 and 2014

KapStone Paper and Packaging Corporation

Defined Benefit Retirement Plan

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Grant Thornton

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

We have audited the accompanying financial statements of the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan (the “Plan”), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014 and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements, which include the actuarial present value of accumulated Plan benefits and changes therein as of January 1, 2015.

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, 2015 and 2014, and changes therein for the years then ended, and its financial status as of December 31, 2014, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary information

Our audits were 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, 2015, 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.



Portland, Oregon
September 29, 2016

KapStone Paper and Packaging Corporation
Defined Benefit Retirement Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Investments, at fair value		
Cash and cash equivalents	\$ 9,201,985	\$ 40,274,753
Equity securities:		
Common stocks	9,885,025	10,387,280
Domestic equity mutual funds	9,530,829	77,496,196
International equity mutual funds	49,711,371	—
Common & collective funds	109,947,135	75,709,162
Fixed income:		
Bond Funds	10,877,460	—
Corporate bonds and notes	196,063,946	209,685,685
U.S. government securities	85,688,477	82,445,644
Hedge funds	95,183,048	130,284,475
Limited partnership investments	<u>16,885,880</u>	<u>23,510,018</u>
Total investments, at fair value	592,975,156	649,793,213
Other receivables	<u>—</u>	<u>1,107,636</u>
TOTAL ASSETS	592,975,156	650,900,849
LIABILITIES		
Plan expenses payable	<u>636,121</u>	<u>218,249</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 592,339,035</u>	<u>\$ 650,682,600</u>

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

KapStone Paper and Packaging Corporation

Defined Benefit Retirement Plan

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
ADDITIONS		
Investment income (loss)		
Equity securities	\$ (2,177,675)	\$ (2,457,885)
Fixed income	157,049	5,841,170
Pooled separate accounts	—	151,478
Limited partnership investments	(15,285,326)	(1,838,879)
Dividends	2,052,629	905,480
Net appreciation (depreciation) in fair value of investments	(15,253,323)	2,601,364
Employer contributions	—	3,099,444
Employee contributions	—	20,546
TOTAL ADDITIONS	(15,253,323)	5,721,354
DEDUCTIONS		
Benefits paid to participants	39,874,762	325,464
Plan expenses	3,215,480	—
Transfers		
Transfer in from Longview Retirement Plan	—	270,171,196
Transfer in from Longview Pension Plan	—	351,517,968
Total Transfers	—	621,689,164
NET INCREASE (DECREASE)	(58,343,565)	627,085,054
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	650,682,600	23,597,546
End of year	\$ 592,339,035	\$ 650,682,600

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

KapStone Paper and Packaging Corporation

Defined Benefit Retirement Plan

NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 AND 2014,
AND FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 1 - DESCRIPTION OF THE PLAN

The following brief description of the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan (the "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 Longview's Pension and Retirement Plans through December 31, 2014. The Company determined that it was in the best interest of the participants and the Company to merge the three defined benefit plans into one plan and, accordingly merged the two Longview Pension and Retirement Plans into the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan effective January 1, 2015. An amended and restated Plan document representing the merger of the Longview plans into the KapStone Plan provides the terms of the Plan, upon and after the merger, and was effective January 1, 2015.

During 2014, the KapStone Investment Committee contracted FMR LLC (Fidelity Management and Research LLC – "Fidelity") as the record keeper and actuary for the merged Plan. 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").

Pension Benefits

The Plan provides pension benefits for certain employees who meet eligibility requirements at normal retirement age (65), late retirement age (greater than 65), or a reduced amount at an earlier age if service requirements are met. Benefit calculations are generally based on length of service multiplied by a specified bargained rate or length of service and average compensation for the highest five of the last ten years of service. The Plan also provides certain minimum and maximum pension benefits. Under conditions specified in the Plan, a participant may elect to receive pension benefits in the form of a joint and survivor annuity or a lump sum payment. If certain requirements are met, a death benefit of \$1,000 will be paid to the beneficiary of a retired former Longview participant upon his/her death.

If a participant becomes disabled and has met the specified service requirement, the participant will receive benefits based on the accumulated benefits to the date of disability without reduction due to age, or with a reduction due to age in certain circumstances.

Pre-Retirement Death Benefits

In general, the legal spouse of a vest participant who dies prior to their benefit commencement date is eligible to receive Pre-retirement death benefit. If certain requirements are met, the surviving spouse shall receive monthly annuity payments on the earliest date, on or after the date of the participant's death, on which the participant could have elected to retire had he terminated on the date of his death. The death benefit shall equal the amount payable under a 50 percent joint and survivor annuity form of payment.

In the case of a participant who has a Cash Account Benefit, the death benefit payable to a legal spouse shall equal the amount of a single life annuity that is actuarially equivalent to the Cash Account balance as of the date

death benefits commence. The legal spouse may also elect a lump sum payment in lieu of the monthly annuity payments. If a non-spouse beneficiary has been designated by the participant, the death benefit will be payable in a lump sum as soon as administratively possible after the participant's death.

Eligibility and Vesting

The Plan covers certain employees who have fulfilled a length of service requirement and/or an hours of service requirement. Participation in the Plan has been frozen for most groups of employees. No new members will enter the Plan except newly hired or rehired bargaining employees at the Roanoke Rapids, Charleston and Oakland locations who are active members of their local workers union.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by subsequent legislation.

The service requirement for vesting varies. Legacy KapStone (Roanoke Rapids and Charleston) participants become fully vested upon completion of five years of vesting service. Legacy Longview (Longview, Seattle, Yakima, Oakland, Twin Falls, Spanish Fork, Cedar City) become fully vested upon completion of three years of vesting service. If termination occurs before rendering the required years of vesting service, the right to receive the portion of accumulated plan benefits attributable to the Company's contributions is forfeited. If the employment service resumes and five consecutive one-year breaks in service do not occur, membership in the Plan will be immediate and all service for benefit accrual purposes before and after the break in service shall be aggregated.

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, 2015 and 2014 actuarial reports, minimum funding requirements for ERISA purposes were \$0 and \$2,950,823 for the 2015 and 2014 plan years, respectively. The Plan is in compliance with applicable minimum funding requirements for the plan years ended December 31, 2015 and 2014.

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.

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 PBGC, up to the applicable limitations.
- 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 Investment Committee.

Certain benefits are insured by the Pension Benefit Guaranty Corporation ("PBGC"), if the Plan terminates. The PBGC typically guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor benefits. 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. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants, the corresponding ceilings are actuarially adjusted downward.

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

Plan Amendment

Plan amendments effective for the year ending December 31, 2015 were incorporate in the Plan description.

Reclassification

Certain account balances from prior year have been reclassified to conform to current year classifications.

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 2015 are:

Assumed rate of return on investment	6.50%
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 2014 are:

Assumed rate of return on investment	6.98%
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.

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issue Accounting Standards Update ("ASU") No. 2015-07, *Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which exempts investments measured using the net asset value ("NAV") practical expedient in Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015 with early adoption permitted. Management elected to early adopt the provisions in this new standard. The adoption had no effect on the Plan's change in net assets available for benefits or net assets available for benefits previously reported. However, to conform to this new presentation, investments for which fair value was measured using a NAV practical expedient have been removed from the fair value hierarchy in Note 4 as of December 31, 2014.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient*. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Parts I and II are effective for fiscal years beginning after December 15, 2015 and should be applied retrospectively, with early application permitted. Part III is effective for fiscal years beginning after

December 15, 2015 and should be applied prospectively, with early application permitted. Management has not elected to early adopt the provisions in this new standard.

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, 2015, the valuation date, are summarized as follows:

	As of January 1 2015
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	\$ 329,889,011
Participants entitled to deferred benefits	55,162,672
Other participants	<u>112,128,457</u>
Total vested benefits	497,180,140
Non-vested benefits	<u>24,126,844</u>
Total actuarial present value of accumulated plan benefits	<u><u>\$ 521,306,984</u></u>

The changes in accumulated plan benefits, for the year ended January 1, 2015, are as follows:

	Year Ended January 1, 2015
Actuarial present value of accumulated plan benefits at January 1, 2014	\$ 481,238,701
Increase (decrease) during the year attributable to:	
Benefits accumulated	3,788,342
Benefits paid	(39,418,971)
Change in actuarial assumptions	43,457,081
Plan amendments	29,861
Reduction in discount period	<u>32,211,970</u>
Net increase	<u>40,068,283</u>
Actuarial present value of accumulated plan benefits at January 1, 2015	<u><u>\$ 521,306,984</u></u>

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

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, 2015 or 2014.

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

Common stocks and mutual funds: 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.

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 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, 2015, 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, 2015 and 2014. 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, 2015:

ASSET TYPE	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 9,201,985	\$ —	\$ —	\$ 9,201,985
Equity securities:				
Common stock	9,885,025	—	—	9,885,025
Domestic equity mutual funds	9,530,829	—	—	9,530,829
International equity mutual funds	49,711,371	—	—	49,711,371
U.S. large cap collective funds	—	109,947,135	—	109,947,135
Fixed income:				
Bond Funds	10,877,460	—	—	10,877,460
Corporate bonds and notes:				
Short-term (1)	—	6,875,628	—	6,875,628
Mid-term (1)	—	31,661,383	—	31,661,383
Long-term (1)	—	157,526,935	—	157,526,935
U.S. government securities (short-term)(1)				
Short-term (1)	—	1,989,230	—	1,989,230
Mid-term (1)	—	2,543,802	—	2,543,802
Long-term (1)	—	81,155,445	—	81,155,445
Limited partnership investments	—	—	16,885,880	16,885,880
Classified asset total	<u>\$ 89,206,670</u>	<u>\$ 391,699,558</u>	<u>\$ 16,885,880</u>	<u>\$ 497,792,108</u>
Assets measured at Net Asset Value				
Hedge funds:				
Fixed income funds				34,217,224
Equity funds				60,965,824
Total assets at fair value				<u>\$ 592,975,156</u>

(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, 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
Limited partnership investments	—	—	23,510,018	23,510,018
Classified asset total	<u>\$ 128,158,229</u>	<u>\$ 367,840,491</u>	<u>\$ 23,510,018</u>	<u>\$ 519,508,738</u>
Assets measured at Net Asset Value				
Hedge funds:				
Fixed income funds				48,831,585
Equity funds				81,452,890
Total assets at fair value				<u>\$ 649,793,213</u>

(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 Plan for the years ended December 31, 2015 and 2014.

Changes in Fair Value of Level 3 Assets and Related Gains and Losses

The following tables present a summary of changes in the fair value of the Plans' Level 3 assets for the years ended December 31, 2015 and 2014.

Year ended December 31, 2015	Limited Partnership Investments
Balance, beginning of year	\$ 23,510,018
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	
Included in changes in net assets	551,840
Included in other comprehensive income	—
Purchases, issuances, sales, and settlements	
Purchases	800,000
Issuances	—
Sales	(7,975,978)
Settlements	—
Balance, end of year	<u>\$ 16,885,880</u>
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	<u>\$ (1,372,717)</u>

Year ended December 31, 2014	Limited Partnership Investments
Balance, beginning of year	\$ —
Transfer in from Longview Retirement Plan and Longview Pension Plan	23,510,018
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	<u>\$ 23,510,018</u>
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	<u>\$ —</u>

The following table summarizes investments measured at fair value based on net asset value, per share, as of December 31, 2015 and 2014, respectively.

Year Ended	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 2015				
Hedge funds				
Fixed income funds	\$ 34,217,224	\$ —	(a)	(a)
Equity funds	60,965,824	—	(a)	(a)
December 31, 2014				
Hedge funds				
Fixed income funds	\$ 48,831,585	\$ —	(a)	(a)
Equity funds	81,452,890	—	(a)	(a)

(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, 2015, 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.

NOTE 5 - COMMITMENTS

As of December 31, 2015 and 2014, the Plan has a commitment to contribute capital to limited partnership groups totaling approximately \$3,466,629 and \$4,266,629, 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	2015	2014
NORTHERN TRUST COLL S&P 5	\$ 60,928,885	\$ 43,612,267
WTC-CTF GLOBAL SELECT CAP	49,018,250	**
US TREASURY BOND 6.500% 1	33,000,546	34,937,567
* WF ADV GOVT MM FD-INSTL #	**	34,074,299

*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 September 29, 2016, the date of the report of independent certified public accountants, noting no additional matters that require disclosure or adjustment to the financial statements.

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
BANK OF AMERICA	BANK OF AMERICA				11,724.0000	11,724	11,724	CASH AND CASH EQUIVALENTS
* WF GOVT MM FD-INSTL #1751	WF GOVT MM FD-INSTL #1751	GVIXX			9,190,260.9700	9,190,261	9,190,261	CASH AND CASH EQUIVALENTS
ARGO GROUP INTL HLDGS LTD	ARGO GROUP INTL HLDGS LTD	G0464B107			882.0000	40,259	52,779	COMMON STOCKS
HELEN OF TROY LIMITED	HELEN OF TROY LIMITED	G4388N106			1,076.0000	57,546	101,413	COMMON STOCKS
MAIDEN HOLDINGS LTD	MAIDEN HOLDINGS LTD	G5753U112			7,062.0000	82,279	106,283	COMMON STOCKS
NABORS INDUSTRIES LTD	NABORS INDUSTRIES LTD	G6359F103			3,396.0000	44,553	28,900	COMMON STOCKS
ORTHOFIX INTL NV	ORTHOFIX INTL NV	N6748L102			721.0000	22,550	28,270	COMMON STOCKS
AMERICAN AXLE & MFG HLDGS	AMERICAN AXLE & MFG HLDGS	AXL			2,498.0000	42,889	47,312	COMMON STOCKS
WINNEBAGO INDS INC	WINNEBAGO INDS INC	974637100			4,988.0000	113,801	99,261	COMMON STOCKS
ETHAN ALLEN INTERIORS INC	ETHAN ALLEN INTERIORS INC	297602104			3,050.0000	69,278	84,851	COMMON STOCKS
MERITAGE HOMES CORPORATIO	MERITAGE HOMES CORPORATIO	59001A102			2,215.0000	84,192	75,288	COMMON STOCKS
TUPPERWARE BRANDS CORPORA	TUPPERWARE BRANDS CORPORA	899896104			909.0000	49,854	50,900	COMMON STOCKS
UNIFIRST CORP MASS	UNIFIRST CORP MASS	904708104			882.0000	85,824	91,937	COMMON STOCKS
CROCS INC	CROCS INC	227046109			3,911.0000	48,030	40,049	COMMON STOCKS
PINNACLE ENTERTAINMENT IN	PINNACLE ENTERTAINMENT IN	723456109			2,246.0000	49,643	69,896	COMMON STOCKS
BJS RESTAURANTS INC	BJS RESTAURANTS INC	09180C106			1,754.0000	80,250	76,246	COMMON STOCKS
TEXAS ROADHOUSE, INC COMM	TEXAS ROADHOUSE, INC COMM	882681109			200.0000	6,999	7,154	COMMON STOCKS
ABERCROMBIE & FITCH CO CL	ABERCROMBIE & FITCH CO CL	ANF			947.0000	20,327	25,569	COMMON STOCKS
AMERICAN EAGLE OUTFITTERS	AMERICAN EAGLE OUTFITTERS	AEO			2,642.0000	41,886	40,951	COMMON STOCKS
BUCKLE INC COM	BUCKLE INC COM	118440106			1,204.0000	53,850	37,059	COMMON STOCKS
GENESCO INC COM	GENESCO INC COM	371532102			1,461.0000	103,814	83,029	COMMON STOCKS
CABELAS INC	CABELAS INC	126804301			577.0000	28,359	26,963	COMMON STOCKS
CASEYS GEN STORES INC	CASEYS GEN STORES INC	147528103			1,013.0000	68,014	122,016	COMMON STOCKS
J & J SNACK FOODS CORP	J & J SNACK FOODS CORP	466032109			267.0000	26,621	31,255	COMMON STOCKS
SANDERSON FARMS INC	SANDERSON FARMS INC	800013104			1,222.0000	105,608	94,729	COMMON STOCKS
GEOSPACE TECHNOLOGIES COR	GEOSPACE TECHNOLOGIES COR	37364X109			1,336.0000	52,855	18,798	COMMON STOCKS
HORNBECK OFFSHORE SVCS IN	HORNBECK OFFSHORE SVCS IN	4.41E+08			4,158.0000	157,104	41,331	COMMON STOCKS
NATURAL GAS SERVICES GROU	NATURAL GAS SERVICES GROU	63886Q109			2,348.0000	74,106	52,360	COMMON STOCKS
BONANZA CREEK ENERGY INC	BONANZA CREEK ENERGY INC	BCEI			5,274.0000	38,648	27,794	COMMON STOCKS
CARRIZO OIL & GAS INC	CARRIZO OIL & GAS INC	144577103			1,456.0000	87,471	43,068	COMMON STOCKS
DENBURY RESOURCES	DENBURY RESOURCES	247916208			6,192.0000	23,546	12,508	COMMON STOCKS
PARSLEY ENERGY INC-CLASS	PARSLEY ENERGY INC-CLASS	701877102			3,663.0000	59,685	67,582	COMMON STOCKS
SYNERGY RESOURCES CORP	SYNERGY RESOURCES CORP	87164P103			4,720.0000	49,484	40,214	COMMON STOCKS
WESTERN REFNG INC	WESTERN REFNG INC	959319104			1,396.0000	56,056	49,726	COMMON STOCKS
AMERICAN EQUITY INVT LIFE	AMERICAN EQUITY INVT LIFE	AEL			4,988.0000	110,161	119,862	COMMON STOCKS
STANCORP FINL GROUP INC	STANCORP FINL GROUP INC	852891100			933.0000	56,097	106,250	COMMON STOCKS
HORACE MANN EDUCATORS COR	HORACE MANN EDUCATORS COR	440327104			1,429.0000	45,589	47,414	COMMON STOCKS
HOMESTREET INC	HOMESTREET INC	43785V102			3,687.0000	81,985	80,045	COMMON STOCKS
WASHINGTON FEDERAL INC	WASHINGTON FEDERAL INC	938824109			4,188.0000	87,037	99,800	COMMON STOCKS
BANK OF THE OZARKS INC	BANK OF THE OZARKS INC	OZRK			2,677.0000	85,645	132,404	COMMON STOCKS
BANKUNITED INC	BANKUNITED INC	06652K103			2,714.0000	83,667	97,867	COMMON STOCKS
BANNER CORP	BANNER CORP	06652V208			1,834.0000	73,093	84,437	COMMON STOCKS
CAMDEN NATL CORP	CAMDEN NATL CORP	133034108			1,394.0000	51,980	61,461	COMMON STOCKS
CASCADE BANCORP	CASCADE BANCORP	147154207			5,777.0000	27,944	35,066	COMMON STOCKS
COBIZ FINANCIAL INC - RR.	COBIZ FINANCIAL INC - RR.	190897108			2,144.0000	24,198	28,772	COMMON STOCKS
COLUMBIA BANKING SYSTEM I	COLUMBIA BANKING SYSTEM I	197236102			2,012.0000	50,496	65,410	COMMON STOCKS
ENTERPRISE FINL SVCS CORP	ENTERPRISE FINL SVCS CORP	293712105			1,776.0000	31,403	50,350	COMMON STOCKS
FIDELITY SOUTHERN CORP	FIDELITY SOUTHERN CORP	316394105			2,448.0000	33,882	54,615	COMMON STOCKS

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
FIRST FOUNDATION INC	FIRST FOUNDATION INC	32026V104			1,274.0000	24,525	30,054	COMMON STOCKS
GREAT SOUTHN BANCORP INC	GREAT SOUTHN BANCORP INC	390905107			948.0000	29,332	43,115	COMMON STOCKS
HOME BANCSHARES INC/CONWA	HOME BANCSHARES INC/CONWA	436893200			2,476.0000	72,749	100,328	COMMON STOCKS
IBERIABANK CORP	IBERIABANK CORP	450828108			1,292.0000	81,737	71,590	COMMON STOCKS
LAKELAND FINL CORP	LAKELAND FINL CORP	511656100			567.0000	20,598	26,434	COMMON STOCKS
LEGACYTEXAS FINANCIAL GRO	LEGACYTEXAS FINANCIAL GRO	52471Y106			2,740.0000	67,107	68,555	COMMON STOCKS
OLD NATL BANCORP	OLD NATL BANCORP	680033107			1,785.0000	23,680	24,205	COMMON STOCKS
PACWEST BANCORP	PACWEST BANCORP	PACW			4,230.0000	171,049	182,313	COMMON STOCKS
SOUTH STATE CORP	SOUTH STATE CORP	840441109			697.0000	39,927	50,149	COMMON STOCKS
SOUTHWEST BANCORP INC OKL	SOUTHWEST BANCORP INC OKL	844767103			3,065.0000	47,448	53,576	COMMON STOCKS
UMPQUA HOLDINGS CORP	UMPQUA HOLDINGS CORP	904214103			7,634.0000	127,071	122,602	COMMON STOCKS
UNION BANKSHARES CORP	UNION BANKSHARES CORP	90539J109			2,501.0000	58,729	63,125	COMMON STOCKS
UNITED COMMUNITY BANKS IN	UNITED COMMUNITY BANKS IN	90984P303			4,746.0000	88,736	92,784	COMMON STOCKS
WINTRUST FINL CORP	WINTRUST FINL CORP	97650W108			2,226.0000	101,079	108,006	COMMON STOCKS
FCB FINANCIAL HOLDINGS, I	FCB FINANCIAL HOLDINGS, I	30255G103			3,073.0000	69,096	109,983	COMMON STOCKS
LUMENTUM HOLDINGS INC	LUMENTUM HOLDINGS INC	55024U109			1,213.0000	25,471	26,710	COMMON STOCKS
NEWSTAR FINANCIAL INC	NEWSTAR FINANCIAL INC	65251F105			3,158.0000	35,555	28,359	COMMON STOCKS
WESTWOOD HOLDINGS GROUP I	WESTWOOD HOLDINGS GROUP I	961765104			918.0000	54,023	48,342	COMMON STOCKS
PIPER JAFFRAY COS	PIPER JAFFRAY COS	724078100			3,063.0000	146,679	123,745	COMMON STOCKS
STIFEL FINANCIAL CORP	STIFEL FINANCIAL CORP	860630102			2,556.0000	113,929	108,272	COMMON STOCKS
RETAIL OPPORTUNITY INVEST	RETAIL OPPORTUNITY INVEST	76131N101			4,594.0000	76,564	82,233	COMMON STOCKS
COUSINS PPTYS INC	COUSINS PPTYS INC	222795106			11,090.0000	130,317	104,579	COMMON STOCKS
GRAMERCY PROPERTY TRUST	GRAMERCY PROPERTY TRUST	385002100			11,173.0000	93,021	86,486	COMMON STOCKS
HERSHA HOSPITALITY TRUST	HERSHA HOSPITALITY TRUST	427825500			4,186.0000	109,806	92,259	COMMON STOCKS
REXFORD INDUSTRIAL REALTY	REXFORD INDUSTRIAL REALTY	76169C100			4,807.0000	66,490	79,291	COMMON STOCKS
STAG INDUSTRIAL INC	STAG INDUSTRIAL INC	85254J102			5,286.0000	117,252	98,135	COMMON STOCKS
CORPORATE OFFICE PROPERTI	CORPORATE OFFICE PROPERTI	22002T108			4,822.0000	111,037	106,590	COMMON STOCKS
INLAND REAL ESTATE CORP	INLAND REAL ESTATE CORP	457461200			10,210.0000	105,667	108,915	COMMON STOCKS
ASHFORD HOSPITALITY TRUST	ASHFORD HOSPITALITY TRUST	AHT			7,278.0000	75,494	45,924	COMMON STOCKS
POTLATCH HLDGS INC	POTLATCH HLDGS INC	737630103			2,676.0000	92,738	69,700	COMMON STOCKS
EXACTECH INC COM	EXACTECH INC COM	EXAC			2,133.0000	45,561	38,714	COMMON STOCKS
GREATBATCH INC	GREATBATCH INC	39153L106			1,847.0000	95,215	96,968	COMMON STOCKS
HILL ROM HLDGS	HILL ROM HLDGS	431475102			1,052.0000	41,377	50,559	COMMON STOCKS
NATUS MEDICAL INC	NATUS MEDICAL INC	639050103			1,123.0000	31,435	53,960	COMMON STOCKS
MERIT MEDICAL SYS INC	MERIT MEDICAL SYS INC	589889104			2,040.0000	34,013	37,924	COMMON STOCKS
OWENS & MINOR INC COM	OWENS & MINOR INC COM	690732102			1,544.0000	50,422	55,553	COMMON STOCKS
AMN HEALTHCARE SERVICES I	AMN HEALTHCARE SERVICES I	AHS			1,019.0000	26,497	31,640	COMMON STOCKS
MEDASSETS INC	MEDASSETS INC	584045108			4,102.0000	79,980	126,916	COMMON STOCKS
CAMBREX CORP COM	CAMBREX CORP COM	132011107			1,072.0000	23,664	50,480	COMMON STOCKS
PAREXEL INTL CORP COM	PAREXEL INTL CORP COM	699462107			1,201.0000	76,355	81,812	COMMON STOCKS
ESTERLINE CORP	ESTERLINE CORP	297425100			1,208.0000	122,534	97,848	COMMON STOCKS
APOGEE ENTERPRISES INC	APOGEE ENTERPRISES INC	APOG			1,041.0000	53,946	45,294	COMMON STOCKS
BUILDERS FIRSTSOURCE INC	BUILDERS FIRSTSOURCE INC	12008R107			6,955.0000	41,903	77,061	COMMON STOCKS
TOPBUILD CORP	TOPBUILD CORP	89055F103			2,662.0000	78,427	81,910	COMMON STOCKS
UNIVERSAL FST PRODS INC C	UNIVERSAL FST PRODS INC C	913543104			2,398.0000	106,108	163,951	COMMON STOCKS
GRANITE CONSTR INC	GRANITE CONSTR INC	387328107			1,630.0000	52,822	70,155	COMMON STOCKS
APPLIED INDL TECHNOLOGIES	APPLIED INDL TECHNOLOGIES	03820C105			1,834.0000	88,095	74,259	COMMON STOCKS
BELDEN INC	BELDEN INC	BDC			885.0000	52,725	42,197	COMMON STOCKS

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
ENCORE WIRE CORP	ENCORE WIRE CORP	292562105			3,310.0000	137,248	122,768	COMMON STOCKS
ENERSYS	ENERSYS	29275Y102			1,341.0000	84,651	75,002	COMMON STOCKS
FRANKLIN ELEC INC COM	FRANKLIN ELEC INC COM	353514102			897.0000	25,156	24,246	COMMON STOCKS
REGAL BELOIT CORPORATION	REGAL BELOIT CORPORATION	758750103			788.0000	55,117	46,295	COMMON STOCKS
ALAMO GROUP INC COM	ALAMO GROUP INC COM	ALG			2,712.0000	121,918	153,431	COMMON STOCKS
ASTEC INDS INC	ASTEC INDS INC	ASTE			3,344.0000	130,124	136,101	COMMON STOCKS
WABASH NATL CORP	WABASH NATL CORP	929566107			10,196.0000	135,711	120,619	COMMON STOCKS
ALTRA HOLDINGS INC	ALTRA HOLDINGS INC	02208R106			2,904.0000	92,384	73,268	COMMON STOCKS
CLARCOR INC	CLARCOR INC	179895107			1,190.0000	69,704	59,119	COMMON STOCKS
LB FOSTER CO	LB FOSTER CO	350060109			3,004.0000	93,337	41,035	COMMON STOCKS
VALMONT INDS INC	VALMONT INDS INC	920253101			236.0000	26,494	25,109	COMMON STOCKS
DELUXE CORP	DELUXE CORP	248019101			455.0000	26,796	24,816	COMMON STOCKS
HNI CORPORATION	HNI CORPORATION	404251100			810.0000	36,151	29,209	COMMON STOCKS
STEELCASE INC CL A	STEELCASE INC CL A	858155203			4,817.0000	75,873	71,773	COMMON STOCKS
HEARTLAND EXPRESS INC	HEARTLAND EXPRESS INC	422347104			3,952.0000	84,831	67,263	COMMON STOCKS
SAIA INC	SAIA INC	78709Y105			4,445.0000	177,077	98,901	COMMON STOCKS
PERFICIENT INC	PERFICIENT INC	71375U101			3,939.0000	69,129	67,436	COMMON STOCKS
QUALITY SYSTEMS INC	QUALITY SYSTEMS INC	747582104			3,535.0000	56,864	57,603	COMMON STOCKS
SKULLCANDY INC	SKULLCANDY INC	83083J104			5,727.0000	55,152	27,089	COMMON STOCKS
ADTRAN INC	ADTRAN INC	00738A106			4,931.0000	102,991	84,912	COMMON STOCKS
FINISAR CORP	FINISAR CORP	31787A507			3,938.0000	76,630	57,259	COMMON STOCKS
SUPER MICRO COMPUTER INC	SUPER MICRO COMPUTER INC	86800U104			1,705.0000	44,187	41,790	COMMON STOCKS
FARO TECHNOLOGIES INC	FARO TECHNOLOGIES INC	311642102			1,659.0000	62,058	48,974	COMMON STOCKS
ROFIN SINAR TECHNOLOGIES	ROFIN SINAR TECHNOLOGIES	775043102			2,704.0000	61,954	72,413	COMMON STOCKS
METHODE ELECTRON INC COMM	METHODE ELECTRON INC COMM	591520200			3,184.0000	98,025	101,347	COMMON STOCKS
PLEXUS CORP COM	PLEXUS CORP COM	729132100			2,528.0000	99,271	88,278	COMMON STOCKS
INSIGHT ENTERPRISES INC C	INSIGHT ENTERPRISES INC C	45765U103			1,882.0000	51,622	47,276	COMMON STOCKS
SCANSOURCE INC COM	SCANSOURCE INC COM	806037107			2,289.0000	83,988	73,752	COMMON STOCKS
CALAMP CORP	CALAMP CORP	128126109			4,935.0000	87,289	98,355	COMMON STOCKS
ROGERS CORP COM	ROGERS CORP COM	775133101			1,942.0000	116,302	100,149	COMMON STOCKS
BROOKS AUTOMATION INC	BROOKS AUTOMATION INC	114340102			3,027.0000	35,657	32,328	COMMON STOCKS
DIODES INC	DIODES INC	254543101			770.0000	19,584	35,298	COMMON STOCKS
EXAR CORP	EXAR CORP	300645108			8,482.0000	72,905	51,995	COMMON STOCKS
LATTICE SEMICONDUCTOR COR	LATTICE SEMICONDUCTOR COR	518415104			6,281.0000	35,579	40,638	COMMON STOCKS
MICROSEMI CORP COM	MICROSEMI CORP COM	595137100			3,966.0000	95,073	129,252	COMMON STOCKS
INTREPID POTASH INC	INTREPID POTASH INC	46121Y102			2,915.0000	40,827	8,599	COMMON STOCKS
FULLER H B CO	FULLER H B CO	359694106			2,822.0000	123,479	102,918	COMMON STOCKS
SENSIENT TECHNOLOGIES COR	SENSIENT TECHNOLOGIES COR	81725T100			1,657.0000	86,466	104,093	COMMON STOCKS
CENTURY ALUM CO COM	CENTURY ALUM CO COM	156431108			4,072.0000	50,421	17,998	COMMON STOCKS
SCHNITZER STL INDS INC CL	SCHNITZER STL INDS INC CL	806882106			2,105.0000	55,798	30,249	COMMON STOCKS
NEENAH PAPER INC	NEENAH PAPER INC	640079109			2,206.0000	109,106	137,721	COMMON STOCKS
THUNDERBIRD RESOURCES EQU	THUNDERBIRD RESOURCES EQU	GMXRQ			1.6800	256,364	96,750	COMMON STOCKS
RUCKUS WIRELESS INC	RUCKUS WIRELESS INC	781220108			4,444.0000	48,797	47,595	COMMON STOCKS
ALLETE INC	ALLETE INC	ALE			1,755.0000	83,282	89,207	COMMON STOCKS
IDACORP INC	IDACORP INC	451107106			942.0000	50,236	64,056	COMMON STOCKS
SOUTH JERSEY INDS INC COM	SOUTH JERSEY INDS INC COM	838518108			4,220.0000	112,231	99,254	COMMON STOCKS
AVISTA CORP	AVISTA CORP	05379B107			2,580.0000	80,672	91,255	COMMON STOCKS
PNM RES INC	PNM RES INC	69349H107			3,187.0000	82,071	97,427	COMMON STOCKS

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
DODGE & COX INTL STOCK F	DODGE & COX INTL STOCK F	DODFX			628,356.3020	27,736,000	22,922,438	EQUITY SECURITIES
HARBOR INTL GROWTH FUND #	HARBOR INTL GROWTH FUND #	411511801			2,177,962.0620	28,295,766	26,788,933	EQUITY SECURITIES
VANGUARD EMRG MK STK INDE	VANGUARD EMRG MK STK INDE	922042601			458,653.9300	10,068,791	9,530,829	EQUITY SECURITIES
NORTHERN TRUST COLL S&P 5	NORTHERN TRUST COLL S&P 5	630992519			9,128.9600	57,802,037	60,928,885	COMMON & COLLECTIVE FUNDS
WTC-CTF GLOBAL SELECT CAP	WTC-CTF GLOBAL SELECT CAP	728993585			2,914,283.5820	47,197,345	49,018,250	COMMON & COLLECTIVE FUNDS
JANUS FLEXIBLE BOND F-I #	JANUS FLEXIBLE BOND F-I #	47103C746	3.760%		1,056,064.0460	11,056,324	10,877,460	FIXED INCOME
P/P BAE SYSTEMS HOLD 3.80	P/P BAE SYSTEMS HOLD 3.80	05523UAK6	3.800%	10/7/2024	385,000.0000	383,857	386,242	FIXED INCOME
P/P COLUMBIA PIPELIN 5.80	P/P COLUMBIA PIPELIN 5.80	198280AG4	5.800%	6/1/2045	875,000.0000	852,024	772,374	FIXED INCOME
P/P COX COMMUNICATIO 8.37	P/P COX COMMUNICATIO 8.37	224044BV8	8.375%	3/1/2039	555,000.0000	745,032	627,082	FIXED INCOME
P/P ERAC USA FINANCE 7.00	P/P ERAC USA FINANCE 7.00	26882PBE1	7.000%	10/15/2037	645,000.0000	841,680	795,579	FIXED INCOME
P/P ERAC USA FINANCE 3.85	P/P ERAC USA FINANCE 3.85	26884TAL6	3.850%	11/15/2024	545,000.0000	544,074	547,888	FIXED INCOME
P/P HP ENTERPRISE CO 4.40	P/P HP ENTERPRISE CO 4.40	42824CAL3	4.400%	10/15/2022	410,000.0000	409,188	412,539	FIXED INCOME
P/P HP ENTERPRISE CO 4.90	P/P HP ENTERPRISE CO 4.90	42824CAP4	4.900%	10/15/2025	590,000.0000	588,378	585,145	FIXED INCOME
P/P HP ENTERPRISE CO 6.35	P/P HP ENTERPRISE CO 6.35	42824CAR0	6.350%	10/15/2045	450,000.0000	449,694	433,712	FIXED INCOME
P/P LIBERTY MUTUAL 6.500%	P/P LIBERTY MUTUAL 6.500%	53079EAF7	6.500%	5/1/2042	730,000.0000	929,845	837,750	FIXED INCOME
P/P LIBERTY MUTUAL 4.850%	P/P LIBERTY MUTUAL 4.850%	53079EBF0	4.850%	8/1/2044	565,000.0000	564,548	534,625	FIXED INCOME
P/P MASS MUTUAL LIFE 8.87	P/P MASS MUTUAL LIFE 8.87	575767AG3	8.875%	6/1/2039	750,000.0000	1,202,468	1,094,622	FIXED INCOME
P/P NEW YORK LIFE IN 6.75	P/P NEW YORK LIFE IN 6.75	64952GAF5	6.750%	11/15/2039	730,000.0000	986,858	942,835	FIXED INCOME
P/P PACIFIC LIFE INS 9.25	P/P PACIFIC LIFE INS 9.25	694475AA2	9.250%	6/15/2039	635,000.0000	974,668	925,050	FIXED INCOME
P/P TEACHERS INSUR 4.900%	P/P TEACHERS INSUR 4.900%	878091BD8	4.900%	9/15/2044	660,000.0000	659,386	676,182	FIXED INCOME
P/P WEA FINANCE LLC/ 4.75	P/P WEA FINANCE LLC/ 4.75	92890HAD4	4.750%	9/17/2044	690,000.0000	687,813	685,523	FIXED INCOME
ACE INA HOLDINGS 3.350% 5	ACE INA HOLDINGS 3.350% 5	00440EAR8	3.350%	5/15/2024	1,040,000.0000	1,038,440	1,054,290	FIXED INCOME
ACE INA HOLDINGS 4.350% 1	ACE INA HOLDINGS 4.350% 1	00440EAW7	4.350%	11/3/2045	195,000.0000	194,513	199,512	FIXED INCOME
ALLSTATE CORP 4.500% 6/15	ALLSTATE CORP 4.500% 6/15	020002BA8	4.500%	6/15/2043	160,000.0000	164,117	162,890	FIXED INCOME
AMERIPRISE FINANCIAL 3.70	AMERIPRISE FINANCIAL 3.70	03076CAG1	3.700%	10/15/2024	705,000.0000	702,575	724,318	FIXED INCOME
BANK OF AMERICA CORP 5.62	BANK OF AMERICA CORP 5.62	06051GEC9	5.625%	7/1/2020	1,070,000.0000	1,113,849	1,218,618	FIXED INCOME
BANK OF AMERICA CORP 4.00	BANK OF AMERICA CORP 4.00	06051GFM6	4.000%	1/22/2025	765,000.0000	760,387	762,396	FIXED INCOME
CAPITAL ONE BANK USA 2.30	CAPITAL ONE BANK USA 2.30	140420NK2	2.300%	6/5/2019	1,215,000.0000	1,213,226	1,201,940	FIXED INCOME
CITIGROUP INC 4.400% 6/10	CITIGROUP INC 4.400% 6/10	172967JT9	4.400%	6/10/2025	1,335,000.0000	1,329,553	1,351,790	FIXED INCOME
DISCOVER FINANCIAL 3.200%	DISCOVER FINANCIAL 3.200%	25466AAF8	3.200%	8/9/2021	725,000.0000	723,057	729,192	FIXED INCOME
GENERAL ELECTRIC CO 4.125	GENERAL ELECTRIC CO 4.125	369604BF9	4.125%	10/9/2042	930,000.0000	1,125,281	917,153	FIXED INCOME
GENERAL ELEC CAP COR 6.75	GENERAL ELEC CAP COR 6.75	36962GX22	6.750%	3/15/2032	859,000.0000	904,639	1,139,451	FIXED INCOME
GLAXOSMITHKLINE CAPI 6.37	GLAXOSMITHKLINE CAPI 6.37	377372AE7	6.375%	5/15/2038	940,000.0000	1,206,669	1,208,046	FIXED INCOME
GOLDMAN SACHS GROUP 7.500	GOLDMAN SACHS GROUP 7.500	38141EA25	7.500%	2/15/2019	1,250,000.0000	1,530,813	1,465,742	FIXED INCOME
GOLDMAN SACHS GROUP 6.750	GOLDMAN SACHS GROUP 6.750	38141GFD1	6.750%	10/1/2037	1,355,000.0000	1,626,099	1,606,779	FIXED INCOME
JPMORGAN CHASE & CO 6.400	JPMORGAN CHASE & CO 6.400	46625HHF0	6.400%	5/15/2038	665,000.0000	831,263	853,021	FIXED INCOME
JPMORGAN CHASE & CO 5.625	JPMORGAN CHASE & CO 5.625	46625HJM3	5.625%	8/16/2043	1,155,000.0000	1,296,349	1,281,234	FIXED INCOME
JPMORGAN CHASE & CO 3.875	JPMORGAN CHASE & CO 3.875	46625HJY7	3.875%	9/10/2024	285,000.0000	283,504	286,906	FIXED INCOME
MERRILL LYNCH & CO 7.750%	MERRILL LYNCH & CO 7.750%	59023VAA8	7.750%	5/14/2038	1,775,000.0000	2,426,848	2,426,244	FIXED INCOME
METLIFE INC 1.903% 12/15/	METLIFE INC 1.903% 12/15/	59156RBK3	1.903%	12/15/2017	505,000.0000	506,542	508,397	FIXED INCOME
METLIFE INC 4.600% 5/13/4	METLIFE INC 4.600% 5/13/4	59156RBR8	4.600%	5/13/2046	1,030,000.0000	1,025,983	1,043,126	FIXED INCOME
MORGAN STANLEY 4.350% 9/0	MORGAN STANLEY 4.350% 9/0	617446TY9	4.350%	9/8/2026	260,000.0000	259,542	264,400	FIXED INCOME
MORGAN STANLEY 4.000% 7/2	MORGAN STANLEY 4.000% 7/2	6174468C6	4.000%	7/23/2025	350,000.0000	349,713	366,564	FIXED INCOME
MORGAN STANLEY 4.100% 5/2	MORGAN STANLEY 4.100% 5/2	61747YDU6	4.100%	5/22/2023	1,380,000.0000	1,385,672	1,400,206	FIXED INCOME
OMEGA HLTHCARE INVES 4.50	OMEGA HLTHCARE INVES 4.50	681936BF6	4.500%	4/1/2027	760,000.0000	748,950	724,158	FIXED INCOME
PNC BANK NA 2.250% 7/02/1	PNC BANK NA 2.250% 7/02/1	69353RDD7	2.250%	7/2/2019	1,100,000.0000	1,151,942	1,117,190	FIXED INCOME
PLAINS ALL AMER PIPE 6.65	PLAINS ALL AMER PIPE 6.65	72650RAR3	6.650%	1/15/2037	910,000.0000	1,096,568	831,771	FIXED INCOME
VR PRUDENTIAL FINA 5.2854	VR PRUDENTIAL FINA 5.2854	744320AV4	5.375%	5/15/2045	710,000.0000	710,000	713,989	FIXED INCOME

KapStone Paper and Packaging Corporation
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PRUDENTIAL FINANCIAL 5.80	PRUDENTIAL FINANCIAL 5.80	74432QBU8	5.800%	11/16/2041	450,000.0000	542,304	513,747	FIXED INCOME
PRUDENTIAL FINANCIAL 2.35	PRUDENTIAL FINANCIAL 2.35	74432QCB9	2.350%	8/15/2019	565,000.0000	564,548	567,343	FIXED INCOME
REALTY INCOME CORP 4.125%	REALTY INCOME CORP 4.125%	756109AR5	4.125%	10/15/2026	705,000.0000	701,468	713,402	FIXED INCOME
SOUTH CAROLINA ELEC& 6.05	SOUTH CAROLINA ELEC& 6.05	837004CB4	6.050%	1/15/2038	820,000.0000	1,041,925	987,499	FIXED INCOME
TRAVELERS COS INC 6.250%	TRAVELERS COS INC 6.250%	89417EAD1	6.250%	6/15/2037	555,000.0000	720,262	703,317	FIXED INCOME
VENTAS REALTY LP/CAP 5.70	VENTAS REALTY LP/CAP 5.70	92277GAB3	5.700%	9/30/2043	530,000.0000	622,395	589,831	FIXED INCOME
VISA INC 3.150% 12/14/25	VISA INC 3.150% 12/14/25	92826CAD4	3.150%	12/14/2025	735,000.0000	732,310	737,005	FIXED INCOME
VISA INC 4.150% 12/14/35	VISA INC 4.150% 12/14/35	92826CAE2	4.150%	12/14/2035	435,000.0000	434,413	440,020	FIXED INCOME
VISA INC 4.300% 12/14/45	VISA INC 4.300% 12/14/45	92826CAF9	4.300%	12/14/2045	1,515,000.0000	1,512,470	1,540,135	FIXED INCOME
VORNADO REALTY LP 2.500%	VORNADO REALTY LP 2.500%	929043AH0	2.500%	6/30/2019	1,030,000.0000	1,026,076	1,014,457	FIXED INCOME
* WELLS FARGO & COMPAN 3.50	WELLS FARGO & COMPAN 3.50	94974BFC9	3.500%	3/8/2022	1,405,000.0000	1,453,177	1,463,077	FIXED INCOME
* WELLS FARGO & COMPAN 5.37	WELLS FARGO & COMPAN 5.37	94974BFP0	5.375%	11/2/2043	1,955,000.0000	2,143,658	2,109,560	FIXED INCOME
* WELLS FARGO & COMPAN 4.10	WELLS FARGO & COMPAN 4.10	94974BFY1	4.100%	6/3/2026	685,000.0000	684,294	693,617	FIXED INCOME
* WELLS FARGO & COMPAN 4.30	WELLS FARGO & COMPAN 4.30	94974BGL8	4.300%	7/22/2027	640,000.0000	637,568	665,934	FIXED INCOME
AT&T INC 4.500% 5/15/35	AT&T INC 4.500% 5/15/35	00206RCP5	4.500%	5/15/2035	1,665,000.0000	1,662,630	1,549,466	FIXED INCOME
AETNA INC 4.500% 5/15/42	AETNA INC 4.500% 5/15/42	00817YAJ7	4.500%	5/15/2042	495,000.0000	511,518	489,114	FIXED INCOME
ALTRIA GROUP INC 5.375% 1	ALTRIA GROUP INC 5.375% 1	02209SAR4	5.375%	1/31/2044	840,000.0000	912,341	922,476	FIXED INCOME
AMERICAN INTL GROUP 6.400	AMERICAN INTL GROUP 6.400	026874BW6	6.400%	12/15/2020	1,600,000.0000	1,668,912	1,850,375	FIXED INCOME
AMGEN INC 6.400% 2/01/39	AMGEN INC 6.400% 2/01/39	031162BA7	6.400%	2/1/2039	845,000.0000	1,061,303	1,024,864	FIXED INCOME
AMGEN INC 3.625% 5/22/24	AMGEN INC 3.625% 5/22/24	031162BV1	3.625%	5/22/2024	1,205,000.0000	1,203,000	1,209,286	FIXED INCOME
AMGEN INC 4.400% 5/01/45	AMGEN INC 4.400% 5/01/45	031162BZ2	4.400%	5/1/2045	405,000.0000	402,594	378,211	FIXED INCOME
ANADARKO PETROLEUM 6.450%	ANADARKO PETROLEUM 6.450%	032511AY3	6.450%	9/15/2036	1,786,000.0000	2,243,105	1,755,373	FIXED INCOME
ANHEUSER-BUSCH INBEV 8.20	ANHEUSER-BUSCH INBEV 8.20	03523TBF4	8.200%	1/15/2039	825,000.0000	1,268,891	1,220,390	FIXED INCOME
APPALACHIAN POWER CO 7.00	APPALACHIAN POWER CO 7.00	037735CM7	7.000%	4/1/2038	650,000.0000	883,487	821,607	FIXED INCOME
APPLE INC 3.450% 2/09/45	APPLE INC 3.450% 2/09/45	037833BA7	3.450%	2/9/2045	820,000.0000	812,727	717,146	FIXED INCOME
APPLE INC 4.375% 5/13/45	APPLE INC 4.375% 5/13/45	037833BH2	4.375%	5/13/2045	785,000.0000	782,135	797,202	FIXED INCOME
AT&T INC 5.350% 9/01/40	AT&T INC 5.350% 9/01/40	04650NAB0	5.350%	9/1/2040	2,815,000.0000	3,104,438	2,830,633	FIXED INCOME
BARRICK NA FINANCE 5.750%	BARRICK NA FINANCE 5.750%	06849RAK8	5.750%	5/1/2043	410,000.0000	429,686	300,470	FIXED INCOME
BECTON DICKINSON AND 3.73	BECTON DICKINSON AND 3.73	075887BF5	3.734%	12/15/2024	400,000.0000	400,000	404,076	FIXED INCOME
BERKSHIRE HATHAWAY 5.750%	BERKSHIRE HATHAWAY 5.750%	084664BL4	5.750%	1/15/2040	1,755,000.0000	2,105,084	2,094,740	FIXED INCOME
BOEING CO 6.875% 3/15/39	BOEING CO 6.875% 3/15/39	097023AX3	6.875%	3/15/2039	620,000.0000	862,594	862,124	FIXED INCOME
BURLINGTN NORTH SANT 4.95	BURLINGTN NORTH SANT 4.95	12189LAG6	4.950%	9/15/2041	2,290,000.0000	2,478,847	2,367,803	FIXED INCOME
BURLINGTN NORTH SANT 4.15	BURLINGTN NORTH SANT 4.15	12189LAW1	4.150%	4/1/2045	525,000.0000	523,283	481,270	FIXED INCOME
CF INDUSTRIES INC 4.950%	CF INDUSTRIES INC 4.950%	12527GAD5	4.950%	6/1/2043	695,000.0000	706,627	593,805	FIXED INCOME
CIGNA CORP 5.375% 2/15/42	CIGNA CORP 5.375% 2/15/42	125509BT5	5.375%	2/15/2042	685,000.0000	780,928	764,909	FIXED INCOME
CSX CORP 4.750% 5/30/42	CSX CORP 4.750% 5/30/42	126408GW7	4.750%	5/30/2042	985,000.0000	1,041,155	985,483	FIXED INCOME
CVS CAREMARK CORP 3.375%	CVS CAREMARK CORP 3.375%	126650CF5	3.375%	8/12/2024	855,000.0000	847,117	857,301	FIXED INCOME
CATHOLIC HEALTH INIT 4.35	CATHOLIC HEALTH INIT 4.35	14916RAD6	4.350%	11/1/2042	950,000.0000	901,113	895,432	FIXED INCOME
CELGENE CORP 5.000% 8/15/	CELGENE CORP 5.000% 8/15/	151020AU8	5.000%	8/15/2045	460,000.0000	458,579	470,670	FIXED INCOME
CENTERPOINT ENERGY 5.850%	CENTERPOINT ENERGY 5.850%	15189WAH3	5.850%	1/15/2041	700,000.0000	858,837	792,082	FIXED INCOME
COMCAST CORP 6.400% 3/01/	COMCAST CORP 6.400% 3/01/	20030NBB6	6.400%	3/1/2040	3,105,000.0000	3,973,996	3,919,918	FIXED INCOME
CONOCOPHILLIPS 6.500% 2/0	CONOCOPHILLIPS 6.500% 2/0	20825CAQ7	6.500%	2/1/2039	995,000.0000	1,358,195	1,075,489	FIXED INCOME
CONS EDISON CO OF NY 6.75	CONS EDISON CO OF NY 6.75	209111EU3	6.750%	4/1/2038	1,050,000.0000	1,396,472	1,371,221	FIXED INCOME
CONTINENTAL RESOURCE 4.50	CONTINENTAL RESOURCE 4.50	212015AL5	4.500%	4/15/2023	140,000.0000	140,699	101,914	FIXED INCOME
CONTINENTAL RESOURCE 3.80	CONTINENTAL RESOURCE 3.80	212015AN1	3.800%	6/1/2024	245,000.0000	237,354	173,361	FIXED INCOME
CONTINENTAL RESOURCE 4.90	CONTINENTAL RESOURCE 4.90	212015AQ4	4.900%	6/1/2044	355,000.0000	295,515	215,507	FIXED INCOME
DAIMLERCHRYSLER NA 8.500%	DAIMLERCHRYSLER NA 8.500%	233835AQ0	8.500%	1/18/2031	645,000.0000	980,689	960,396	FIXED INCOME
WALT DISNEY COMPANY/ 4.12	WALT DISNEY COMPANY/ 4.12	25468PDB9	4.125%	6/1/2044	690,000.0000	688,820	706,075	FIXED INCOME

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DISCOVERY COMMUNICAT 4.87	DISCOVERY COMMUNICAT 4.87	25470DAJ8	4.875%	4/1/2043	675,000.0000	673,704	563,833	FIXED INCOME
DOMINION RESOURCES 5.950%	DOMINION RESOURCES 5.950%	25746UAV1	5.950%	6/15/2035	1,260,000.0000	1,502,348	1,402,184	FIXED INCOME
DOW CHEMICAL COMPANY 7.37	DOW CHEMICAL COMPANY 7.37	260543BJ1	7.375%	11/1/2029	1,620,000.0000	2,157,937	2,020,694	FIXED INCOME
ECOLAB INC 5.500% 12/08/4	ECOLAB INC 5.500% 12/08/4	278865AM2	5.500%	12/8/2041	1,020,000.0000	1,207,415	1,113,354	FIXED INCOME
ENERGY TRANSFER PART 4.65	ENERGY TRANSFER PART 4.65	29273RAN9	4.650%	6/1/2021	615,000.0000	663,210	579,776	FIXED INCOME
ENERGY TRANSFER PART 4.90	ENERGY TRANSFER PART 4.90	29273RBE8	4.900%	3/15/2035	1,055,000.0000	1,052,996	782,322	FIXED INCOME
ENTERPRISE PRODUCTS 5.950	ENTERPRISE PRODUCTS 5.950	29379VAT0	5.950%	2/1/2041	1,630,000.0000	1,964,150	1,537,631	FIXED INCOME
ENTERTAINMENT PROPER 5.75	ENTERTAINMENT PROPER 5.75	29380TAT2	5.750%	8/15/2022	950,000.0000	1,031,615	1,018,003	FIXED INCOME
EXELON GENERATION CO 6.25	EXELON GENERATION CO 6.25	30161MAG8	6.250%	10/1/2039	1,640,000.0000	1,899,235	1,684,633	FIXED INCOME
EXPRESS SCRIPTS HOLD 3.50	EXPRESS SCRIPTS HOLD 3.50	30219GAK4	3.500%	6/15/2024	860,000.0000	853,739	848,601	FIXED INCOME
EXXON MOBIL CORPORAT 3.56	EXXON MOBIL CORPORAT 3.56	30231GAN2	3.567%	3/6/2045	835,000.0000	835,000	794,289	FIXED INCOME
FEDEX CORP 4.000% 1/15/24	FEDEX CORP 4.000% 1/15/24	31428XAY2	4.000%	1/15/2024	640,000.0000	668,762	679,760	FIXED INCOME
FIDELITY NATIONAL IN 5.00	FIDELITY NATIONAL IN 5.00	31620MAR7	5.000%	10/15/2025	550,000.0000	548,510	570,543	FIXED INCOME
FORD MOTOR COMPANY 7.450%	FORD MOTOR COMPANY 7.450%	345370CA6	7.450%	7/16/2031	1,200,000.0000	1,599,672	1,521,787	FIXED INCOME
FREEPORT-MCMORAN INC 4.55	FREEPORT-MCMORAN INC 4.55	35671DBL8	4.550%	11/14/2024	680,000.0000	528,463	393,339	FIXED INCOME
GENERAL MOTORS CO 6.250%	GENERAL MOTORS CO 6.250%	37045VAF7	6.250%	10/2/2043	1,165,000.0000	1,299,697	1,248,870	FIXED INCOME
GEORGIA POWER COMPAN 5.40	GEORGIA POWER COMPAN 5.40	373334JR3	5.400%	6/1/2040	1,680,000.0000	1,971,228	1,777,944	FIXED INCOME
GILEAD SCIENCES INC 4.750	GILEAD SCIENCES INC 4.750	375558BD4	4.750%	3/1/2046	455,000.0000	453,121	466,897	FIXED INCOME
HCP INC 6.750% 2/01/41	HCP INC 6.750% 2/01/41	40414LAE9	6.750%	2/1/2041	745,000.0000	986,626	920,928	FIXED INCOME
HALLIBURTON COMPANY 4.750	HALLIBURTON COMPANY 4.750	406216BE0	4.750%	8/1/2043	570,000.0000	619,356	546,392	FIXED INCOME
HESS CORP 5.600% 2/15/41	HESS CORP 5.600% 2/15/41	42809HAD9	5.600%	2/15/2041	610,000.0000	691,807	527,086	FIXED INCOME
HEWLETT-PACKARD CO 6.000%	HEWLETT-PACKARD CO 6.000%	428236BR3	6.000%	9/15/2041	200,000.0000	228,362	178,159	FIXED INCOME
HOME DEPOT INC 5.875% 12/	HOME DEPOT INC 5.875% 12/	437076AS1	5.875%	12/16/2036	1,410,000.0000	1,733,941	1,722,016	FIXED INCOME
INTERNATIONAL PAPER 3.650	INTERNATIONAL PAPER 3.650	460146CJ0	3.650%	6/15/2024	1,240,000.0000	1,235,362	1,214,794	FIXED INCOME
KINDER MORGAN ENER 6.375%	KINDER MORGAN ENER 6.375%	494550BH8	6.375%	3/1/2041	1,400,000.0000	1,654,716	1,198,204	FIXED INCOME
KINDER MORGAN ENER 3.950%	KINDER MORGAN ENER 3.950%	494550BL9	3.950%	9/1/2022	850,000.0000	862,674	751,134	FIXED INCOME
KRAFT FOODS GROUP IN 6.50	KRAFT FOODS GROUP IN 6.50	50076QAN6	6.500%	2/9/2040	940,000.0000	1,171,579	1,119,896	FIXED INCOME
KRAFT FOODS GROUP IN 6.87	KRAFT FOODS GROUP IN 6.87	50076QAR7	6.875%	1/26/2039	600,000.0000	751,705	728,880	FIXED INCOME
KROGER CO. 6.900% 4/15/38	KROGER CO. 6.900% 4/15/38	501044CK5	6.900%	4/15/2038	720,000.0000	925,150	900,084	FIXED INCOME
LOCKHEED MARTIN CORP 3.60	LOCKHEED MARTIN CORP 3.60	539830BC2	3.600%	3/1/2035	750,000.0000	743,535	679,695	FIXED INCOME
LOCKHEED MARTIN CORP 4.50	LOCKHEED MARTIN CORP 4.50	539830BK4	4.500%	5/15/2036	195,000.0000	191,342	198,344	FIXED INCOME
LOCKHEED MARTIN CORP 4.70	LOCKHEED MARTIN CORP 4.70	539830BL2	4.700%	5/15/2046	780,000.0000	768,448	802,878	FIXED INCOME
MACYS RETAIL HLDGS 3.625%	MACYS RETAIL HLDGS 3.625%	55616XAL1	3.625%	6/1/2024	590,000.0000	589,404	543,025	FIXED INCOME
MARATHON PETROLEUM 5.125%	MARATHON PETROLEUM 5.125%	56585AAD4	5.125%	3/1/2021	910,000.0000	1,032,286	970,673	FIXED INCOME
MARSH & MCLENNAN COS 3.75	MARSH & MCLENNAN COS 3.75	571748AZ5	3.750%	3/14/2026	530,000.0000	529,592	536,607	FIXED INCOME
MCKESSON CORP 6.000% 3/01	MCKESSON CORP 6.000% 3/01	58155QAE3	6.000%	3/1/2041	720,000.0000	852,516	843,286	FIXED INCOME
MICROSOFT CORP 5.300% 2/0	MICROSOFT CORP 5.300% 2/0	594918AM6	5.300%	2/8/2041	1,195,000.0000	1,376,469	1,401,786	FIXED INCOME
MICROSOFT CORP 3.500% 2/1	MICROSOFT CORP 3.500% 2/1	594918BC7	3.500%	2/12/2035	825,000.0000	815,513	773,655	FIXED INCOME
MICROSOFT CORP 4.000% 2/1	MICROSOFT CORP 4.000% 2/1	594918BE3	4.000%	2/12/2055	1,605,000.0000	1,579,481	1,466,512	FIXED INCOME
MONSANTO CO 4.200% 7/15/3	MONSANTO CO 4.200% 7/15/3	61166WAN1	4.200%	7/15/2034	185,000.0000	183,807	162,677	FIXED INCOME
NEVADA POWER CO 6.750% 7/	NEVADA POWER CO 6.750% 7/	641423BU1	6.750%	7/1/2037	1,540,000.0000	2,111,201	2,005,450	FIXED INCOME
NORFOLK SOUTHERN COR 4.83	NORFOLK SOUTHERN COR 4.83	655844BH0	4.837%	10/1/2041	1,310,000.0000	1,414,053	1,288,362	FIXED INCOME
NORTHROP GRUMMAN COR 4.75	NORTHROP GRUMMAN COR 4.75	666807BH4	4.750%	6/1/2043	815,000.0000	856,402	842,057	FIXED INCOME
ORACLE CORP 6.125% 7/08/3	ORACLE CORP 6.125% 7/08/3	68389XAH8	6.125%	7/8/2039	615,000.0000	771,185	761,760	FIXED INCOME
PPL ELECTRIC UTILITI 4.12	PPL ELECTRIC UTILITI 4.12	69351UAS2	4.125%	6/15/2044	1,000,000.0000	988,270	987,353	FIXED INCOME
PACIFIC GAS & ELECTR 6.05	PACIFIC GAS & ELECTR 6.05	694308GE1	6.050%	3/1/2034	1,600,000.0000	1,949,072	1,917,451	FIXED INCOME
PACIFICORP 4.100% 2/01/42	PACIFICORP 4.100% 2/01/42	695114CN6	4.100%	2/1/2042	1,570,000.0000	1,539,872	1,540,897	FIXED INCOME
PHILIP MORRIS INTL 6.375%	PHILIP MORRIS INTL 6.375%	718172AC3	6.375%	5/16/2038	845,000.0000	1,070,074	1,072,532	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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
PHILLIPS 66 5.875% 5/01/4	PHILLIPS 66 5.875% 5/01/4	718546AH7	5.875%	5/1/2042	865,000.0000	1,052,117	875,511	FIXED INCOME
PROGRESS ENERGY INC 6.000	PROGRESS ENERGY INC 6.000	743263AP0	6.000%	12/1/2039	2,300,000.0000	2,890,732	2,673,198	FIXED INCOME
PUBLIC SERVICE ELECT 4.00	PUBLIC SERVICE ELECT 4.00	74456QBF2	4.000%	6/1/2044	865,000.0000	856,791	844,719	FIXED INCOME
REPUBLIC SERVICES IN 3.55	REPUBLIC SERVICES IN 3.55	760759AP5	3.550%	6/1/2022	1,500,000.0000	1,538,925	1,536,223	FIXED INCOME
REYNOLDS AMERICAN IN 4.75	REYNOLDS AMERICAN IN 4.75	761713AW6	4.750%	11/1/2042	705,000.0000	681,707	678,490	FIXED INCOME
SEMPRA ENERGY 6.000% 10/1	SEMPRA ENERGY 6.000% 10/1	816851AP4	6.000%	10/15/2039	770,000.0000	944,598	873,139	FIXED INCOME
SIMON PROPERTY GROUP 6.75	SIMON PROPERTY GROUP 6.75	828807CE5	6.750%	2/1/2040	750,000.0000	1,012,478	1,010,434	FIXED INCOME
SOUTH CAROLINA ELEC& 4.50	SOUTH CAROLINA ELEC& 4.50	837004CH1	4.500%	6/1/2064	340,000.0000	336,389	317,808	FIXED INCOME
SOUTHERN CAL EDISON 6.050	SOUTHERN CAL EDISON 6.050	842400FL2	6.050%	3/15/2039	820,000.0000	1,053,306	1,030,382	FIXED INCOME
SPECTRA ENERGY PARTN 5.95	SPECTRA ENERGY PARTN 5.95	84756NAE9	5.950%	9/25/2043	1,160,000.0000	1,398,814	1,126,066	FIXED INCOME
TIME WARNER CO INC 7.570%	TIME WARNER CO INC 7.570%	887315BH1	7.570%	2/1/2024	1,330,000.0000	1,765,522	1,668,288	FIXED INCOME
TIME WARNER INC 4.650% 6/	TIME WARNER INC 4.650% 6/	887317AU9	4.650%	6/1/2044	870,000.0000	860,691	801,466	FIXED INCOME
TIME WARNER CABLE IN 5.87	TIME WARNER CABLE IN 5.87	88732JAY4	5.875%	11/15/2040	585,000.0000	683,520	558,779	FIXED INCOME
TIME WARNER CABLE IN 5.50	TIME WARNER CABLE IN 5.50	88732JBB3	5.500%	9/1/2041	615,000.0000	566,532	567,020	FIXED INCOME
21ST CENTY FOX AMER 7.750	21ST CENTY FOX AMER 7.750	90131HBR5	7.750%	12/1/2045	1,830,000.0000	2,618,822	2,396,821	FIXED INCOME
UNION PACIFIC CORP 3.646%	UNION PACIFIC CORP 3.646%	907818DR6	3.646%	2/15/2024	1,300,000.0000	1,349,374	1,374,898	FIXED INCOME
UNITED TECHNOLOGIES 6.125	UNITED TECHNOLOGIES 6.125	913017BP3	6.125%	7/15/2038	1,600,000.0000	2,047,920	1,994,661	FIXED INCOME
UNITEDHEALTH GROUP 4.625%	UNITEDHEALTH GROUP 4.625%	91324PBU5	4.625%	11/15/2041	795,000.0000	837,588	811,591	FIXED INCOME
VERIZON COMMUNICATIO 6.55	VERIZON COMMUNICATIO 6.55	92343VBT0	6.550%	9/15/2043	159,000.0000	199,946	191,833	FIXED INCOME
VERIZON COMMUNICATIO 5.01	VERIZON COMMUNICATIO 5.01	92343VCM4	5.012%	8/21/2054	1,299,000.0000	1,349,977	1,212,862	FIXED INCOME
VERIZON COMMUNICATIO 4.27	VERIZON COMMUNICATIO 4.27	92343VCV4	4.272%	1/15/2036	3,057,000.0000	2,658,108	2,820,078	FIXED INCOME
VERIZON COMMUNICATIO 4.67	VERIZON COMMUNICATIO 4.67	92343VCZ5	4.672%	3/15/2055	1,532,000.0000	1,430,316	1,351,157	FIXED INCOME
WAL-MART STORES INC 6.200	WAL-MART STORES INC 6.200	931142CM3	6.200%	4/15/2038	810,000.0000	1,033,771	1,026,277	FIXED INCOME
WALGREENS BOOTS ALLI 4.80	WALGREENS BOOTS ALLI 4.80	931427AC2	4.800%	11/18/2044	925,000.0000	875,022	842,049	FIXED INCOME
WELLPOINT INC 4.650% 1/15	WELLPOINT INC 4.650% 1/15	94973VBB2	4.650%	1/15/2043	1,025,000.0000	1,049,897	997,327	FIXED INCOME
ZIMMER HOLDINGS INC 3.550	ZIMMER HOLDINGS INC 3.550	98956PAF9	3.550%	4/1/2025	1,850,000.0000	1,845,653	1,814,101	FIXED INCOME
P/P AP MOELLER-MAERS 3.75	P/P AP MOELLER-MAERS 3.75	00203QAB3	3.750%	9/22/2024	1,000,000.0000	996,610	(47,070)	FIXED INCOME
ACTAVIS FUNDING SCS 4.850	ACTAVIS FUNDING SCS 4.850	00507UAH4	4.850%	6/15/2044	605,000.0000	598,309	599,903	FIXED INCOME
AGRIUM INC 6.125% 1/15/41	AGRIUM INC 6.125% 1/15/41	008916AJ7	6.125%	1/15/2041	854,000.0000	1,013,941	934,304	FIXED INCOME
ALCAN INC 6.125% 12/15/33	ALCAN INC 6.125% 12/15/33	013716AU9	6.125%	12/15/2033	990,000.0000	1,186,347	993,596	FIXED INCOME
BP CAPITAL MARKETS 3.535%	BP CAPITAL MARKETS 3.535%	05565QCS5	3.535%	11/4/2024	475,000.0000	475,000	464,658	FIXED INCOME
BARCLAYS PLC 5.250% 8/17/	BARCLAYS PLC 5.250% 8/17/	06738EAJ4	5.250%	8/17/2045	730,000.0000	728,248	749,587	FIXED INCOME
CENOVUS ENERGY INC 5.200%	CENOVUS ENERGY INC 5.200%	15135UAK5	5.200%	9/15/2043	800,000.0000	882,016	638,481	FIXED INCOME
RABOBANK NEDERLAND 5.750%	RABOBANK NEDERLAND 5.750%	21684AAB2	5.750%	12/1/2043	1,055,000.0000	1,205,738	1,184,355	FIXED INCOME
COVIDIEN INTERNATION 6.55	COVIDIEN INTERNATION 6.55	22303QAH3	6.550%	10/15/2037	800,000.0000	1,058,648	1,013,942	FIXED INCOME
P/P CRED SUIS GP FUN 3.75	P/P CRED SUIS GP FUN 3.75	225433AA9	3.750%	3/26/2025	785,000.0000	783,116	767,083	FIXED INCOME
P/P CRED SUIS GP FUN 4.87	P/P CRED SUIS GP FUN 4.87	225433AE1	4.875%	5/15/2045	805,000.0000	802,368	798,817	FIXED INCOME
DEVON FINANCING CORP 7.87	DEVON FINANCING CORP 7.87	25179SAD2	7.875%	9/30/2031	860,000.0000	1,206,589	899,187	FIXED INCOME
P/P GE CAPITAL INTL 4.418	P/P GE CAPITAL INTL 4.418	36164NFB3	4.418%	11/15/2035	2,964,000.0000	2,804,324	3,048,346	FIXED INCOME
HSBC HOLDINGS PLC 6.800%	HSBC HOLDINGS PLC 6.800%	404280AJ8	6.800%	6/1/2038	1,595,000.0000	2,009,812	1,994,415	FIXED INCOME
HUSKY ENERGY INC 4.000% 4	HUSKY ENERGY INC 4.000% 4	448055AK9	4.000%	4/15/2024	1,000,000.0000	1,041,930	923,674	FIXED INCOME
P/P IMPERIAL TOBACCO 3.75	P/P IMPERIAL TOBACCO 3.75	453140AE5	3.750%	7/21/2022	1,140,000.0000	1,121,589	1,163,560	FIXED INCOME
LYB INTL FINANCE BV 4.875	LYB INTL FINANCE BV 4.875	50247VAC3	4.875%	3/15/2044	1,430,000.0000	1,495,897	1,326,388	FIXED INCOME
P/P LLOYDS BANKING 5.300%	P/P LLOYDS BANKING 5.300%	539439AJ8	5.300%	12/1/2045	335,000.0000	334,551	341,428	FIXED INCOME
LLOYDS BANK PLC 4.500% 11	LLOYDS BANK PLC 4.500% 11	53944YAA1	4.500%	11/4/2024	875,000.0000	870,056	894,473	FIXED INCOME
P/P PERIOD-RICARD SA 4.45	P/P PERIOD-RICARD SA 4.45	714264AD0	4.450%	1/15/2022	800,000.0000	856,832	845,760	FIXED INCOME
PERRIGO CO PLC 5.300% 11/	PERRIGO CO PLC 5.300% 11/	714294AH8	5.300%	11/15/2043	550,000.0000	536,803	533,402	FIXED INCOME
PETRO-CANADA 6.800% 5/15/	PETRO-CANADA 6.800% 5/15/	71644EAJ1	6.800%	5/15/2038	1,185,000.0000	1,564,283	1,305,952	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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
POTASH CORP-SASKATCH 3.62	POTASH CORP-SASKATCH 3.62	73755LAL1	3.625%	3/15/2024	850,000.0000	866,465	835,681	FIXED INCOME
ROGERS COMMUNICATION 5.45	ROGERS COMMUNICATION 5.45	775109AZ4	5.450%	10/1/2043	1,105,000.0000	1,220,373	1,177,063	FIXED INCOME
ROYAL BK OF SCOTLAND 1.87	ROYAL BK OF SCOTLAND 1.87	780099CG0	1.875%	3/31/2017	1,000,000.0000	1,008,940	1,000,560	FIXED INCOME
P/P SANTANDER UK GRO 4.75	P/P SANTANDER UK GRO 4.75	80281LAA3	4.750%	9/15/2025	515,000.0000	513,579	515,410	FIXED INCOME
SHELL INTERNATIONAL 5.500	SHELL INTERNATIONAL 5.500	822582AN2	5.500%	3/25/2040	1,485,000.0000	1,756,116	1,626,486	FIXED INCOME
SHELL INTERNATIONAL 2.250	SHELL INTERNATIONAL 2.250	822582BP6	2.250%	11/10/2020	870,000.0000	865,224	859,975	FIXED INCOME
TELEFONICA EMISIONES 7.04	TELEFONICA EMISIONES 7.04	87938WAC7	7.045%	6/20/2036	1,350,000.0000	1,706,382	1,625,269	FIXED INCOME
TOTAL CAPITAL INTL 2.750%	TOTAL CAPITAL INTL 2.750%	89153VAP4	2.750%	6/19/2021	765,000.0000	763,554	762,756	FIXED INCOME
TRANS-CANADA PIPELIN 4.62	TRANS-CANADA PIPELIN 4.62	89352HAM1	4.625%	3/1/2034	1,600,000.0000	1,694,224	1,537,419	FIXED INCOME
TRINITY ACQUISITION 6.125	TRINITY ACQUISITION 6.125	89641UAB7	6.125%	8/15/2043	615,000.0000	678,271	671,456	FIXED INCOME
P/P XSTRATA CANADA 4.950%	P/P XSTRATA CANADA 4.950%	98417EAK6	4.950%	11/15/2021	690,000.0000	736,803	559,814	FIXED INCOME
US TREASURY BOND 6.500% 1	US TREASURY BOND 6.500% 1	912810EY0	6.500%	11/15/2026	23,445,000.0000	33,200,610	33,000,546	FIXED INCOME
US TREASURY BOND 5.250% 1	US TREASURY BOND 5.250% 1	912810FF0	5.250%	11/15/2026	17,490,000.0000	22,569,493	22,969,597	FIXED INCOME
US TREASURY BOND 4.750% 2	US TREASURY BOND 4.750% 2	912810PT9	4.750%	2/15/2037	515,000.0000	722,596	691,857	FIXED INCOME
US TREASURY BOND 5.000% 5	US TREASURY BOND 5.000% 5	912810PU6	5.000%	5/15/2037	3,285,000.0000	4,507,842	4,523,071	FIXED INCOME
US TREASURY BOND 3.750% 1	US TREASURY BOND 3.750% 1	912810RD2	3.750%	11/15/2043	2,905,000.0000	3,151,033	3,360,045	FIXED INCOME
US TREASURY BOND 3.125% 8	US TREASURY BOND 3.125% 8	912810RH3	3.125%	8/15/2044	6,655,000.0000	6,823,626	6,868,034	FIXED INCOME
US TREASURY BOND 3.000% 1	US TREASURY BOND 3.000% 1	912810RJ9	3.000%	11/15/2044	4,445,000.0000	4,789,966	4,446,083	FIXED INCOME
US TREASURY BOND 3.000% 5	US TREASURY BOND 3.000% 5	912810RM2	3.000%	5/15/2045	3,560,000.0000	3,539,909	3,557,521	FIXED INCOME
US TREASURY NOTE 2.125% 1	US TREASURY NOTE 2.125% 1	912828B58	2.125%	1/31/2021	2,485,000.0000	2,516,500	2,543,802	FIXED INCOME
US TREASURY NOTE 2.000% 2	US TREASURY NOTE 2.000% 2	912828J27	2.000%	2/15/2025	1,765,000.0000	1,725,288	1,738,692	FIXED INCOME
US TREASURY NOTE 0.625% 8	US TREASURY NOTE 0.625% 8	912828VR8	0.625%	8/15/2016	1,985,000.0000	1,988,954	1,989,230	FIXED INCOME
HOLDBACK- DISCOVERY GLOBL	HOLDBACK- DISCOVERY GLOBL	MS6727585			941,996.4500	941,996	941,996	HEDGE FUNDS
HOLDBACK-WINGSPAN OVERSEA	HOLDBACK-WINGSPAN OVERSEA	MS6734805			1,374,056.3600	1,374,056	1,374,056	HEDGE FUNDS
LITESPEED OFFSHORE FUND L	LITESPEED OFFSHORE FUND L	MS6653401			193,000.0000	19,300,000	14,464,547	HEDGE FUNDS
PENTWATER EVENT FUND LTD	PENTWATER EVENT FUND LTD	MS6653419			10,173.0344	19,300,000	18,551,889	HEDGE FUNDS
RIMROCK HIGH INC PLUS FUN	RIMROCK HIGH INC PLUS FUN	MS6653427			63,825.8184	16,900,000	16,466,593	HEDGE FUNDS
INDEPENDENT FRNCHSE PRTNR	INDEPENDENT FRNCHSE PRTNR	MS6653161			25,000,000.0000	25,000,000	27,007,392	HEDGE FUNDS
CANYON VAL REALIZATION FU	CANYON VAL REALIZATION FU	MS6653385			2,136.0968	16,900,000	16,376,575	HEDGE FUNDS
NORTHGATE PEP III LP	NORTHGATE PEP III LP	MS6097211			9,911,944.8600	9,911,945	7,656,712	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST PTNRS VIII BU	HARBOURVEST PTNRS VIII BU	MS6101187			4,099,782.0000	4,099,782	4,434,068	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST VIII MEZZ & D	HARBOURVEST VIII MEZZ & D	MS6101195			450,878.0000	450,878	435,940	LIMITED PARTNERSHIP INVESTMENTS
INVESCO VENTURE PARTNERSH	INVESCO VENTURE PARTNERSH	MS6162544			1,245,955.2400	1,245,955	89,570	LIMITED PARTNERSHIP INVESTMENTS
INVESCO NON-US PARTNERSHI	INVESCO NON-US PARTNERSHI	MS6162551			191,822.0900	191,822	95,050	LIMITED PARTNERSHIP INVESTMENTS
INVESCO US BUYOUT PARTNER	INVESCO US BUYOUT PARTNER	MS6162569			223,233.6000	223,234	433,277	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST PTNRS VIII VE	HARBOURVEST PTNRS VIII VE	MS6422286			1,100,150.0000	1,100,150	1,324,577	LIMITED PARTNERSHIP INVESTMENTS
HARBVEST PART VI-BUYOUT F	HARBVEST PART VI-BUYOUT F	MS6688977			1,420,051.0000	1,420,051	1,320,203	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST PART VI-PART	HARBOURVEST PART VI-PART	MS6688985			1,137,830.0000	1,137,830	1,096,483	LIMITED PARTNERSHIP INVESTMENTS
							<u>\$ 592,975,156</u>	

* Parties-in-interest

Attachment to 2015 Schedule SB
Line 26: Schedule of Active Participant Data – All Actives
KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan
EIN: 20-2699372
Plan Number: 002

Completed Years of Service on January 1, 2015

Completed Years of Service on January 1, 2015										
Attained Age	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
Under 25	12	19	1	0	0	0	0	0	0	0
25-29	8	51	22	2	0	0	0	0	0	0
30-34	5	53	63	24	2	0	0	0	0	0
35-39	5	42	53	38	31	2	0	0	0	0
40-44	4	47	48	30	71	42	4	0	0	0
45-49	10	55	41	34	73	87	48	3	0	0
50-54	8	62	36	26	58	86	123	39	8	0
55-59	3	47	30	19	36	48	86	57	97	11
60-64	2	24	18	17	20	17	38	20	29	37
65-69	0	5	8	4	4	4	5	3	0	11
Over 69	0	1	0	0	0	0	0	0	1	1

Attachment to 2015 Schedule SB
Line 26: Schedule of Active Participant Data – All Actives with a Cash Balance Account
KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan
EIN: 20-2699372
Plan Number: 002

[illegible]

Actuarial Assumptions and Methods

ERISA Interest Rates based on plan sponsor election:

“Minimum” means for the purpose of calculating the PPA funding liability and normal cost for the minimum required contribution.

“Maximum” means for the purpose of calculating the PPA funding liability and normal cost for the maximum tax-deductible contribution.

	2015 Plan Year		2014 Plan Year	
Purpose	Minimum	Maximum	Minimum	Maximum
Segment rates or full yield curve	Segment	Segment	Segment	Segment
Look-back months	4	4	4	4
First 5 years	4.72%	1.15%	4.99%	1.37%
Next 15 years	6.11%	4.06%	6.32%	4.05%
Over 20 years	6.81%	5.15%	6.99%	5.06%
Applicable Law for the segment rates corridor	HATFA	Not Applicable	HATFA	Not Applicable

Salary Scale: 3.00%

Increase in Consumer Price Index: 3.00%.

Increase in Social Security Taxable Wage Base: N/A.

Administrative Expenses: None assumed.

Mortality:

IRS 2015 Static Mortality Table using separate tables for annuitants and non-annuitants (previously IRS 2014 Static Mortality Table). These tables include future mortality improvement of 7 years for annuitants and 15 years for non-annuitants.

Actuarial Assumptions and Methods (continued)

Retirement Rates:

Longview: Rates varying by age for actives:

Age	Longview Non-Union	Longview Union
55	7%	5%
56	7%	5%
57	7%	3%
58	7%	4%
59	7%	4%
60	20%	5%
61	25%	5%
62	50%	35%
63	35%	30%
64	35%	35%
65	35%	100%
66	35%	100%
67	35%	100%
68	35%	100%
69	35%	100%
70	100%	100%

Former Longview employees are assumed to retire at age 65.

KapStone:

Active:

Roanoke: All active participants are assumed to retire at age 62.

Charleston: The later of attained age 62 and 20 years of service, but not later than age 65.

Inactive:

All inactive participants are assumed to retire at age 65.

Actuarial Assumptions and Methods (continued)

Termination:

Longview: Rates varying by age, plan (union or non-union) and sex.

Sample rates are shown below:

Age	Longview Non-Union Male	Longview Non-Union Female	Longview Union Male	Longview Union Female
20	26.1%	31.5%	22.5%	31.5%
25	20.3%	21.7%	16.5%	23.3%
30	15.1%	15.1%	12.1%	16.0%
35	11.1%	11.1%	8.6%	10.8%
40	8.5%	8.5%	5.6%	6.9%
45	6.3%	6.3%	3.8%	4.8%
50	5.5%	5.5%	3.3%	4.2%
55	4.9%	4.9%	2.7%	3.5%
60	4.4%	4.4%	1.9%	3.0%
64	4.0%	4.0%	1.3%	2.8%

KapStone: 2003 Society of Actuaries Small Plan Age Table, multiplied by 0.25.

Disability:

Longview Non-Union: None.

Longview Union: Sample rates as follows:

Age	Longview Union
45	0.25%
50	0.75%
55	1.25%
60	1.25%
65	0.00%

KapStone: 1987 Commissioner's Group Disability Table.

Actuarial Assumptions and Methods (continued)

Marital Status: 100% of males and females are assumed married, with females 4 years younger than males.

Maximum Benefit: \$210,000 for 2015. For determining limitations under funding amounts, no future increases in the IRC Section 415 limit have been reflected.

Maximum Salary: N/A.

Form of Payment:

Longview Non-Union: All employees are assumed to take their 2001 Cash Account immediately upon termination. For the Cash Account, employees who terminate prior to satisfying both age 55 and 15 years of service are assumed to take their benefit immediately as a lump sum. For those who satisfy both age 55 and 15 years of service, 40% are assumed to take an immediate lump sum and 60% are assumed to elect a monthly single life annuity. All employees are assumed to take their Frozen Formula benefit in the form of a single life annuity.

Longview Union: Employees are assumed to take all Cash Accounts immediately as a lump sum. Frozen monthly benefits are assumed to be taken in the single life annuity form.

KapStone: Employees are assumed to be paid in the normal annuity form applicable to the particular benefit.

Actuarial Assumptions and Methods (continued)

Actuarial Value of Plan Assets for Funding Purposes: The actuarial value of assets is equal to:

- a) the market value of assets, including discounted receivables, on the valuation date, less
- b) the following percentages of prior years' investment gains (losses):
 - i) 67% of the prior year, and
 - ii) 33% of the second prior year,

Investment gains and losses are defined as the excess or deficiency of the expected return on the market value (at an assumed rate of 6.50%, not to exceed the third segment rate for that year) over the actual return on the market value of assets, including discounted receivables, for any given year.

- c) The actuarial value of assets can be neither less than 90% nor greater than 110% of the market value of assets, including discounted receivables.

Actuarial Assumptions and Methods (continued)

Actuarial Cost Method: The unit credit cost method is used for ERISA funding target (FT) purposes. Under this method, accrued pension benefits are determined for all eligible active participants. These benefits reflect service, salary and negotiated benefit increases to date. The liability is then equal to the present value of all benefits (PVAB) for inactive participants plus the PVAB for active participants.

The normal cost is determined on an individual basis for all active participants who have not attained the assumed retirement age and is equal to the present value of the difference between the current accrued benefit and the anticipated accrued benefit one year later, with the accrued benefit based upon earnings, or negotiated benefit increases, to date in both cases. The total normal cost is based upon the sum of the individual normal costs. The target normal cost for funding is equal to the total normal cost plus assumed administrative expenses expected to be paid from the trust.

The projected unit credit method is used for IRS maximum deductible limit cushion amount purposes. Under this method, accrued pension benefits are determined for all eligible active participants. These benefits reflect service to date and anticipated salary and negotiated benefit increases to the assumed retirement age. The liability is then equal to the present value of all benefits for inactive participants plus the PVAB for active participants.

The normal cost is determined on an individual basis for all active participants who have not attained the assumed retirement age and is equal to the present value of the difference between the current accrued benefit and the anticipated accrued benefit one year later, with the accrued benefit based upon earnings and negotiated benefit increases projected to assumed retirement age in both cases. The total normal cost is based upon the sum of the individual normal costs.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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

Part I Basic Information			
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>		
2	Assets:		
	a Market value	2a	650662332
	b Actuarial value	2b	654758855
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	2498	326559282
	b For terminated vested participants.....	1637	53172706
	c For active participants.....	2179	121434500
	d Total.....	6314	501166488
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	6.24%
6	Target normal cost.....	6	2846939

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	<u>05/24/2016</u> Date <u>1407246</u> Most recent enrollment number <u>312-239-9101</u> Telephone number (including area code)
Matt Avery Type or print name of actuary Fidelity Investments Firm name 311 S. Wacker Drive Suite 1400 Chicago IL 60606 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 ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2015
v. 150123

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)	18387371	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	2839860	0
9	Amount remaining (line 7 minus line 8)	15547511	0
10	Interest on line 9 using prior year's actual return of <u>6.59%</u>	995956	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.63%</u>		0
	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		0
	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)	16543467	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	123.92%
15	Adjusted funding target attainment percentage	15	127.13%
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	127.62%
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	
Totals ▶		18(b)	0
		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		0
20 Quarterly contributions and liquidity shortfalls:			
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No			
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No			
c If line 20a is "Yes," see instructions and complete the following table as applicable:			
Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	☐ 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	2846939	
b Excess assets, if applicable, but not greater than line 31a	31b	2846939	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
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	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

Attachment to 2015 Schedule SB

Line 25: Change in Method

KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan

EIN: 20-2699372

Plan Number: 002

This filing reflects a change in the Enrolled Actuary for the plan. The change in actuary is due to the plan sponsors decision to change actuarial providers.

Actuarial Assumptions and Methods

ERISA Interest Rates based on plan sponsor election:

“Minimum” means for the purpose of calculating the PPA funding liability and normal cost for the minimum required contribution.

“Maximum” means for the purpose of calculating the PPA funding liability and normal cost for the maximum tax-deductible contribution.

	2015 Plan Year		2014 Plan Year	
Purpose	Minimum	Maximum	Minimum	Maximum
Segment rates or full yield curve	Segment	Segment	Segment	Segment
Look-back months	4	4	4	4
First 5 years	4.72%	1.15%	4.99%	1.37%
Next 15 years	6.11%	4.06%	6.32%	4.05%
Over 20 years	6.81%	5.15%	6.99%	5.06%
Applicable Law for the segment rates corridor	HATFA	Not Applicable	HATFA	Not Applicable

Salary Scale: 3.00%

Increase in Consumer Price Index: 3.00%.

Increase in Social Security Taxable Wage Base: N/A.

Administrative Expenses: None assumed.

Mortality:

IRS 2015 Static Mortality Table using separate tables for annuitants and non-annuitants (previously IRS 2014 Static Mortality Table). These tables include future mortality improvement of 7 years for annuitants and 15 years for non-annuitants.

Actuarial Assumptions and Methods (continued)

Retirement Rates:

Longview: Rates varying by age for actives:

Age	Longview Non-Union	Longview Union
55	7%	5%
56	7%	5%
57	7%	3%
58	7%	4%
59	7%	4%
60	20%	5%
61	25%	5%
62	50%	35%
63	35%	30%
64	35%	35%
65	35%	100%
66	35%	100%
67	35%	100%
68	35%	100%
69	35%	100%
70	100%	100%

Former Longview employees are assumed to retire at age 65.

KapStone:

Active:

Roanoke: All active participants are assumed to retire at age 62.

Charleston: The later of attained age 62 and 20 years of service, but not later than age 65.

Inactive:

All inactive participants are assumed to retire at age 65.

Actuarial Assumptions and Methods (continued)

Termination:

Longview: Rates varying by age, plan (union or non-union) and sex.
Sample rates are shown below:

Age	Longview Non-Union Male	Longview Non-Union Female	Longview Union Male	Longview Union Female
20	26.1%	31.5%	22.5%	31.5%
25	20.3%	21.7%	16.5%	23.3%
30	15.1%	15.1%	12.1%	16.0%
35	11.1%	11.1%	8.6%	10.8%
40	8.5%	8.5%	5.6%	6.9%
45	6.3%	6.3%	3.8%	4.8%
50	5.5%	5.5%	3.3%	4.2%
55	4.9%	4.9%	2.7%	3.5%
60	4.4%	4.4%	1.9%	3.0%
64	4.0%	4.0%	1.3%	2.8%

KapStone: 2003 Society of Actuaries Small Plan Age Table, multiplied by 0.25.

Disability:

Longview Non-Union: None.

Longview Union: Sample rates as follows:

Age	Longview Union
45	0.25%
50	0.75%
55	1.25%
60	1.25%
65	0.00%

KapStone: 1987 Commissioner's Group Disability Table.

Actuarial Assumptions and Methods (continued)

Marital Status: 100% of males and females are assumed married, with females 4 years younger than males.

Maximum Benefit: \$210,000 for 2015. For determining limitations under funding amounts, no future increases in the IRC Section 415 limit have been reflected.

Maximum Salary: N/A.

Form of Payment:

Longview Non-Union: All employees are assumed to take their 2001 Cash Account immediately upon termination. For the Cash Account, employees who terminate prior to satisfying both age 55 and 15 years of service are assumed to take their benefit immediately as a lump sum. For those who satisfy both age 55 and 15 years of service, 40% are assumed to take an immediate lump sum and 60% are assumed to elect a monthly single life annuity. All employees are assumed to take their Frozen Formula benefit in the form of a single life annuity.

Longview Union: Employees are assumed to take all Cash Accounts immediately as a lump sum. Frozen monthly benefits are assumed to be taken in the single life annuity form.

KapStone: Employees are assumed to be paid in the normal annuity form applicable to the particular benefit.

Actuarial Assumptions and Methods (continued)

Actuarial Value of Plan Assets for Funding Purposes: The actuarial value of assets is equal to:

- a) the market value of assets, including discounted receivables, on the valuation date, less
- b) the following percentages of prior years' investment gains (losses):
 - i) 67% of the prior year, and
 - ii) 33% of the second prior year,

Investment gains and losses are defined as the excess or deficiency of the expected return on the market value (at an assumed rate of 6.50%, not to exceed the third segment rate for that year) over the actual return on the market value of assets, including discounted receivables, for any given year.

- c) The actuarial value of assets can be neither less than 90% nor greater than 110% of the market value of assets, including discounted receivables.

Actuarial Assumptions and Methods (continued)

Actuarial Cost Method: The unit credit cost method is used for ERISA funding target (FT) purposes. Under this method, accrued pension benefits are determined for all eligible active participants. These benefits reflect service, salary and negotiated benefit increases to date. The liability is then equal to the present value of all benefits (PVAB) for inactive participants plus the PVAB for active participants.

The normal cost is determined on an individual basis for all active participants who have not attained the assumed retirement age and is equal to the present value of the difference between the current accrued benefit and the anticipated accrued benefit one year later, with the accrued benefit based upon earnings, or negotiated benefit increases, to date in both cases. The total normal cost is based upon the sum of the individual normal costs. The target normal cost for funding is equal to the total normal cost plus assumed administrative expenses expected to be paid from the trust.

The projected unit credit method is used for IRS maximum deductible limit cushion amount purposes. Under this method, accrued pension benefits are determined for all eligible active participants. These benefits reflect service to date and anticipated salary and negotiated benefit increases to the assumed retirement age. The liability is then equal to the present value of all benefits for inactive participants plus the PVAB for active participants.

The normal cost is determined on an individual basis for all active participants who have not attained the assumed retirement age and is equal to the present value of the difference between the current accrued benefit and the anticipated accrued benefit one year later, with the accrued benefit based upon earnings and negotiated benefit increases projected to assumed retirement age in both cases. The total normal cost is based upon the sum of the individual normal costs.

Plan Provisions

Plan History

Effective December 31, 2014, the Employees' Pension Plan of Longview Fibre Paper and Packaging, Inc. and the Union Hourly Retirement Plan of Longview Fibre Paper and Packaging, Inc. merged into the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan. The most recent amendment of the plan is as of December 31, 2014.

Longview Non-Union Employees

Effective Date: January 1, 1971.

Covered Employees: All regular (non-union) employees of Longview Fibre Paper and Packaging, Inc. and its participating affiliated companies. Employees who are covered by a collective bargaining agreement, leased employees, or nonresident aliens without income in the United States are not considered Covered Employees.

Eligibility: Covered Employees become participants in the plan on the first day of the first pay period coincident with or next following 30 days of employment. Closed to new entrants effective December 31, 2014.

Definitions:

Vesting Service: The sum of service prior to 2009 calculated as the greater of (a) and (b) plus service for 2009 and beyond using the elapsed time method.

(a) Starting with the anniversary of the date of hire a participant is credited with a year of service if they have 870 or more hours of service.

(b) Period of service during which a Covered Employee is in full-time, continuous employment status. Measured in complete 12 month periods and includes sick leave, vacations, holidays, military leave, leave of absence and time off due to industrial illness or injury.

Normal retirement date (NRD): The first day of the month coincident with or next following a participant's 65th birthday.

Frozen Formula Benefit: Age 65 monthly accrued benefit frozen as of December 31, 2008.

2001 Cash Account: Cash balance benefit frozen in regards to pay credits effective June 1, 2006. Current balance continues to accrue interest credits monthly based upon yield rate of the 10 year US Treasury rate with constant maturity for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

Cash Account: Cash balance benefit frozen in regards to pay credits effective December 31, 2014. Current balance continues to accrue interest credits quarterly based upon the maximum of four percent and the third segment rate as defined in IRC Section 430 (using 24-month averaging) for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

Eligibility for Benefits:

NRD: Retirement on NRD.

Early retirement: Optional retirement upon termination and being vested (3 years of Vesting Service).

Deferred vested: Terminations for reasons other than death or retirement after three years of Vesting Service.

Pre-retirement spouse benefit: Death while eligible for Normal, Early, or Deferred vested retirement benefits, with a surviving spouse.

Bridge benefit: Active participant on January 1, 2009 who was at least 45 years old and had at least 5 years of service, but not satisfying both age 50 and 10 years of service. Participant must satisfy 55 years of age and 15 years of service at time of retirement and retire after 2013 or later.

Benefits Paid Upon the Following Events:

Normal retirement: Monthly Frozen Formula Benefit plus Cash Account and 2001 Cash Account as of NRD.

Early retirement: The monthly Frozen Formula Benefit payable at age 65 reduced 5% per year that benefit commencement precedes age 62 provided that the participant satisfies 55 years of age and 15 years of service. If participant does not satisfy this requirement, then the Frozen Formula Benefit will receive a full actuarial reduction from age 65. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Termination with deferred vested benefit: Monthly Frozen Formula Benefit will receive a full actuarial reduction from age 65. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Death with pre-retirement spouse benefit: Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities payable to the spouse. Amount payable is 50% of the benefit payable to the participant assuming termination and retirement at the date of death in the form of a 50% joint and survivor annuity. If a participant does not satisfy 55 years of age and 15 years of service, yet the sum of the participant's age and service is at least 70 then the benefit is alternatively calculated using a 3% reduction factor. An additional ancillary death benefit is available to a beneficiary who does not receive any employer-provided insurance proceeds from the death of the participant. This benefit is a lump sum in the amount of \$1,000, assuming the participant was eligible for early or normal retirement upon death.

Bridge benefit: \$600 per month in 2014 indexed annually based upon the third segment rate under IRC Section 430 for the preceding November. This benefit is paid only as a temporary life annuity until age 65.

Forms of Payment:

Normal form (single participants): Single life annuity.

Normal form (married participants): Actuarially reduced 50% joint and survivor annuity with spouse as beneficiary.

Optional forms: Participants who retire under the plan may elect a life annuity or joint and survivor annuity (50%, 75%, or 100%) for any portion of their benefit (with the exception of the Bridge benefit). A participant may elect to receive their Cash Account or 2001 Cash Account as a lump sum. If the present value of their total benefit is \$1,000 or less, a lump sum will be paid. If the value of the total benefit is at least \$1,000 but not greater than \$5,000, the participant has the option of taking their entire benefit as a lump sum.

Maximum on Benefits and Pay: All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Future Plan Changes: No future plan changes were recognized in determining pension cost.

Longview Union Employees

Effective Date: January 1, 1948.

Covered Employees: All union employees of Longview Fibre Paper and Packaging, Inc. who are covered by a collective bargaining agreement that allows participation in the plan.

Eligibility: Covered Employees become participants in the plan on the first day of the first pay period coincident with or next following one year of service. Closed to Longview and Seattle employees effective January 1, 2011.

Definitions:

Vesting Service: The greater of (a) and (b):

(a) Starting with the anniversary of the date of hire a participant is credited with a year of service if they have 870 or more hours of service.

(b) Period of service during which a Covered Employee is in continuous employment status. Measured in complete 12 month periods and includes sick leave, leave of absence, holidays, vacations, military leave and time off due to industrial illness or injury.

Normal retirement date (NRD): The first day of the month coincident with or next following a participant's 65th birthday.

Frozen Bargained Pension (Longview and Seattle): Age 65 monthly accrued benefit frozen as of December 31, 2010.

2001 Cash Account (Longview and Seattle): Cash balance benefit frozen in regards to contribution credits effective June 1, 2006. Current balance continues to accrue interest credits monthly based upon yield rate of the 10 year US Treasury rate with constant maturity for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

2010 Cash Account (Longview and Seattle): Cash balance benefit frozen in regards to contribution credits effective December 31, 2013. Current balance continues to accrue interest credits monthly based upon the yield rate of the 10 year US Treasury rate with constant maturity for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

Bargained Pension (Oakland): Flat benefit amount based upon service and date of termination.

Termination Date on or After	Rate
01/01/2005	\$32.00
01/01/2006	\$33.00
01/01/2007	\$34.00
01/01/2008	\$35.00
01/01/2009	\$36.00
01/01/2011	\$38.00
01/01/2015	\$39.00

Eligibility for Benefits:

NRD: Retirement on NRD.

Early retirement:

Longview/Seattle: Optional retirement upon termination after age 55 with 15 years of service.

Oakland: Optional retirement upon termination after age 55 with 20 years of service.

Disability: Deemed disabled by the Social Security Administration and having 10 years (Longview/Seattle) or 15 years (Oakland) of service (part (b) only of the Vesting Service described above).

Deferred vested: Terminations for reasons other than death or retirement after three years of service (part (a) of the Vesting Service described above) or 10 years of service (part (b) only of the Vesting Service described above).

Pre-retirement spouse benefit: Death while eligible for Normal, Early, or Deferred vested retirement benefits, with a surviving spouse and having three years of service (part (a) of the Vesting Service described above) or 10 years of service (part (b) of the Vesting Service described above).

Benefits Paid Upon the Following Events:

Normal retirement: Monthly Bargained Pension or the monthly Frozen Bargained Pension plus 2001 Cash Account and 2010 Cash Account as of NRD (if applicable).

Early retirement:

Longview/Seattle: The monthly Frozen Bargained Pension payable at age 65 reduced 3% per year benefit commencement precedes age 62 provided that the participant satisfies 55 years of age and 15 years of service. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Oakland: The monthly Bargained Pension payable at age 65 reduced 6.67% per year from age 65 to age 60, then reduced 3.33% per year from age 60 to age 55 provided that the participant satisfies 55 years of age and 20 years of service. There is no reduction at age 62 if the participant has 30 years of service. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Disability: Accrued benefit payable immediately without reduction. This does not include any cash account benefits which may be taken at any time as a lump sum or actuarially equivalent annuity.

Termination with deferred vested benefit: Amount payable is the accrued benefit at NRD with the exception of those who satisfy age 55 and 15 years of service (*part (b) of the Vesting Service described above*) (Longview/Seattle) or 20 years of service (*part (b) of the Vesting Service described above*) (Oakland). These participants can receive an actuarially equivalent amount on or after age 55. Any deferred vested participant can take their respective Cash Accounts as lump sums or actuarially equivalent annuities.

Death with pre-retirement spouse benefit: Both the 2001 Cash Account and 2010 Cash Account may be paid as lump sums or actuarially equivalent annuities payable to the spouse. Amount payable is 50% of the benefit payable to the participant assuming termination and retirement at the date of death in the form of a 50% joint and survivor annuity. An additional ancillary death benefit is available to a beneficiary who does not receive any employer-provided insurance proceeds from the death of the participant. This benefit is a lump sum in the amount of \$1,000, assuming the participant was eligible for Early or Normal retirement upon death.

Forms of Payment:

Normal form (single participants): Single life annuity.

Normal form (married participants): Actuarially reduced 50% joint and survivor annuity with spouse as beneficiary.

Optional forms: Participants who retire under the plan may elect a life annuity or joint and survivor annuity (50%, 75%, or 100%) for any portion of their benefit. A participant may elect to receive their 2001 Cash Account or 2010 Cash Account as a lump sum. If the present value of their total benefit is \$1,000 or less, a lump sum will be paid. If the value of the total benefit is at least \$1,000 but not greater than \$5,000, the participant has the option of taking their entire benefit as a lump sum.

Maximum on Benefits and Pay: All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

KapStone Employees

Effective Date: January 1, 2007.

Covered Employees: All employees of the KapStone Paper and Packaging Corporation who are covered by a collective bargaining agreement that allows participation in the plan.

Plan Eligibility:

Roanoke: Covered Employees who are part of the United Steel Workers Local 9-425, Roanoke Rapids, NC and have attained age 21 and 1 year of eligibility service (1000 hour rule).

Charleston: Covered Employees who are part of the USWA Local 9-0508, USWA 9-1435, IAM 183 or IBEW Local 1753, Charleston, SC become eligible immediately.

Fordyce: Employees are no longer eligible as a result of the sale of the Fordyce location on 3/20/2009.

Definitions:

Normal retirement date (NRD): The first day of the month coincident with or next following a participant's 65th birthday.

Accrued Benefit: Age 65 monthly accrued benefit payable for life:
Roanoke: Flat benefit amount based upon service and date of termination.

Termination Date on or After	Rate
Before 06/01/2007	\$42.00
06/01/2007	\$45.00
01/01/2011	\$48.00
01/01/2012	\$50.00
01/01/2014	\$51.50

Additional benefit is provided in the amount of \$3 times service prior to 01/01/2007 under the Retirement Plan of the International Paper Company.

Charleston: Flat benefit amount based upon service (earned after 06/30/2008) and date of termination.

Termination Date on or After	Rate
Before 04/01/2009	\$45.00
04/01/2009	\$46.00
04/01/2010	\$48.00
04/01/2011	\$50.00
04/01/2012	\$51.00
04/01/2013	\$51.50

Fordyce: Flat benefit amount based upon service and date of termination. All participants are inactive thus amounts are frozen.

Eligibility for Benefits:

NRD: Retirement on NRD.

Early retirement:

Roanoke/Fordyce: Optional retirement upon termination after age 55 with 10 years of vesting service or age 50 with 20 years of vesting service and actively employed on the date of a mill closure.

Charleston: Optional retirement upon termination after age 55 with 5 years of vesting service.

Disability:

Roanoke: Deemed disabled by the Social Security Administration.

Charleston: Deemed disabled by the Social Security Administration and having 10 years of vesting service.

Deferred vested: Terminations for reasons other than death, disability, retirement or mill closure after five years of service.

Pre-retirement spouse benefit: Death while participant is partially or fully vested in their Accrued Benefit.

Benefits Paid Upon the Following Events:

Normal retirement: Accrued Benefit.

Early retirement:

Roanoke/Fordyce: Accrued Benefit multiplied by the applicable percentage in the table below:

Age	Percentage (%)
64	100
63	100
62	100
61	94*
60	87
59	83
58	78
57	73
56	69
55	65
54	61**
53	57**
52	53**
51	49**
50	45**

*If a participant is age 61 with at least 20 years of service, then no reduction shall apply.

** Only those participants who retired due to a mill closure are eligible.

Charleston: Accrued Benefit multiplied by the applicable percentage in the table below:

Age	Percentage (%) if Service < 20*	Percentage (%) if Service >= 20
64	97	100
63	94	100
62	91	100
61	85	94
60	79	88
59	73	82
58	67	76
57	61	70
56	55	64
55	49	58

* If a participant has less than 20 years of service when they retire under the MeadWestvaco Corporation Retirement Plan for Bargained Union Employees, yet have at least 20 years of service upon retirement in this plan, then the benefit will be increased to reflect the difference in amounts attributable to the early retirement factors between the plans.

Disability:

Roanoke: Accrued benefit on the date of disability unless a participant has at least 10 years of vesting service in which case the amount payable from date of disability to NRD has a minimum value of \$250, after which the accrued benefit is paid.

Charleston: Accrued benefit on the date of disability without any reduction for any MeadWestvaco benefits until those benefits commence.

Termination with deferred vested benefit: Amount payable is the Accrued Benefit.

Death with pre-retirement spouse benefit: Amount payable is 50% of the benefit payable to the participant assuming termination at the date of death in the form of a 50% joint and survivor annuity based upon the participant surviving to their earliest retirement age.

Forms of Payment:

Normal form (single participants): Single life annuity.

Normal form (married participants): Actuarially reduced 50% joint and survivor annuity with spouse as beneficiary.

Attachment to 2015 Schedule SB
Part V: Summary of Plan Provisions
KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan
EIN: 20-2699372
Plan Number: 002

Optional forms: Participants who retire under the plan may elect a life annuity, joint and survivor annuity, certain and life annuity or a level income option annuity for their benefit. If the present value of their total benefit is \$1,000 or less, a lump sum will be paid. If the value of the total benefit is at least \$1,000 but not greater than \$5,000, the participant has the option of taking their entire benefit as a lump sum.

Maximum on Benefits and Pay: All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Future Plan Changes: None

Attachment to 2015 Schedule SB
Line 26: Schedule of Active Participant Data – All Actives
KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan
EIN: 20-2699372
Plan Number: 002

Completed Years of Service on January 1, 2015

Attained Age	Completed Years of Service on January 1, 2015									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
Under 25	12	19	1	0	0	0	0	0	0	0
25-29	8	51	22	2	0	0	0	0	0	0
30-34	5	53	63	24	2	0	0	0	0	0
35-39	5	42	53	38	31	2	0	0	0	0
40-44	4	47	48	30	71	42	4	0	0	0
45-49	10	55	41	34	73	87	48	3	0	0
50-54	8	62	36	26	58	86	123	39	8	0
55-59	3	47	30	19	36	48	86	57	97	11
60-64	2	24	18	17	20	17	38	20	29	37
65-69	0	5	8	4	4	4	5	3	0	11
Over 69	0	1	0	0	0	0	0	0	1	1

Attachment to 2015 Schedule SB
Line 26: Schedule of Active Participant Data – All Actives with a Cash Balance Account
KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan
EIN: 20-2699372
Plan Number: 002

Attained Age Under 25	Statistic Count	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
		12	14								
25-29	Avg Balance										
	Count	8	25	8							
30-34	Avg Balance		16,168								
	Count	5	28	7	11						
35-39	Avg Balance		16,298								
	Count	5	21	16	11	19	2				
40-44	Avg Balance		17,809								
	Count	4	27	10	10	35	25	1			
45-49	Avg Balance		33,729			29,303	24,313				
	Count	10	34	10	13	37	49	13			
50-54	Avg Balance		32,826			24,272	29,928				
	Count	8	50	18	8	28	44	69	13	3	
55-59	Avg Balance		31,839			33,373	35,335	58,833			
	Count	3	38	13	9	16	23	53	16	58	9
60-64	Avg Balance		58,560				43,292	53,781		83,112	
	Count	2	21	12	11	7	3	19	5	9	12
65-69	Avg Balance		38,200								
	Count		5	6	2	3	3				1
Over 69	Avg Balance										
	Count		1								

Description of Weighted Average Retirement Age

Age	Legacy Longview Union (579 Actives)	Legacy Longview Non-Union (671 Actives)	Legacy Kapstone (929 Actives)	Weighted Average Retirement Rates	Probability of Not Retiring Before Age	Weighted Retirement Age
55.5	0.05	0.07		0.034842	1.000000	1.933713
56.5	0.05	0.07		0.034842	0.965158	1.899967
57.5	0.03	0.07		0.029527	0.931531	1.581571
58.5	0.04	0.07		0.032184	0.904025	1.702092
59.5	0.04	0.07		0.032184	0.874929	1.675470
60.5	0.05	0.20		0.074874	0.846770	3.835755
61.5	0.05	0.25		0.090271	0.783369	4.348994
62.5	0.35	0.50	1.00	0.673313	0.712654	29.989971
63.5	0.30	0.35	1.00	0.613837	0.232814	9.074789
64.5	0.35	0.35	1.00	0.627123	0.089904	3.636580
65.5	1.00	0.35	1.00	0.799839	0.033523	1.756270
66.5	1.00	0.35	1.00	0.799839	0.006710	0.356903
67.5	1.00	0.35	1.00	0.799839	0.001343	0.072512
68.5	1.00	0.35	1.00	0.799839	0.000269	0.014729
69.5	1.00	0.35	1.00	0.799839	0.000054	0.002991
70	1.00	1.00	1.00	1.000000	0.000011	0.000754

Weighted Average Retirement Age 61.88306

Rounded Weighted Average Retirement Age 62

The weighted average retirement rate was calculated by multiplying the retirement rate for each legacy group by the percentage of active participants in that group.

The weighted average retirement age was calculated by multiplying each possible retirement age by the probability of surviving to that age and then retiring. These products were then summed to produce the weighted average retirement age.

Description of Weighted Average Retirement Age

Age	Legacy Longview Union (579 Actives)	Legacy Longview Non-Union (671 Actives)	Legacy Kapstone (929 Actives)	Weighted Average Retirement Rates	Probability of Not Retiring Before Age	Weighted Retirement Age
55.5	0.05	0.07		0.034842	1.000000	1.933713
56.5	0.05	0.07		0.034842	0.965158	1.899967
57.5	0.03	0.07		0.029527	0.931531	1.581571
58.5	0.04	0.07		0.032184	0.904025	1.702092
59.5	0.04	0.07		0.032184	0.874929	1.675470
60.5	0.05	0.20		0.074874	0.846770	3.835755
61.5	0.05	0.25		0.090271	0.783369	4.348994
62.5	0.35	0.50	1.00	0.673313	0.712654	29.989971
63.5	0.30	0.35	1.00	0.613837	0.232814	9.074789
64.5	0.35	0.35	1.00	0.627123	0.089904	3.636580
65.5	1.00	0.35	1.00	0.799839	0.033523	1.756270
66.5	1.00	0.35	1.00	0.799839	0.006710	0.356903
67.5	1.00	0.35	1.00	0.799839	0.001343	0.072512
68.5	1.00	0.35	1.00	0.799839	0.000269	0.014729
69.5	1.00	0.35	1.00	0.799839	0.000054	0.002991
70	1.00	1.00	1.00	1.000000	0.000011	0.000754

Weighted Average Retirement Age 61.88306

Rounded Weighted Average Retirement Age 62

The weighted average retirement rate was calculated by multiplying the retirement rate for each legacy group by the percentage of active participants in that group.

The weighted average retirement age was calculated by multiplying each possible retirement age by the probability of surviving to that age and then retiring. These products were then summed to produce the weighted average retirement age.



KAPSTONE PAPER AND PACKAGING CORPORATION

1101 Skokie Blvd. - Suite 300 Northbrook, IL 60062-4124
847-239-8800

September 8, 2016

Linda M. Kirk
Principal Financial Group
PO Box 9394
Des Moines, IA 50306

I, as plan administrator, verify that the explanation that is reproduced below is the explanation concerning your termination reported on the Schedule C (Form 5500) attached to the 2015 Form 5500, Annual Return/Report of Employee Benefit Plan, for the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan.

This Form 5500 is identified in line 2b by the nine-digit EIN 20-2699372 and in line 1b by the three-digit PN 002.

As a result of a change in the firms providing actuarial services, the enrolled actuary has changed.

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN, and PN of the plan and be submitted to:

Office of Enforcement,
Employee Benefits Security Administration
U.S. Department of Labor,
200 Constitution Avenue, N.W.
Washington, DC 20210



Jeffrey Zroback
Director, Benefits Design and Compliance
KapStone Paper and Packaging Corporation

9/8/16

DATE

Plan Provisions

Plan History

Effective December 31, 2014, the Employees' Pension Plan of Longview Fibre Paper and Packaging, Inc. and the Union Hourly Retirement Plan of Longview Fibre Paper and Packaging, Inc. merged into the KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan. The most recent amendment of the plan is as of December 31, 2014.

Longview Non-Union Employees

Effective Date: January 1, 1971.

Covered Employees: All regular (non-union) employees of Longview Fibre Paper and Packaging, Inc. and its participating affiliated companies. Employees who are covered by a collective bargaining agreement, leased employees, or nonresident aliens without income in the United States are not considered Covered Employees.

Eligibility: Covered Employees become participants in the plan on the first day of the first pay period coincident with or next following 30 days of employment. Closed to new entrants effective December 31, 2014.

Definitions:

Vesting Service: The sum of service prior to 2009 calculated as the greater of (a) and (b) plus service for 2009 and beyond using the elapsed time method.

(a) Starting with the anniversary of the date of hire a participant is credited with a year of service if they have 870 or more hours of service.

(b) Period of service during which a Covered Employee is in full-time, continuous employment status. Measured in complete 12 month periods and includes sick leave, vacations, holidays, military leave, leave of absence and time off due to industrial illness or injury.

Normal retirement date (NRD): The first day of the month coincident with or next following a participant's 65th birthday.

Frozen Formula Benefit: Age 65 monthly accrued benefit frozen as of December 31, 2008.

2001 Cash Account: Cash balance benefit frozen in regards to pay credits effective June 1, 2006. Current balance continues to accrue interest credits monthly based upon yield rate of the 10 year US Treasury rate with constant maturity for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

Cash Account: Cash balance benefit frozen in regards to pay credits effective December 31, 2014. Current balance continues to accrue interest credits quarterly based upon the maximum of four percent and the third segment rate as defined in IRC Section 430 (using 24-month averaging) for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

Eligibility for Benefits:

NRD: Retirement on NRD.

Early retirement: Optional retirement upon termination and being vested (3 years of Vesting Service).

Deferred vested: Terminations for reasons other than death or retirement after three years of Vesting Service.

Pre-retirement spouse benefit: Death while eligible for Normal, Early, or Deferred vested retirement benefits, with a surviving spouse.

Bridge benefit: Active participant on January 1, 2009 who was at least 45 years old and had at least 5 years of service, but not satisfying both age 50 and 10 years of service. Participant must satisfy 55 years of age and 15 years of service at time of retirement and retire after 2013 or later.

Benefits Paid Upon the Following Events:

Normal retirement: Monthly Frozen Formula Benefit plus Cash Account and 2001 Cash Account as of NRD.

Early retirement: The monthly Frozen Formula Benefit payable at age 65 reduced 5% per year that benefit commencement precedes age 62 provided that the participant satisfies 55 years of age and 15 years of service. If participant does not satisfy this requirement, then the Frozen Formula Benefit will receive a full actuarial reduction from age 65. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Termination with deferred vested benefit: Monthly Frozen Formula Benefit will receive a full actuarial reduction from age 65. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Death with pre-retirement spouse benefit: Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities payable to the spouse. Amount payable is 50% of the benefit payable to the participant assuming termination and retirement at the date of death in the form of a 50% joint and survivor annuity. If a participant does not satisfy 55 years of age and 15 years of service, yet the sum of the participant's age and service is at least 70 then the benefit is alternatively calculated using a 3% reduction factor. An additional ancillary death benefit is available to a beneficiary who does not receive any employer-provided insurance proceeds from the death of the participant. This benefit is a lump sum in the amount of \$1,000, assuming the participant was eligible for early or normal retirement upon death.

Bridge benefit: \$600 per month in 2014 indexed annually based upon the third segment rate under IRC Section 430 for the preceding November. This benefit is paid only as a temporary life annuity until age 65.

Forms of Payment:

Normal form (single participants): Single life annuity.

Normal form (married participants): Actuarially reduced 50% joint and survivor annuity with spouse as beneficiary.

Optional forms: Participants who retire under the plan may elect a life annuity or joint and survivor annuity (50%, 75%, or 100%) for any portion of their benefit (with the exception of the Bridge benefit). A participant may elect to receive their Cash Account or 2001 Cash Account as a lump sum. If the present value of their total benefit is \$1,000 or less, a lump sum will be paid. If the value of the total benefit is at least \$1,000 but not greater than \$5,000, the participant has the option of taking their entire benefit as a lump sum.

Maximum on Benefits and Pay: All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Future Plan Changes: No future plan changes were recognized in determining pension cost.

Longview Union Employees

Effective Date: January 1, 1948.

Covered Employees: All union employees of Longview Fibre Paper and Packaging, Inc. who are covered by a collective bargaining agreement that allows participation in the plan.

Eligibility: Covered Employees become participants in the plan on the first day of the first pay period coincident with or next following one year of service. Closed to Longview and Seattle employees effective January 1, 2011.

Definitions:

Vesting Service: The greater of (a) and (b):

(a) Starting with the anniversary of the date of hire a participant is credited with a year of service if they have 870 or more hours of service.

(b) Period of service during which a Covered Employee is in continuous employment status. Measured in complete 12 month periods and includes sick leave, leave of absence, holidays, vacations, military leave and time off due to industrial illness or injury.

Normal retirement date (NRD): The first day of the month coincident with or next following a participant's 65th birthday.

Frozen Bargained Pension (Longview and Seattle): Age 65 monthly accrued benefit frozen as of December 31, 2010.

2001 Cash Account (Longview and Seattle): Cash balance benefit frozen in regards to contribution credits effective June 1, 2006. Current balance continues to accrue interest credits monthly based upon yield rate of the 10 year US Treasury rate with constant maturity for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

2010 Cash Account (Longview and Seattle): Cash balance benefit frozen in regards to contribution credits effective December 31, 2013. Current balance continues to accrue interest credits monthly based upon the yield rate of the 10 year US Treasury rate with constant maturity for the November of the prior year. Actuarial equivalence for annuity conversion is based on IRC Section 417(e)(3) applicable interest and mortality.

Bargained Pension (Oakland): Flat benefit amount based upon service and date of termination.

Termination Date on or After	Rate
01/01/2005	\$32.00
01/01/2006	\$33.00
01/01/2007	\$34.00
01/01/2008	\$35.00
01/01/2009	\$36.00
01/01/2011	\$38.00
01/01/2015	\$39.00

Eligibility for Benefits:

NRD: Retirement on NRD.

Early retirement:

Longview/Seattle: Optional retirement upon termination after age 55 with 15 years of service.

Oakland: Optional retirement upon termination after age 55 with 20 years of service.

Disability: Deemed disabled by the Social Security Administration and having 10 years (Longview/Seattle) or 15 years (Oakland) of service (part (b) only of the Vesting Service described above).

Deferred vested: Terminations for reasons other than death or retirement after three years of service (part (a) of the Vesting Service described above) or 10 years of service (part (b) only of the Vesting Service described above).

Pre-retirement spouse benefit: Death while eligible for Normal, Early, or Deferred vested retirement benefits, with a surviving spouse and having three years of service (part (a) of the Vesting Service described above) or 10 years of service (part (b) of the Vesting Service described above).

Benefits Paid Upon the Following Events:

Normal retirement: Monthly Bargained Pension or the monthly Frozen Bargained Pension plus 2001 Cash Account and 2010 Cash Account as of NRD (if applicable).

Early retirement:

Longview/Seattle: The monthly Frozen Bargained Pension payable at age 65 reduced 3% per year benefit commencement precedes age 62 provided that the participant satisfies 55 years of age and 15 years of service. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Oakland: The monthly Bargained Pension payable at age 65 reduced 6.67% per year from age 65 to age 60, then reduced 3.33% per year from age 60 to age 55 provided that the participant satisfies 55 years of age and 20 years of service. There is no reduction at age 62 if the participant has 30 years of service. Both the Cash Account and 2001 Cash Account may be paid as lump sums or actuarially equivalent annuities.

Disability: Accrued benefit payable immediately without reduction. This does not include any cash account benefits which may be taken at any time as a lump sum or actuarially equivalent annuity.

Termination with deferred vested benefit: Amount payable is the accrued benefit at NRD with the exception of those who satisfy age 55 and 15 years of service (*part (b) of the Vesting Service described above*) (Longview/Seattle) or 20 years of service (*part (b) of the Vesting Service described above*) (Oakland). These participants can receive an actuarially equivalent amount on or after age 55. Any deferred vested participant can take their respective Cash Accounts as lump sums or actuarially equivalent annuities.

Death with pre-retirement spouse benefit: Both the 2001 Cash Account and 2010 Cash Account may be paid as lump sums or actuarially equivalent annuities payable to the spouse. Amount payable is 50% of the benefit payable to the participant assuming termination and retirement at the date of death in the form of a 50% joint and survivor annuity. An additional ancillary death benefit is available to a beneficiary who does not receive any employer-provided insurance proceeds from the death of the participant. This benefit is a lump sum in the amount of \$1,000, assuming the participant was eligible for Early or Normal retirement upon death.

Forms of Payment:

Normal form (single participants): Single life annuity.

Normal form (married participants): Actuarially reduced 50% joint and survivor annuity with spouse as beneficiary.

Optional forms: Participants who retire under the plan may elect a life annuity or joint and survivor annuity (50%, 75%, or 100%) for any portion of their benefit. A participant may elect to receive their 2001 Cash Account or 2010 Cash Account as a lump sum. If the present value of their total benefit is \$1,000 or less, a lump sum will be paid. If the value of the total benefit is at least \$1,000 but not greater than \$5,000, the participant has the option of taking their entire benefit as a lump sum.

Maximum on Benefits and Pay: All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

KapStone Employees

Effective Date: January 1, 2007.

Covered Employees: All employees of the KapStone Paper and Packaging Corporation who are covered by a collective bargaining agreement that allows participation in the plan.

Plan Eligibility:

Roanoke: Covered Employees who are part of the United Steel Workers Local 9-425, Roanoke Rapids, NC and have attained age 21 and 1 year of eligibility service (1000 hour rule).

Charleston: Covered Employees who are part of the USWA Local 9-0508, USWA 9-1435, IAM 183 or IBEW Local 1753, Charleston, SC become eligible immediately.

Fordyce: Employees are no longer eligible as a result of the sale of the Fordyce location on 3/20/2009.

Definitions:

Normal retirement date (NRD): The first day of the month coincident with or next following a participant's 65th birthday.

Accrued Benefit: Age 65 monthly accrued benefit payable for life:
Roanoke: Flat benefit amount based upon service and date of termination.

Termination Date on or After	Rate
Before 06/01/2007	\$42.00
06/01/2007	\$45.00
01/01/2011	\$48.00
01/01/2012	\$50.00
01/01/2014	\$51.50

Additional benefit is provided in the amount of \$3 times service prior to 01/01/2007 under the Retirement Plan of the International Paper Company.

Charleston: Flat benefit amount based upon service (earned after 06/30/2008) and date of termination.

Termination Date on or After	Rate
Before 04/01/2009	\$45.00
04/01/2009	\$46.00
04/01/2010	\$48.00
04/01/2011	\$50.00
04/01/2012	\$51.00
04/01/2013	\$51.50

Fordyce: Flat benefit amount based upon service and date of termination. All participants are inactive thus amounts are frozen.

Eligibility for Benefits:

NRD: Retirement on NRD.

Early retirement:

Roanoke/Fordyce: Optional retirement upon termination after age 55 with 10 years of vesting service or age 50 with 20 years of vesting service and actively employed on the date of a mill closure.

Charleston: Optional retirement upon termination after age 55 with 5 years of vesting service.

Disability:

Roanoke: Deemed disabled by the Social Security Administration.

Charleston: Deemed disabled by the Social Security Administration and having 10 years of vesting service.

Deferred vested: Terminations for reasons other than death, disability, retirement or mill closure after five years of service.

Pre-retirement spouse benefit: Death while participant is partially or fully vested in their Accrued Benefit.

Benefits Paid Upon the Following Events:

Normal retirement: Accrued Benefit.

Early retirement:

Roanoke/Fordyce: Accrued Benefit multiplied by the applicable percentage in the table below:

Age	Percentage (%)
64	100
63	100
62	100
61	94*
60	87
59	83
58	78
57	73
56	69
55	65
54	61**
53	57**
52	53**
51	49**
50	45**

*If a participant is age 61 with at least 20 years of service, then no reduction shall apply.

** Only those participants who retired due to a mill closure are eligible.

Charleston: Accrued Benefit multiplied by the applicable percentage in the table below:

Age	Percentage (%) if Service < 20*	Percentage (%) if Service >= 20
64	97	100
63	94	100
62	91	100
61	85	94
60	79	88
59	73	82
58	67	76
57	61	70
56	55	64
55	49	58

* If a participant has less than 20 years of service when they retire under the MeadWestvaco Corporation Retirement Plan for Bargained Union Employees, yet have at least 20 years of service upon retirement in this plan, then the benefit will be increased to reflect the difference in amounts attributable to the early retirement factors between the plans.

Disability:

Roanoke: Accrued benefit on the date of disability unless a participant has at least 10 years of vesting service in which case the amount payable from date of disability to NRD has a minimum value of \$250, after which the accrued benefit is paid.

Charleston: Accrued benefit on the date of disability without any reduction for any MeadWestvaco benefits until those benefits commence.

Termination with deferred vested benefit: Amount payable is the Accrued Benefit.

Death with pre-retirement spouse benefit: Amount payable is 50% of the benefit payable to the participant assuming termination at the date of death in the form of a 50% joint and survivor annuity based upon the participant surviving to their earliest retirement age.

Forms of Payment:

Normal form (single participants): Single life annuity.

Normal form (married participants): Actuarially reduced 50% joint and survivor annuity with spouse as beneficiary.

Attachment to 2015 Schedule SB

Part V: Summary of Plan Provisions

KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan

EIN: 20-2699372

Plan Number: 002

Optional forms: Participants who retire under the plan may elect a life annuity, joint and survivor annuity, certain and life annuity or a level income option annuity for their benefit. If the present value of their total benefit is \$1,000 or less, a lump sum will be paid. If the value of the total benefit is at least \$1,000 but not greater than \$5,000, the participant has the option of taking their entire benefit as a lump sum.

Maximum on Benefits and Pay: All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Future Plan Changes: None

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
BANK OF AMERICA	BANK OF AMERICA				11,724.0000	11,724	11,724	CASH AND CASH EQUIVALENTS
* WF GOVT MM FD-INSTL #1751	WF GOVT MM FD-INSTL #1751	GVIXX			9,190,260.9700	9,190,261	9,190,261	CASH AND CASH EQUIVALENTS
ARGO GROUP INTL HLDGS LTD	ARGO GROUP INTL HLDGS LTD	G0464B107			882.0000	40,259	52,779	COMMON STOCKS
HELEN OF TROY LIMITED	HELEN OF TROY LIMITED	G4388N106			1,076.0000	57,546	101,413	COMMON STOCKS
MAIDEN HOLDINGS LTD	MAIDEN HOLDINGS LTD	G5753U112			7,062.0000	82,279	106,283	COMMON STOCKS
NABORS INDUSTRIES LTD	NABORS INDUSTRIES LTD	G6359F103			3,396.0000	44,553	28,900	COMMON STOCKS
ORTHOFIX INTL NV	ORTHOFIX INTL NV	N6748L102			721.0000	22,550	28,270	COMMON STOCKS
AMERICAN AXLE & MFG HLDGS	AMERICAN AXLE & MFG HLDGS	AXL			2,498.0000	42,889	47,312	COMMON STOCKS
WINNEBAGO INDS INC	WINNEBAGO INDS INC	974637100			4,988.0000	113,801	99,261	COMMON STOCKS
ETHAN ALLEN INTERIORS INC	ETHAN ALLEN INTERIORS INC	297602104			3,050.0000	69,278	84,851	COMMON STOCKS
MERITAGE HOMES CORPORATIO	MERITAGE HOMES CORPORATIO	59001A102			2,215.0000	84,192	75,288	COMMON STOCKS
TUPPERWARE BRANDS CORPORA	TUPPERWARE BRANDS CORPORA	899896104			909.0000	49,854	50,900	COMMON STOCKS
UNIFIRST CORP MASS	UNIFIRST CORP MASS	904708104			882.0000	85,824	91,937	COMMON STOCKS
CROCS INC	CROCS INC	227046109			3,911.0000	48,030	40,049	COMMON STOCKS
PINNACLE ENTERTAINMENT IN	PINNACLE ENTERTAINMENT IN	723456109			2,246.0000	49,643	69,896	COMMON STOCKS
BJS RESTAURANTS INC	BJS RESTAURANTS INC	09180C106			1,754.0000	80,250	76,246	COMMON STOCKS
TEXAS ROADHOUSE, INC COMM	TEXAS ROADHOUSE, INC COMM	882681109			200.0000	6,999	7,154	COMMON STOCKS
ABERCROMBIE & FITCH CO CL	ABERCROMBIE & FITCH CO CL	ANF			947.0000	20,327	25,569	COMMON STOCKS
AMERICAN EAGLE OUTFITTERS	AMERICAN EAGLE OUTFITTERS	AEO			2,642.0000	41,886	40,951	COMMON STOCKS
BUCKLE INC COM	BUCKLE INC COM	118440106			1,204.0000	53,850	37,059	COMMON STOCKS
GENESCO INC COM	GENESCO INC COM	371532102			1,461.0000	103,814	83,029	COMMON STOCKS
CABELAS INC	CABELAS INC	126804301			577.0000	28,359	26,963	COMMON STOCKS
CASEYS GEN STORES INC	CASEYS GEN STORES INC	147528103			1,013.0000	68,014	122,016	COMMON STOCKS
J & J SNACK FOODS CORP	J & J SNACK FOODS CORP	466032109			267.0000	26,621	31,255	COMMON STOCKS
SANDERSON FARMS INC	SANDERSON FARMS INC	800013104			1,222.0000	105,608	94,729	COMMON STOCKS
GEOSPACE TECHNOLOGIES COR	GEOSPACE TECHNOLOGIES COR	37364X109			1,336.0000	52,855	18,798	COMMON STOCKS
HORNBECK OFFSHORE SVCS IN	HORNBECK OFFSHORE SVCS IN	4.41E+08			4,158.0000	157,104	41,331	COMMON STOCKS
NATURAL GAS SERVICES GROU	NATURAL GAS SERVICES GROU	63886Q109			2,348.0000	74,106	52,360	COMMON STOCKS
BONANZA CREEK ENERGY INC	BONANZA CREEK ENERGY INC	BCEI			5,274.0000	38,648	27,794	COMMON STOCKS
CARRIZO OIL & GAS INC	CARRIZO OIL & GAS INC	144577103			1,456.0000	87,471	43,068	COMMON STOCKS
DENBURY RESOURCES	DENBURY RESOURCES	247916208			6,192.0000	23,546	12,508	COMMON STOCKS
PARSLEY ENERGY INC-CLASS	PARSLEY ENERGY INC-CLASS	701877102			3,663.0000	59,685	67,582	COMMON STOCKS
SYNERGY RESOURCES CORP	SYNERGY RESOURCES CORP	87164P103			4,720.0000	49,484	40,214	COMMON STOCKS
WESTERN REFNG INC	WESTERN REFNG INC	959319104			1,396.0000	56,056	49,726	COMMON STOCKS
AMERICAN EQUITY INVT LIFE	AMERICAN EQUITY INVT LIFE	AEL			4,988.0000	110,161	119,862	COMMON STOCKS
STANCORP FINL GROUP INC	STANCORP FINL GROUP INC	852891100			933.0000	56,097	106,250	COMMON STOCKS
HORACE MANN EDUCATORS COR	HORACE MANN EDUCATORS COR	440327104			1,429.0000	45,589	47,414	COMMON STOCKS
HOMESTREET INC	HOMESTREET INC	43785V102			3,687.0000	81,985	80,045	COMMON STOCKS
WASHINGTON FEDERAL INC	WASHINGTON FEDERAL INC	938824109			4,188.0000	87,037	99,800	COMMON STOCKS
BANK OF THE OZARKS INC	BANK OF THE OZARKS INC	OZRK			2,677.0000	85,645	132,404	COMMON STOCKS
BANKUNITED INC	BANKUNITED INC	06652K103			2,714.0000	83,667	97,867	COMMON STOCKS
BANNER CORP	BANNER CORP	06652V208			1,834.0000	73,093	84,437	COMMON STOCKS
CAMDEN NATL CORP	CAMDEN NATL CORP	133034108			1,394.0000	51,980	61,461	COMMON STOCKS
CASCADE BANCORP	CASCADE BANCORP	147154207			5,777.0000	27,944	35,066	COMMON STOCKS
COBIZ FINANCIAL INC - RR.	COBIZ FINANCIAL INC - RR.	190897108			2,144.0000	24,198	28,772	COMMON STOCKS
COLUMBIA BANKING SYSTEM I	COLUMBIA BANKING SYSTEM I	197236102			2,012.0000	50,496	65,410	COMMON STOCKS
ENTERPRISE FINL SVCS CORP	ENTERPRISE FINL SVCS CORP	293712105			1,776.0000	31,403	50,350	COMMON STOCKS
FIDELITY SOUTHERN CORP	FIDELITY SOUTHERN CORP	316394105			2,448.0000	33,882	54,615	COMMON STOCKS

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
FIRST FOUNDATION INC	FIRST FOUNDATION INC	32026V104			1,274.0000	24,525	30,054	COMMON STOCKS
GREAT SOUTHN BANCORP INC	GREAT SOUTHN BANCORP INC	390905107			948.0000	29,332	43,115	COMMON STOCKS
HOME BANCSHARES INC/CONWA	HOME BANCSHARES INC/CONWA	436893200			2,476.0000	72,749	100,328	COMMON STOCKS
IBERIABANK CORP	IBERIABANK CORP	450828108			1,292.0000	81,737	71,590	COMMON STOCKS
LAKELAND FINL CORP	LAKELAND FINL CORP	511656100			567.0000	20,598	26,434	COMMON STOCKS
LEGACYTEXAS FINANCIAL GRO	LEGACYTEXAS FINANCIAL GRO	52471Y106			2,740.0000	67,107	68,555	COMMON STOCKS
OLD NATL BANCORP	OLD NATL BANCORP	680033107			1,785.0000	23,680	24,205	COMMON STOCKS
PACWEST BANCORP	PACWEST BANCORP	PACW			4,230.0000	171,049	182,313	COMMON STOCKS
SOUTH STATE CORP	SOUTH STATE CORP	840441109			697.0000	39,927	50,149	COMMON STOCKS
SOUTHWEST BANCORP INC OKL	SOUTHWEST BANCORP INC OKL	844767103			3,065.0000	47,448	53,576	COMMON STOCKS
UMPQUA HOLDINGS CORP	UMPQUA HOLDINGS CORP	904214103			7,634.0000	127,071	122,602	COMMON STOCKS
UNION BANKSHARES CORP	UNION BANKSHARES CORP	90539J109			2,501.0000	58,729	63,125	COMMON STOCKS
UNITED COMMUNITY BANKS IN	UNITED COMMUNITY BANKS IN	90984P303			4,746.0000	88,736	92,784	COMMON STOCKS
WINTRUST FINL CORP	WINTRUST FINL CORP	97650W108			2,226.0000	101,079	108,006	COMMON STOCKS
FCB FINANCIAL HOLDINGS, I	FCB FINANCIAL HOLDINGS, I	30255G103			3,073.0000	69,096	109,983	COMMON STOCKS
LUMENTUM HOLDINGS INC	LUMENTUM HOLDINGS INC	55024U109			1,213.0000	25,471	26,710	COMMON STOCKS
NEWSTAR FINANCIAL INC	NEWSTAR FINANCIAL INC	65251F105			3,158.0000	35,555	28,359	COMMON STOCKS
WESTWOOD HOLDINGS GROUP I	WESTWOOD HOLDINGS GROUP I	961765104			918.0000	54,023	48,342	COMMON STOCKS
PIPER JAFFRAY COS	PIPER JAFFRAY COS	724078100			3,063.0000	146,679	123,745	COMMON STOCKS
STIFEL FINANCIAL CORP	STIFEL FINANCIAL CORP	860630102			2,556.0000	113,929	108,272	COMMON STOCKS
RETAIL OPPORTUNITY INVEST	RETAIL OPPORTUNITY INVEST	76131N101			4,594.0000	76,564	82,233	COMMON STOCKS
COUSINS PPTYS INC	COUSINS PPTYS INC	222795106			11,090.0000	130,317	104,579	COMMON STOCKS
GRAMERCY PROPERTY TRUST	GRAMERCY PROPERTY TRUST	385002100			11,173.0000	93,021	86,486	COMMON STOCKS
HERSHA HOSPITALITY TRUST	HERSHA HOSPITALITY TRUST	427825500			4,186.0000	109,806	92,259	COMMON STOCKS
REXFORD INDUSTRIAL REALTY	REXFORD INDUSTRIAL REALTY	76169C100			4,807.0000	66,490	79,291	COMMON STOCKS
STAG INDUSTRIAL INC	STAG INDUSTRIAL INC	85254J102			5,286.0000	117,252	98,135	COMMON STOCKS
CORPORATE OFFICE PROPERTI	CORPORATE OFFICE PROPERTI	22002T108			4,822.0000	111,037	106,590	COMMON STOCKS
INLAND REAL ESTATE CORP	INLAND REAL ESTATE CORP	457461200			10,210.0000	105,667	108,915	COMMON STOCKS
ASHFORD HOSPITALITY TRUST	ASHFORD HOSPITALITY TRUST	AHT			7,278.0000	75,494	45,924	COMMON STOCKS
POTLATCH HLDGS INC	POTLATCH HLDGS INC	737630103			2,676.0000	92,738	69,700	COMMON STOCKS
EXACTECH INC COM	EXACTECH INC COM	EXAC			2,133.0000	45,561	38,714	COMMON STOCKS
GREATBATCH INC	GREATBATCH INC	39153L106			1,847.0000	95,215	96,968	COMMON STOCKS
HILL ROM HLDGS	HILL ROM HLDGS	431475102			1,052.0000	41,377	50,559	COMMON STOCKS
NATUS MEDICAL INC	NATUS MEDICAL INC	639050103			1,123.0000	31,435	53,960	COMMON STOCKS
MERIT MEDICAL SYS INC	MERIT MEDICAL SYS INC	589889104			2,040.0000	34,013	37,924	COMMON STOCKS
OWENS & MINOR INC COM	OWENS & MINOR INC COM	690732102			1,544.0000	50,422	55,553	COMMON STOCKS
AMN HEALTHCARE SERVICES I	AMN HEALTHCARE SERVICES I	AHS			1,019.0000	26,497	31,640	COMMON STOCKS
MEDASSETS INC	MEDASSETS INC	584045108			4,102.0000	79,980	126,916	COMMON STOCKS
CAMBREX CORP COM	CAMBREX CORP COM	132011107			1,072.0000	23,664	50,480	COMMON STOCKS
PAREXEL INTL CORP COM	PAREXEL INTL CORP COM	699462107			1,201.0000	76,355	81,812	COMMON STOCKS
ESTERLINE CORP	ESTERLINE CORP	297425100			1,208.0000	122,534	97,848	COMMON STOCKS
APOGEE ENTERPRISES INC	APOGEE ENTERPRISES INC	APOG			1,041.0000	53,946	45,294	COMMON STOCKS
BUILDERS FIRSTSOURCE INC	BUILDERS FIRSTSOURCE INC	12008R107			6,955.0000	41,903	77,061	COMMON STOCKS
TOPBUILD CORP	TOPBUILD CORP	89055F103			2,662.0000	78,427	81,910	COMMON STOCKS
UNIVERSAL FST PRODS INC C	UNIVERSAL FST PRODS INC C	913543104			2,398.0000	106,108	163,951	COMMON STOCKS
GRANITE CONSTR INC	GRANITE CONSTR INC	387328107			1,630.0000	52,822	70,155	COMMON STOCKS
APPLIED INDL TECHNOLOGIES	APPLIED INDL TECHNOLOGIES	03820C105			1,834.0000	88,095	74,259	COMMON STOCKS
BELDEN INC	BELDEN INC	BDC			885.0000	52,725	42,197	COMMON STOCKS

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
ENCORE WIRE CORP	ENCORE WIRE CORP	292562105			3,310.0000	137,248	122,768	COMMON STOCKS
ENERSYS	ENERSYS	29275Y102			1,341.0000	84,651	75,002	COMMON STOCKS
FRANKLIN ELEC INC COM	FRANKLIN ELEC INC COM	353514102			897.0000	25,156	24,246	COMMON STOCKS
REGAL BELOIT CORPORATION	REGAL BELOIT CORPORATION	758750103			788.0000	55,117	46,295	COMMON STOCKS
ALAMO GROUP INC COM	ALAMO GROUP INC COM	ALG			2,712.0000	121,918	153,431	COMMON STOCKS
ASTEC INDS INC	ASTEC INDS INC	ASTE			3,344.0000	130,124	136,101	COMMON STOCKS
WABASH NATL CORP	WABASH NATL CORP	929566107			10,196.0000	135,711	120,619	COMMON STOCKS
ALTRA HOLDINGS INC	ALTRA HOLDINGS INC	02208R106			2,904.0000	92,384	73,268	COMMON STOCKS
CLARCOR INC	CLARCOR INC	179895107			1,190.0000	69,704	59,119	COMMON STOCKS
LB FOSTER CO	LB FOSTER CO	350060109			3,004.0000	93,337	41,035	COMMON STOCKS
VALMONT INDS INC	VALMONT INDS INC	920253101			236.0000	26,494	25,109	COMMON STOCKS
DELUXE CORP	DELUXE CORP	248019101			455.0000	26,796	24,816	COMMON STOCKS
HNI CORPORATION	HNI CORPORATION	404251100			810.0000	36,151	29,209	COMMON STOCKS
STEELCASE INC CL A	STEELCASE INC CL A	858155203			4,817.0000	75,873	71,773	COMMON STOCKS
HEARTLAND EXPRESS INC	HEARTLAND EXPRESS INC	422347104			3,952.0000	84,831	67,263	COMMON STOCKS
SAIA INC	SAIA INC	78709Y105			4,445.0000	177,077	98,901	COMMON STOCKS
PERFICIENT INC	PERFICIENT INC	71375U101			3,939.0000	69,129	67,436	COMMON STOCKS
QUALITY SYSTEMS INC	QUALITY SYSTEMS INC	747582104			3,535.0000	56,864	57,603	COMMON STOCKS
SKULLCANDY INC	SKULLCANDY INC	83083J104			5,727.0000	55,152	27,089	COMMON STOCKS
ADTRAN INC	ADTRAN INC	00738A106			4,931.0000	102,991	84,912	COMMON STOCKS
FINISAR CORP	FINISAR CORP	31787A507			3,938.0000	76,630	57,259	COMMON STOCKS
SUPER MICRO COMPUTER INC	SUPER MICRO COMPUTER INC	86800U104			1,705.0000	44,187	41,790	COMMON STOCKS
FARO TECHNOLOGIES INC	FARO TECHNOLOGIES INC	311642102			1,659.0000	62,058	48,974	COMMON STOCKS
ROFIN SINAR TECHNOLOGIES	ROFIN SINAR TECHNOLOGIES	775043102			2,704.0000	61,954	72,413	COMMON STOCKS
METHODE ELECTRON INC COMM	METHODE ELECTRON INC COMM	591520200			3,184.0000	98,025	101,347	COMMON STOCKS
PLEXUS CORP COM	PLEXUS CORP COM	729132100			2,528.0000	99,271	88,278	COMMON STOCKS
INSIGHT ENTERPRISES INC C	INSIGHT ENTERPRISES INC C	45765U103			1,882.0000	51,622	47,276	COMMON STOCKS
SCANSOURCE INC COM	SCANSOURCE INC COM	806037107			2,289.0000	83,988	73,752	COMMON STOCKS
CALAMP CORP	CALAMP CORP	128126109			4,935.0000	87,289	98,355	COMMON STOCKS
ROGERS CORP COM	ROGERS CORP COM	775133101			1,942.0000	116,302	100,149	COMMON STOCKS
BROOKS AUTOMATION INC	BROOKS AUTOMATION INC	114340102			3,027.0000	35,657	32,328	COMMON STOCKS
DIODES INC	DIODES INC	254543101			770.0000	19,584	35,298	COMMON STOCKS
EXAR CORP	EXAR CORP	300645108			8,482.0000	72,905	51,995	COMMON STOCKS
LATTICE SEMICONDUCTOR COR	LATTICE SEMICONDUCTOR COR	518415104			6,281.0000	35,579	40,638	COMMON STOCKS
MICROSEMI CORP COM	MICROSEMI CORP COM	595137100			3,966.0000	95,073	129,252	COMMON STOCKS
INTREPID POTASH INC	INTREPID POTASH INC	46121Y102			2,915.0000	40,827	8,599	COMMON STOCKS
FULLER H B CO	FULLER H B CO	359694106			2,822.0000	123,479	102,918	COMMON STOCKS
SENSIENT TECHNOLOGIES COR	SENSIENT TECHNOLOGIES COR	81725T100			1,657.0000	86,466	104,093	COMMON STOCKS
CENTURY ALUM CO COM	CENTURY ALUM CO COM	156431108			4,072.0000	50,421	17,998	COMMON STOCKS
SCHNITZER STL INDS INC CL	SCHNITZER STL INDS INC CL	806882106			2,105.0000	55,798	30,249	COMMON STOCKS
NEENAH PAPER INC	NEENAH PAPER INC	640079109			2,206.0000	109,106	137,721	COMMON STOCKS
THUNDERBIRD RESOURCES EQU	THUNDERBIRD RESOURCES EQU	GMXRQ			1.6800	256,364	96,750	COMMON STOCKS
RUCKUS WIRELESS INC	RUCKUS WIRELESS INC	781220108			4,444.0000	48,797	47,595	COMMON STOCKS
ALLETE INC	ALLETE INC	ALE			1,755.0000	83,282	89,207	COMMON STOCKS
IDACORP INC	IDACORP INC	451107106			942.0000	50,236	64,056	COMMON STOCKS
SOUTH JERSEY INDS INC COM	SOUTH JERSEY INDS INC COM	838518108			4,220.0000	112,231	99,254	COMMON STOCKS
AVISTA CORP	AVISTA CORP	05379B107			2,580.0000	80,672	91,255	COMMON STOCKS
PNM RES INC	PNM RES INC	69349H107			3,187.0000	82,071	97,427	COMMON STOCKS

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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
DODGE & COX INTL STOCK F	DODGE & COX INTL STOCK F	DODFX			628,356.3020	27,736,000	22,922,438	EQUITY SECURITIES
HARBOR INTL GROWTH FUND #	HARBOR INTL GROWTH FUND #	411511801			2,177,962.0620	28,295,766	26,788,933	EQUITY SECURITIES
VANGUARD EMRG MK STK INDE	VANGUARD EMRG MK STK INDE	922042601			458,653.9300	10,068,791	9,530,829	EQUITY SECURITIES
NORTHERN TRUST COLL S&P 5	NORTHERN TRUST COLL S&P 5	630992519			9,128.9600	57,802,037	60,928,885	COMMON & COLLECTIVE FUNDS
WTC-CTF GLOBAL SELECT CAP	WTC-CTF GLOBAL SELECT CAP	728993585			2,914,283.5820	47,197,345	49,018,250	COMMON & COLLECTIVE FUNDS
JANUS FLEXIBLE BOND F-I #	JANUS FLEXIBLE BOND F-I #	47103C746	3.760%		1,056,064.0460	11,056,324	10,877,460	FIXED INCOME
P/P BAE SYSTEMS HOLD 3.80	P/P BAE SYSTEMS HOLD 3.80	05523UAK6	3.800%	10/7/2024	385,000.0000	383,857	386,242	FIXED INCOME
P/P COLUMBIA PIPELIN 5.80	P/P COLUMBIA PIPELIN 5.80	198280AG4	5.800%	6/1/2045	875,000.0000	852,024	772,374	FIXED INCOME
P/P COX COMMUNICATIO 8.37	P/P COX COMMUNICATIO 8.37	224044BV8	8.375%	3/1/2039	555,000.0000	745,032	627,082	FIXED INCOME
P/P ERAC USA FINANCE 7.00	P/P ERAC USA FINANCE 7.00	26882PBE1	7.000%	10/15/2037	645,000.0000	841,680	795,579	FIXED INCOME
P/P ERAC USA FINANCE 3.85	P/P ERAC USA FINANCE 3.85	26884TAL6	3.850%	11/15/2024	545,000.0000	544,074	547,888	FIXED INCOME
P/P HP ENTERPRISE CO 4.40	P/P HP ENTERPRISE CO 4.40	42824CAL3	4.400%	10/15/2022	410,000.0000	409,188	412,539	FIXED INCOME
P/P HP ENTERPRISE CO 4.90	P/P HP ENTERPRISE CO 4.90	42824CAP4	4.900%	10/15/2025	590,000.0000	588,378	585,145	FIXED INCOME
P/P HP ENTERPRISE CO 6.35	P/P HP ENTERPRISE CO 6.35	42824CAR0	6.350%	10/15/2045	450,000.0000	449,694	433,712	FIXED INCOME
P/P LIBERTY MUTUAL 6.500%	P/P LIBERTY MUTUAL 6.500%	53079EAF7	6.500%	5/1/2042	730,000.0000	929,845	837,750	FIXED INCOME
P/P LIBERTY MUTUAL 4.850%	P/P LIBERTY MUTUAL 4.850%	53079EBF0	4.850%	8/1/2044	565,000.0000	564,548	534,625	FIXED INCOME
P/P MASS MUTUAL LIFE 8.87	P/P MASS MUTUAL LIFE 8.87	575767AG3	8.875%	6/1/2039	750,000.0000	1,202,468	1,094,622	FIXED INCOME
P/P NEW YORK LIFE IN 6.75	P/P NEW YORK LIFE IN 6.75	64952GAF5	6.750%	11/15/2039	730,000.0000	986,858	942,835	FIXED INCOME
P/P PACIFIC LIFE INS 9.25	P/P PACIFIC LIFE INS 9.25	694475AA2	9.250%	6/15/2039	635,000.0000	974,668	925,050	FIXED INCOME
P/P TEACHERS INSUR 4.900%	P/P TEACHERS INSUR 4.900%	878091BD8	4.900%	9/15/2044	660,000.0000	659,386	676,182	FIXED INCOME
P/P WEA FINANCE LLC/ 4.75	P/P WEA FINANCE LLC/ 4.75	92890HAD4	4.750%	9/17/2044	690,000.0000	687,813	685,523	FIXED INCOME
ACE INA HOLDINGS 3.350% 5	ACE INA HOLDINGS 3.350% 5	00440EAR8	3.350%	5/15/2024	1,040,000.0000	1,038,440	1,054,290	FIXED INCOME
ACE INA HOLDINGS 4.350% 1	ACE INA HOLDINGS 4.350% 1	00440EAW7	4.350%	11/3/2045	195,000.0000	194,513	199,512	FIXED INCOME
ALLSTATE CORP 4.500% 6/15	ALLSTATE CORP 4.500% 6/15	020002BA8	4.500%	6/15/2043	160,000.0000	164,117	162,890	FIXED INCOME
AMERIPRISE FINANCIAL 3.70	AMERIPRISE FINANCIAL 3.70	03076CAG1	3.700%	10/15/2024	705,000.0000	702,575	724,318	FIXED INCOME
BANK OF AMERICA CORP 5.62	BANK OF AMERICA CORP 5.62	06051GEC9	5.625%	7/1/2020	1,070,000.0000	1,113,849	1,218,618	FIXED INCOME
BANK OF AMERICA CORP 4.00	BANK OF AMERICA CORP 4.00	06051GFM6	4.000%	1/22/2025	765,000.0000	760,387	762,396	FIXED INCOME
CAPITAL ONE BANK USA 2.30	CAPITAL ONE BANK USA 2.30	140420NK2	2.300%	6/5/2019	1,215,000.0000	1,213,226	1,201,940	FIXED INCOME
CITIGROUP INC 4.400% 6/10	CITIGROUP INC 4.400% 6/10	172967JT9	4.400%	6/10/2025	1,335,000.0000	1,329,553	1,351,790	FIXED INCOME
DISCOVER FINANCIAL 3.200%	DISCOVER FINANCIAL 3.200%	25466AAF8	3.200%	8/9/2021	725,000.0000	723,057	729,192	FIXED INCOME
GENERAL ELECTRIC CO 4.125	GENERAL ELECTRIC CO 4.125	369604BF9	4.125%	10/9/2042	930,000.0000	1,125,281	917,153	FIXED INCOME
GENERAL ELEC CAP COR 6.75	GENERAL ELEC CAP COR 6.75	36962GX22	6.750%	3/15/2032	859,000.0000	904,639	1,139,451	FIXED INCOME
GLAXOSMITHKLINE CAPI 6.37	GLAXOSMITHKLINE CAPI 6.37	377372AE7	6.375%	5/15/2038	940,000.0000	1,206,669	1,208,046	FIXED INCOME
GOLDMAN SACHS GROUP 7.500	GOLDMAN SACHS GROUP 7.500	38141EA25	7.500%	2/15/2019	1,250,000.0000	1,530,813	1,465,742	FIXED INCOME
GOLDMAN SACHS GROUP 6.750	GOLDMAN SACHS GROUP 6.750	38141GFD1	6.750%	10/1/2037	1,355,000.0000	1,626,099	1,606,779	FIXED INCOME
JPMORGAN CHASE & CO 6.400	JPMORGAN CHASE & CO 6.400	46625HHF0	6.400%	5/15/2038	665,000.0000	831,263	853,021	FIXED INCOME
JPMORGAN CHASE & CO 5.625	JPMORGAN CHASE & CO 5.625	46625HJM3	5.625%	8/16/2043	1,155,000.0000	1,296,349	1,281,234	FIXED INCOME
JPMORGAN CHASE & CO 3.875	JPMORGAN CHASE & CO 3.875	46625HJY7	3.875%	9/10/2024	285,000.0000	283,504	286,906	FIXED INCOME
MERRILL LYNCH & CO 7.750%	MERRILL LYNCH & CO 7.750%	59023VAA8	7.750%	5/14/2038	1,775,000.0000	2,426,848	2,426,244	FIXED INCOME
METLIFE INC 1.903% 12/15/	METLIFE INC 1.903% 12/15/	59156RBK3	1.903%	12/15/2017	505,000.0000	506,542	508,397	FIXED INCOME
METLIFE INC 4.600% 5/13/4	METLIFE INC 4.600% 5/13/4	59156RBR8	4.600%	5/13/2046	1,030,000.0000	1,025,983	1,043,126	FIXED INCOME
MORGAN STANLEY 4.350% 9/0	MORGAN STANLEY 4.350% 9/0	6174467Y9	4.350%	9/8/2026	260,000.0000	259,542	264,400	FIXED INCOME
MORGAN STANLEY 4.000% 7/2	MORGAN STANLEY 4.000% 7/2	6174468C6	4.000%	7/23/2025	350,000.0000	349,713	366,564	FIXED INCOME
MORGAN STANLEY 4.100% 5/2	MORGAN STANLEY 4.100% 5/2	61747YDU6	4.100%	5/22/2023	1,380,000.0000	1,385,672	1,400,206	FIXED INCOME
OMEGA HLTHCARE INVES 4.50	OMEGA HLTHCARE INVES 4.50	681936BF6	4.500%	4/1/2027	760,000.0000	748,950	724,158	FIXED INCOME
PNC BANK NA 2.250% 7/02/1	PNC BANK NA 2.250% 7/02/1	69353RDD7	2.250%	7/2/2019	1,100,000.0000	1,151,942	1,117,190	FIXED INCOME
PLAINS ALL AMER PIPE 6.65	PLAINS ALL AMER PIPE 6.65	72650RAR3	6.650%	1/15/2037	910,000.0000	1,096,568	831,771	FIXED INCOME
VR PRUDENTIAL FINA 5.2854	VR PRUDENTIAL FINA 5.2854	744320AV4	5.375%	5/15/2045	710,000.0000	710,000	713,989	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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
PRUDENTIAL FINANCIAL 5.80	PRUDENTIAL FINANCIAL 5.80	74432QBU8	5.800%	11/16/2041	450,000.0000	542,304	513,747	FIXED INCOME
PRUDENTIAL FINANCIAL 2.35	PRUDENTIAL FINANCIAL 2.35	74432QCB9	2.350%	8/15/2019	565,000.0000	564,548	567,343	FIXED INCOME
REALTY INCOME CORP 4.125%	REALTY INCOME CORP 4.125%	756109AR5	4.125%	10/15/2026	705,000.0000	701,468	713,402	FIXED INCOME
SOUTH CAROLINA ELEC& 6.05	SOUTH CAROLINA ELEC& 6.05	837004CB4	6.050%	1/15/2038	820,000.0000	1,041,925	987,499	FIXED INCOME
TRAVELERS COS INC 6.250%	TRAVELERS COS INC 6.250%	89417EAD1	6.250%	6/15/2037	555,000.0000	720,262	703,317	FIXED INCOME
VENTAS REALTY LP/CAP 5.70	VENTAS REALTY LP/CAP 5.70	92277GAB3	5.700%	9/30/2043	530,000.0000	622,395	589,831	FIXED INCOME
VISA INC 3.150% 12/14/25	VISA INC 3.150% 12/14/25	92826CAD4	3.150%	12/14/2025	735,000.0000	732,310	737,005	FIXED INCOME
VISA INC 4.150% 12/14/35	VISA INC 4.150% 12/14/35	92826CAE2	4.150%	12/14/2035	435,000.0000	434,413	440,020	FIXED INCOME
VISA INC 4.300% 12/14/45	VISA INC 4.300% 12/14/45	92826CAF9	4.300%	12/14/2045	1,515,000.0000	1,512,470	1,540,135	FIXED INCOME
VORNADO REALTY LP 2.500%	VORNADO REALTY LP 2.500%	929043AH0	2.500%	6/30/2019	1,030,000.0000	1,026,076	1,014,457	FIXED INCOME
* WELLS FARGO & COMPAN 3.50	WELLS FARGO & COMPAN 3.50	94974BFC9	3.500%	3/8/2022	1,405,000.0000	1,453,177	1,463,077	FIXED INCOME
* WELLS FARGO & COMPAN 5.37	WELLS FARGO & COMPAN 5.37	94974BFP0	5.375%	11/2/2043	1,955,000.0000	2,143,658	2,109,560	FIXED INCOME
* WELLS FARGO & COMPAN 4.10	WELLS FARGO & COMPAN 4.10	94974BFY1	4.100%	6/3/2026	685,000.0000	684,294	693,617	FIXED INCOME
* WELLS FARGO & COMPAN 4.30	WELLS FARGO & COMPAN 4.30	94974BGL8	4.300%	7/22/2027	640,000.0000	637,568	665,934	FIXED INCOME
AT&T INC 4.500% 5/15/35	AT&T INC 4.500% 5/15/35	00206RCP5	4.500%	5/15/2035	1,665,000.0000	1,662,630	1,549,466	FIXED INCOME
AETNA INC 4.500% 5/15/42	AETNA INC 4.500% 5/15/42	00817YAJ7	4.500%	5/15/2042	495,000.0000	511,518	489,114	FIXED INCOME
ALTRIA GROUP INC 5.375% 1	ALTRIA GROUP INC 5.375% 1	02209SAR4	5.375%	1/31/2044	840,000.0000	912,341	922,476	FIXED INCOME
AMERICAN INTL GROUP 6.400	AMERICAN INTL GROUP 6.400	026874BW6	6.400%	12/15/2020	1,600,000.0000	1,668,912	1,850,375	FIXED INCOME
AMGEN INC 6.400% 2/01/39	AMGEN INC 6.400% 2/01/39	031162BA7	6.400%	2/1/2039	845,000.0000	1,061,303	1,024,864	FIXED INCOME
AMGEN INC 3.625% 5/22/24	AMGEN INC 3.625% 5/22/24	031162BV1	3.625%	5/22/2024	1,205,000.0000	1,203,000	1,209,286	FIXED INCOME
AMGEN INC 4.400% 5/01/45	AMGEN INC 4.400% 5/01/45	031162BZ2	4.400%	5/1/2045	405,000.0000	402,594	378,211	FIXED INCOME
ANADARKO PETROLEUM 6.450%	ANADARKO PETROLEUM 6.450%	032511AY3	6.450%	9/15/2036	1,786,000.0000	2,243,105	1,755,373	FIXED INCOME
ANHEUSER-BUSCH INBEV 8.20	ANHEUSER-BUSCH INBEV 8.20	03523TBF4	8.200%	1/15/2039	825,000.0000	1,268,891	1,220,390	FIXED INCOME
APPALACHIAN POWER CO 7.00	APPALACHIAN POWER CO 7.00	037735CM7	7.000%	4/1/2038	650,000.0000	883,487	821,607	FIXED INCOME
APPLE INC 3.450% 2/09/45	APPLE INC 3.450% 2/09/45	037833BA7	3.450%	2/9/2045	820,000.0000	812,727	717,146	FIXED INCOME
APPLE INC 4.375% 5/13/45	APPLE INC 4.375% 5/13/45	037833BH2	4.375%	5/13/2045	785,000.0000	782,135	797,202	FIXED INCOME
AT&T INC 5.350% 9/01/40	AT&T INC 5.350% 9/01/40	04650NAB0	5.350%	9/1/2040	2,815,000.0000	3,104,438	2,830,633	FIXED INCOME
BARRICK NA FINANCE 5.750%	BARRICK NA FINANCE 5.750%	06849RAK8	5.750%	5/1/2043	410,000.0000	429,686	300,470	FIXED INCOME
BECTON DICKINSON AND 3.73	BECTON DICKINSON AND 3.73	075887BF5	3.734%	12/15/2024	400,000.0000	400,000	404,076	FIXED INCOME
BERKSHIRE HATHAWAY 5.750%	BERKSHIRE HATHAWAY 5.750%	084664BL4	5.750%	1/15/2040	1,755,000.0000	2,105,084	2,094,740	FIXED INCOME
BOEING CO 6.875% 3/15/39	BOEING CO 6.875% 3/15/39	097023AX3	6.875%	3/15/2039	620,000.0000	862,594	862,124	FIXED INCOME
BURLINGTN NORTH SANT 4.95	BURLINGTN NORTH SANT 4.95	12189LAG6	4.950%	9/15/2041	2,290,000.0000	2,478,847	2,367,803	FIXED INCOME
BURLINGTN NORTH SANT 4.15	BURLINGTN NORTH SANT 4.15	12189LAW1	4.150%	4/1/2045	525,000.0000	523,283	481,270	FIXED INCOME
CF INDUSTRIES INC 4.950%	CF INDUSTRIES INC 4.950%	12527GAD5	4.950%	6/1/2043	695,000.0000	706,627	593,805	FIXED INCOME
CIGNA CORP 5.375% 2/15/42	CIGNA CORP 5.375% 2/15/42	125509BT5	5.375%	2/15/2042	685,000.0000	780,928	764,909	FIXED INCOME
CSX CORP 4.750% 5/30/42	CSX CORP 4.750% 5/30/42	126408GW7	4.750%	5/30/2042	985,000.0000	1,041,155	985,483	FIXED INCOME
CVS CAREMARK CORP 3.375%	CVS CAREMARK CORP 3.375%	126650CF5	3.375%	8/12/2024	855,000.0000	847,117	857,301	FIXED INCOME
CATHOLIC HEALTH INIT 4.35	CATHOLIC HEALTH INIT 4.35	14916RAD6	4.350%	11/1/2042	950,000.0000	901,113	895,432	FIXED INCOME
CELGENE CORP 5.000% 8/15/	CELGENE CORP 5.000% 8/15/	151020AU8	5.000%	8/15/2045	460,000.0000	458,579	470,670	FIXED INCOME
CENTERPOINT ENERGY 5.850%	CENTERPOINT ENERGY 5.850%	15189WAH3	5.850%	1/15/2041	700,000.0000	858,837	792,082	FIXED INCOME
COMCAST CORP 6.400% 3/01/	COMCAST CORP 6.400% 3/01/	20030NBB6	6.400%	3/1/2040	3,105,000.0000	3,973,996	3,919,918	FIXED INCOME
CONOCOPHILLIPS 6.500% 2/0	CONOCOPHILLIPS 6.500% 2/0	20825CAQ7	6.500%	2/1/2039	995,000.0000	1,358,195	1,075,489	FIXED INCOME
CONS EDISON CO OF NY 6.75	CONS EDISON CO OF NY 6.75	209111EU3	6.750%	4/1/2038	1,050,000.0000	1,396,472	1,371,221	FIXED INCOME
CONTINENTAL RESOURCE 4.50	CONTINENTAL RESOURCE 4.50	212015AL5	4.500%	4/15/2023	140,000.0000	140,699	101,914	FIXED INCOME
CONTINENTAL RESOURCE 3.80	CONTINENTAL RESOURCE 3.80	212015AN1	3.800%	6/1/2024	245,000.0000	237,354	173,361	FIXED INCOME
CONTINENTAL RESOURCE 4.90	CONTINENTAL RESOURCE 4.90	212015AQ4	4.900%	6/1/2044	355,000.0000	295,515	215,507	FIXED INCOME
DAIMLERCHRYSLER NA 8.500%	DAIMLERCHRYSLER NA 8.500%	233835AQ0	8.500%	1/18/2031	645,000.0000	980,689	960,396	FIXED INCOME
WALT DISNEY COMPANY/ 4.12	WALT DISNEY COMPANY/ 4.12	25468PDB9	4.125%	6/1/2044	690,000.0000	688,820	706,075	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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
DISCOVERY COMMUNICAT 4.87	DISCOVERY COMMUNICAT 4.87	25470DAJ8	4.875%	4/1/2043	675,000.0000	673,704	563,833	FIXED INCOME
DOMINION RESOURCES 5.950%	DOMINION RESOURCES 5.950%	25746UAV1	5.950%	6/15/2035	1,260,000.0000	1,502,348	1,402,184	FIXED INCOME
DOW CHEMICAL COMPANY 7.37	DOW CHEMICAL COMPANY 7.37	260543BJ1	7.375%	11/1/2029	1,620,000.0000	2,157,937	2,020,694	FIXED INCOME
ECOLAB INC 5.500% 12/08/4	ECOLAB INC 5.500% 12/08/4	278865AM2	5.500%	12/8/2041	1,020,000.0000	1,207,415	1,113,354	FIXED INCOME
ENERGY TRANSFER PART 4.65	ENERGY TRANSFER PART 4.65	29273RAN9	4.650%	6/1/2021	615,000.0000	663,210	579,776	FIXED INCOME
ENERGY TRANSFER PART 4.90	ENERGY TRANSFER PART 4.90	29273RBE8	4.900%	3/15/2035	1,055,000.0000	1,052,996	782,322	FIXED INCOME
ENTERPRISE PRODUCTS 5.950	ENTERPRISE PRODUCTS 5.950	29379VAT0	5.950%	2/1/2041	1,630,000.0000	1,964,150	1,537,631	FIXED INCOME
ENTERTAINMENT PROPER 5.75	ENTERTAINMENT PROPER 5.75	29380TAT2	5.750%	8/15/2022	950,000.0000	1,031,615	1,018,003	FIXED INCOME
EXELON GENERATION CO 6.25	EXELON GENERATION CO 6.25	30161MAG8	6.250%	10/1/2039	1,640,000.0000	1,899,235	1,684,633	FIXED INCOME
EXPRESS SCRIPTS HOLD 3.50	EXPRESS SCRIPTS HOLD 3.50	30219GAK4	3.500%	6/15/2024	860,000.0000	853,739	848,601	FIXED INCOME
EXXON MOBIL CORPORAT 3.56	EXXON MOBIL CORPORAT 3.56	30231GAN2	3.567%	3/6/2045	835,000.0000	835,000	794,289	FIXED INCOME
FEDEX CORP 4.000% 1/15/24	FEDEX CORP 4.000% 1/15/24	31428XAY2	4.000%	1/15/2024	640,000.0000	668,762	679,760	FIXED INCOME
FIDELITY NATIONAL IN 5.00	FIDELITY NATIONAL IN 5.00	31620MAR7	5.000%	10/15/2025	550,000.0000	548,510	570,543	FIXED INCOME
FORD MOTOR COMPANY 7.450%	FORD MOTOR COMPANY 7.450%	345370CA6	7.450%	7/16/2031	1,200,000.0000	1,599,672	1,521,787	FIXED INCOME
FREEMPORT-MCMORAN INC 4.55	FREEMPORT-MCMORAN INC 4.55	35671DBL8	4.550%	11/14/2024	680,000.0000	528,463	393,339	FIXED INCOME
GENERAL MOTORS CO 6.250%	GENERAL MOTORS CO 6.250%	37045VAF7	6.250%	10/2/2043	1,165,000.0000	1,299,697	1,248,870	FIXED INCOME
GEORGIA POWER COMPAN 5.40	GEORGIA POWER COMPAN 5.40	373334JR3	5.400%	6/1/2040	1,680,000.0000	1,971,228	1,777,944	FIXED INCOME
GILEAD SCIENCES INC 4.750	GILEAD SCIENCES INC 4.750	375558BD4	4.750%	3/1/2046	455,000.0000	453,121	466,897	FIXED INCOME
HCP INC 6.750% 2/01/41	HCP INC 6.750% 2/01/41	40414LAE9	6.750%	2/1/2041	745,000.0000	986,626	920,928	FIXED INCOME
HALLIBURTON COMPANY 4.750	HALLIBURTON COMPANY 4.750	406216BE0	4.750%	8/1/2043	570,000.0000	619,356	546,392	FIXED INCOME
HESS CORP 5.600% 2/15/41	HESS CORP 5.600% 2/15/41	42809HAD9	5.600%	2/15/2041	610,000.0000	691,807	527,086	FIXED INCOME
HEWLETT-PACKARD CO 6.000%	HEWLETT-PACKARD CO 6.000%	428236BR3	6.000%	9/15/2041	200,000.0000	228,362	178,159	FIXED INCOME
HOME DEPOT INC 5.875% 12/	HOME DEPOT INC 5.875% 12/	437076AS1	5.875%	12/16/2036	1,410,000.0000	1,733,941	1,722,016	FIXED INCOME
INTERNATIONAL PAPER 3.650	INTERNATIONAL PAPER 3.650	460146CJ0	3.650%	6/15/2024	1,240,000.0000	1,235,362	1,214,794	FIXED INCOME
KINDER MORGAN ENER 6.375%	KINDER MORGAN ENER 6.375%	494550BH8	6.375%	3/1/2041	1,400,000.0000	1,654,716	1,198,204	FIXED INCOME
KINDER MORGAN ENER 3.950%	KINDER MORGAN ENER 3.950%	494550BL9	3.950%	9/1/2022	850,000.0000	862,674	751,134	FIXED INCOME
KRAFT FOODS GROUP IN 6.50	KRAFT FOODS GROUP IN 6.50	50076QAN6	6.500%	2/9/2040	940,000.0000	1,171,579	1,119,896	FIXED INCOME
KRAFT FOODS GROUP IN 6.87	KRAFT FOODS GROUP IN 6.87	50076QAR7	6.875%	1/26/2039	600,000.0000	751,705	728,880	FIXED INCOME
KROGER CO. 6.900% 4/15/38	KROGER CO. 6.900% 4/15/38	501044CK5	6.900%	4/15/2038	720,000.0000	925,150	900,084	FIXED INCOME
LOCKHEED MARTIN CORP 3.60	LOCKHEED MARTIN CORP 3.60	539830BC2	3.600%	3/1/2035	750,000.0000	743,535	679,695	FIXED INCOME
LOCKHEED MARTIN CORP 4.50	LOCKHEED MARTIN CORP 4.50	539830BK4	4.500%	5/15/2036	195,000.0000	191,342	198,344	FIXED INCOME
LOCKHEED MARTIN CORP 4.70	LOCKHEED MARTIN CORP 4.70	539830BL2	4.700%	5/15/2046	780,000.0000	768,448	802,878	FIXED INCOME
MACYS RETAIL HLDGS 3.625%	MACYS RETAIL HLDGS 3.625%	55616XAL1	3.625%	6/1/2024	590,000.0000	589,404	543,025	FIXED INCOME
MARATHON PETROLEUM 5.125%	MARATHON PETROLEUM 5.125%	56585AAD4	5.125%	3/1/2021	910,000.0000	1,032,286	970,673	FIXED INCOME
MARSH & MCLENNAN COS 3.75	MARSH & MCLENNAN COS 3.75	571748AZ5	3.750%	3/14/2026	530,000.0000	529,592	536,607	FIXED INCOME
MCKESSON CORP 6.000% 3/01	MCKESSON CORP 6.000% 3/01	58155QAE3	6.000%	3/1/2041	720,000.0000	852,516	843,286	FIXED INCOME
MICROSOFT CORP 5.300% 2/0	MICROSOFT CORP 5.300% 2/0	594918AM6	5.300%	2/8/2041	1,195,000.0000	1,376,469	1,401,786	FIXED INCOME
MICROSOFT CORP 3.500% 2/1	MICROSOFT CORP 3.500% 2/1	594918BC7	3.500%	2/12/2035	825,000.0000	815,513	773,655	FIXED INCOME
MICROSOFT CORP 4.000% 2/1	MICROSOFT CORP 4.000% 2/1	594918BE3	4.000%	2/12/2055	1,605,000.0000	1,579,481	1,466,512	FIXED INCOME
MONSANTO CO 4.200% 7/15/3	MONSANTO CO 4.200% 7/15/3	61166WAN1	4.200%	7/15/2034	185,000.0000	183,807	162,677	FIXED INCOME
NEVADA POWER CO 6.750% 7/	NEVADA POWER CO 6.750% 7/	641423BU1	6.750%	7/1/2037	1,540,000.0000	2,111,201	2,005,450	FIXED INCOME
NORFOLK SOUTHERN COR 4.83	NORFOLK SOUTHERN COR 4.83	655844BH0	4.837%	10/1/2041	1,310,000.0000	1,414,053	1,288,362	FIXED INCOME
NORTHROP GRUMMAN COR 4.75	NORTHROP GRUMMAN COR 4.75	666807BH4	4.750%	6/1/2043	815,000.0000	856,402	842,057	FIXED INCOME
ORACLE CORP 6.125% 7/08/3	ORACLE CORP 6.125% 7/08/3	68389XAH8	6.125%	7/8/2039	615,000.0000	771,185	761,760	FIXED INCOME
PPL ELECTRIC UTILITI 4.12	PPL ELECTRIC UTILITI 4.12	69351UAS2	4.125%	6/15/2044	1,000,000.0000	988,270	987,353	FIXED INCOME
PACIFIC GAS & ELECTR 6.05	PACIFIC GAS & ELECTR 6.05	694308GE1	6.050%	3/1/2034	1,600,000.0000	1,949,072	1,917,451	FIXED INCOME
PACIFICORP 4.100% 2/01/42	PACIFICORP 4.100% 2/01/42	695114CN6	4.100%	2/1/2042	1,570,000.0000	1,539,872	1,540,897	FIXED INCOME
PHILIP MORRIS INTL 6.375%	PHILIP MORRIS INTL 6.375%	718172AC3	6.375%	5/16/2038	845,000.0000	1,070,074	1,072,532	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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
PHILLIPS 66 5.875% 5/01/4	PHILLIPS 66 5.875% 5/01/4	718546AH7	5.875%	5/1/2042	865,000.0000	1,052,117	875,511	FIXED INCOME
PROGRESS ENERGY INC 6.000	PROGRESS ENERGY INC 6.000	743263AP0	6.000%	12/1/2039	2,300,000.0000	2,890,732	2,673,198	FIXED INCOME
PUBLIC SERVICE ELECT 4.00	PUBLIC SERVICE ELECT 4.00	74456QBF2	4.000%	6/1/2044	865,000.0000	856,791	844,719	FIXED INCOME
REPUBLIC SERVICES IN 3.55	REPUBLIC SERVICES IN 3.55	760759AP5	3.550%	6/1/2022	1,500,000.0000	1,538,925	1,536,223	FIXED INCOME
REYNOLDS AMERICAN IN 4.75	REYNOLDS AMERICAN IN 4.75	761713AW6	4.750%	11/1/2042	705,000.0000	681,707	678,490	FIXED INCOME
SEMPRA ENERGY 6.000% 10/1	SEMPRA ENERGY 6.000% 10/1	816851AP4	6.000%	10/15/2039	770,000.0000	944,598	873,139	FIXED INCOME
SIMON PROPERTY GROUP 6.75	SIMON PROPERTY GROUP 6.75	828807CE5	6.750%	2/1/2040	750,000.0000	1,012,478	1,010,434	FIXED INCOME
SOUTH CAROLINA ELEC& 4.50	SOUTH CAROLINA ELEC& 4.50	837004CH1	4.500%	6/1/2064	340,000.0000	336,389	317,808	FIXED INCOME
SOUTHERN CAL EDISON 6.050	SOUTHERN CAL EDISON 6.050	842400FL2	6.050%	3/15/2039	820,000.0000	1,053,306	1,030,382	FIXED INCOME
SPECTRA ENERGY PARTN 5.95	SPECTRA ENERGY PARTN 5.95	84756NAE9	5.950%	9/25/2043	1,160,000.0000	1,398,814	1,126,066	FIXED INCOME
TIME WARNER CO INC 7.570%	TIME WARNER CO INC 7.570%	887315BH1	7.570%	2/1/2024	1,330,000.0000	1,765,522	1,668,288	FIXED INCOME
TIME WARNER INC 4.650% 6/	TIME WARNER INC 4.650% 6/	887317AU9	4.650%	6/1/2044	870,000.0000	860,691	801,466	FIXED INCOME
TIME WARNER CABLE IN 5.87	TIME WARNER CABLE IN 5.87	88732JAY4	5.875%	11/15/2040	585,000.0000	683,520	558,779	FIXED INCOME
TIME WARNER CABLE IN 5.50	TIME WARNER CABLE IN 5.50	88732JBB3	5.500%	9/1/2041	615,000.0000	566,532	567,020	FIXED INCOME
21ST CENTY FOX AMER 7.750	21ST CENTY FOX AMER 7.750	90131HBR5	7.750%	12/1/2045	1,830,000.0000	2,618,822	2,396,821	FIXED INCOME
UNION PACIFIC CORP 3.646%	UNION PACIFIC CORP 3.646%	907818DR6	3.646%	2/15/2024	1,300,000.0000	1,349,374	1,374,898	FIXED INCOME
UNITED TECHNOLOGIES 6.125	UNITED TECHNOLOGIES 6.125	913017BP3	6.125%	7/15/2038	1,600,000.0000	2,047,920	1,994,661	FIXED INCOME
UNITEDHEALTH GROUP 4.625%	UNITEDHEALTH GROUP 4.625%	91324PBU5	4.625%	11/15/2041	795,000.0000	837,588	811,591	FIXED INCOME
VERIZON COMMUNICATIO 6.55	VERIZON COMMUNICATIO 6.55	92343VBT0	6.550%	9/15/2043	159,000.0000	199,946	191,833	FIXED INCOME
VERIZON COMMUNICATIO 5.01	VERIZON COMMUNICATIO 5.01	92343VCM4	5.012%	8/21/2054	1,299,000.0000	1,349,977	1,212,862	FIXED INCOME
VERIZON COMMUNICATIO 4.27	VERIZON COMMUNICATIO 4.27	92343VCV4	4.272%	1/15/2036	3,057,000.0000	2,658,108	2,820,078	FIXED INCOME
VERIZON COMMUNICATIO 4.67	VERIZON COMMUNICATIO 4.67	92343VCZ5	4.672%	3/15/2055	1,532,000.0000	1,430,316	1,351,157	FIXED INCOME
WAL-MART STORES INC 6.200	WAL-MART STORES INC 6.200	931142CM3	6.200%	4/15/2038	810,000.0000	1,033,771	1,026,277	FIXED INCOME
WALGREENS BOOTS ALLI 4.80	WALGREENS BOOTS ALLI 4.80	931427AC2	4.800%	11/18/2044	925,000.0000	875,022	842,049	FIXED INCOME
WELLPOINT INC 4.650% 1/15	WELLPOINT INC 4.650% 1/15	94973VBB2	4.650%	1/15/2043	1,025,000.0000	1,049,897	997,327	FIXED INCOME
ZIMMER HOLDINGS INC 3.550	ZIMMER HOLDINGS INC 3.550	98956PAF9	3.550%	4/1/2025	1,850,000.0000	1,845,653	1,814,101	FIXED INCOME
P/P AP MOELLER-MAERS 3.75	P/P AP MOELLER-MAERS 3.75	00203QAB3	3.750%	9/22/2024	1,000,000.0000	996,610	(47,070)	FIXED INCOME
ACTAVIS FUNDING SCS 4.850	ACTAVIS FUNDING SCS 4.850	00507UAH4	4.850%	6/15/2044	605,000.0000	598,309	599,903	FIXED INCOME
AGRIUM INC 6.125% 1/15/41	AGRIUM INC 6.125% 1/15/41	008916AJ7	6.125%	1/15/2041	854,000.0000	1,013,941	934,304	FIXED INCOME
ALCAN INC 6.125% 12/15/33	ALCAN INC 6.125% 12/15/33	013716AU9	6.125%	12/15/2033	990,000.0000	1,186,347	993,596	FIXED INCOME
BP CAPITAL MARKETS 3.535%	BP CAPITAL MARKETS 3.535%	05565QCS5	3.535%	11/4/2024	475,000.0000	475,000	464,658	FIXED INCOME
BARCLAYS PLC 5.250% 8/17/	BARCLAYS PLC 5.250% 8/17/	06738EAJ4	5.250%	8/17/2045	730,000.0000	728,248	749,587	FIXED INCOME
CENOVUS ENERGY INC 5.200%	CENOVUS ENERGY INC 5.200%	15135UAK5	5.200%	9/15/2043	800,000.0000	882,016	638,481	FIXED INCOME
RABOBANK NEDERLAND 5.750%	RABOBANK NEDERLAND 5.750%	21684AAB2	5.750%	12/1/2043	1,055,000.0000	1,205,738	1,184,355	FIXED INCOME
COVIDIEN INTERNATION 6.55	COVIDIEN INTERNATION 6.55	22303QAH3	6.550%	10/15/2037	800,000.0000	1,058,648	1,013,942	FIXED INCOME
P/P CRED SUIS GP FUN 3.75	P/P CRED SUIS GP FUN 3.75	225433AA9	3.750%	3/26/2025	785,000.0000	783,116	767,083	FIXED INCOME
P/P CRED SUIS GP FUN 4.87	P/P CRED SUIS GP FUN 4.87	225433AE1	4.875%	5/15/2045	805,000.0000	802,368	798,817	FIXED INCOME
DEVON FINANCING CORP 7.87	DEVON FINANCING CORP 7.87	25179SAD2	7.875%	9/30/2031	860,000.0000	1,206,589	899,187	FIXED INCOME
P/P GE CAPITAL INTL 4.418	P/P GE CAPITAL INTL 4.418	36164NFB3	4.418%	11/15/2035	2,964,000.0000	2,804,324	3,048,346	FIXED INCOME
HSBC HOLDINGS PLC 6.800%	HSBC HOLDINGS PLC 6.800%	404280AJ8	6.800%	6/1/2038	1,595,000.0000	2,009,812	1,994,415	FIXED INCOME
HUSKY ENERGY INC 4.000% 4	HUSKY ENERGY INC 4.000% 4	448055AK9	4.000%	4/15/2024	1,000,000.0000	1,041,930	923,674	FIXED INCOME
P/P IMPERIAL TOBACCO 3.75	P/P IMPERIAL TOBACCO 3.75	453140AE5	3.750%	7/21/2022	1,140,000.0000	1,121,589	1,163,560	FIXED INCOME
LYB INTL FINANCE BV 4.875	LYB INTL FINANCE BV 4.875	50247VAC3	4.875%	3/15/2044	1,430,000.0000	1,495,897	1,326,388	FIXED INCOME
P/P LLOYDS BANKING 5.300%	P/P LLOYDS BANKING 5.300%	539439AJ8	5.300%	12/1/2045	335,000.0000	334,551	341,428	FIXED INCOME
LLOYDS BANK PLC 4.500% 11	LLOYDS BANK PLC 4.500% 11	53944YAA1	4.500%	11/4/2024	875,000.0000	870,056	894,473	FIXED INCOME
P/P PERIOD-RICARD SA 4.45	P/P PERIOD-RICARD SA 4.45	714264AD0	4.450%	1/15/2022	800,000.0000	856,832	845,760	FIXED INCOME
PERRIGO CO PLC 5.300% 11/	PERRIGO CO PLC 5.300% 11/	714294AH8	5.300%	11/15/2043	550,000.0000	536,803	533,402	FIXED INCOME
PETRO-CANADA 6.800% 5/15/	PETRO-CANADA 6.800% 5/15/	71644EAJ1	6.800%	5/15/2038	1,185,000.0000	1,564,283	1,305,952	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, 2015

Identity of Issuer	Description	CUSIP	Interest Rate	Maturity Date	Units/Shares	Cost	Market	Investment Type
POTASH CORP-SASKATCH 3.62	POTASH CORP-SASKATCH 3.62	73755LAL1	3.625%	3/15/2024	850,000.0000	866,465	835,681	FIXED INCOME
ROGERS COMMUNICATION 5.45	ROGERS COMMUNICATION 5.45	775109AZ4	5.450%	10/1/2043	1,105,000.0000	1,220,373	1,177,063	FIXED INCOME
ROYAL BK OF SCOTLAND 1.87	ROYAL BK OF SCOTLAND 1.87	780099CG0	1.875%	3/31/2017	1,000,000.0000	1,008,940	1,000,560	FIXED INCOME
P/P SANTANDER UK GRO 4.75	P/P SANTANDER UK GRO 4.75	80281LAA3	4.750%	9/15/2025	515,000.0000	513,579	515,410	FIXED INCOME
SHELL INTERNATIONAL 5.500	SHELL INTERNATIONAL 5.500	822582AN2	5.500%	3/25/2040	1,485,000.0000	1,756,116	1,626,486	FIXED INCOME
SHELL INTERNATIONAL 2.250	SHELL INTERNATIONAL 2.250	822582BP6	2.250%	11/10/2020	870,000.0000	865,224	859,975	FIXED INCOME
TELEFONICA EMISIONES 7.04	TELEFONICA EMISIONES 7.04	87938WAC7	7.045%	6/20/2036	1,350,000.0000	1,706,382	1,625,269	FIXED INCOME
TOTAL CAPITAL INTL 2.750%	TOTAL CAPITAL INTL 2.750%	89153VAP4	2.750%	6/19/2021	765,000.0000	763,554	762,756	FIXED INCOME
TRANS-CANADA PIPELIN 4.62	TRANS-CANADA PIPELIN 4.62	89352HAM1	4.625%	3/1/2034	1,600,000.0000	1,694,224	1,537,419	FIXED INCOME
TRINITY ACQUISITION 6.125	TRINITY ACQUISITION 6.125	89641UAB7	6.125%	8/15/2043	615,000.0000	678,271	671,456	FIXED INCOME
P/P XSTRATA CANADA 4.950%	P/P XSTRATA CANADA 4.950%	98417EAK6	4.950%	11/15/2021	690,000.0000	736,803	559,814	FIXED INCOME
US TREASURY BOND 6.500% 1	US TREASURY BOND 6.500% 1	912810EY0	6.500%	11/15/2026	23,445,000.0000	33,200,610	33,000,546	FIXED INCOME
US TREASURY BOND 5.250% 1	US TREASURY BOND 5.250% 1	912810FF0	5.250%	11/15/2026	17,490,000.0000	22,569,493	22,969,597	FIXED INCOME
US TREASURY BOND 4.750% 2	US TREASURY BOND 4.750% 2	912810PT9	4.750%	2/15/2037	515,000.0000	722,596	691,857	FIXED INCOME
US TREASURY BOND 5.000% 5	US TREASURY BOND 5.000% 5	912810PU6	5.000%	5/15/2037	3,285,000.0000	4,507,842	4,523,071	FIXED INCOME
US TREASURY BOND 3.750% 1	US TREASURY BOND 3.750% 1	912810RD2	3.750%	11/15/2043	2,905,000.0000	3,151,033	3,360,045	FIXED INCOME
US TREASURY BOND 3.125% 8	US TREASURY BOND 3.125% 8	912810RH3	3.125%	8/15/2044	6,655,000.0000	6,823,626	6,868,034	FIXED INCOME
US TREASURY BOND 3.000% 1	US TREASURY BOND 3.000% 1	912810RJ9	3.000%	11/15/2044	4,445,000.0000	4,789,966	4,446,083	FIXED INCOME
US TREASURY BOND 3.000% 5	US TREASURY BOND 3.000% 5	912810RM2	3.000%	5/15/2045	3,560,000.0000	3,539,909	3,557,521	FIXED INCOME
US TREASURY NOTE 2.125% 1	US TREASURY NOTE 2.125% 1	912828B58	2.125%	1/31/2021	2,485,000.0000	2,516,500	2,543,802	FIXED INCOME
US TREASURY NOTE 2.000% 2	US TREASURY NOTE 2.000% 2	912828J27	2.000%	2/15/2025	1,765,000.0000	1,725,288	1,738,692	FIXED INCOME
US TREASURY NOTE 0.625% 8	US TREASURY NOTE 0.625% 8	912828VR8	0.625%	8/15/2016	1,985,000.0000	1,988,954	1,989,230	FIXED INCOME
HOLDBACK- DISCOVERY GLOBL	HOLDBACK- DISCOVERY GLOBL	MS6727585			941,996.4500	941,996	941,996	HEDGE FUNDS
HOLDBACK-WINGSPAN OVERSEA	HOLDBACK-WINGSPAN OVERSEA	MS6734805			1,374,056.3600	1,374,056	1,374,056	HEDGE FUNDS
LITESPEED OFFSHORE FUND L	LITESPEED OFFSHORE FUND L	MS6653401			193,000.0000	19,300,000	14,464,547	HEDGE FUNDS
PENTWATER EVENT FUND LTD	PENTWATER EVENT FUND LTD	MS6653419			10,173.0344	19,300,000	18,551,889	HEDGE FUNDS
RIMROCK HIGH INC PLUS FUN	RIMROCK HIGH INC PLUS FUN	MS6653427			63,825.8184	16,900,000	16,466,593	HEDGE FUNDS
INDEPENDENT FRNCHSE PRTNR	INDEPENDENT FRNCHSE PRTNR	MS6653161			25,000,000.0000	25,000,000	27,007,392	HEDGE FUNDS
CANYON VAL REALIZATION FU	CANYON VAL REALIZATION FU	MS6653385			2,136.0968	16,900,000	16,376,575	HEDGE FUNDS
NORTHGATE PEP III LP	NORTHGATE PEP III LP	MS6097211			9,911,944.8600	9,911,945	7,656,712	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST PTNRS VIII BU	HARBOURVEST PTNRS VIII BU	MS6101187			4,099,782.0000	4,099,782	4,434,068	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST VIII MEZZ & D	HARBOURVEST VIII MEZZ & D	MS6101195			450,878.0000	450,878	435,940	LIMITED PARTNERSHIP INVESTMENTS
INVESCO VENTURE PARTNERSH	INVESCO VENTURE PARTNERSH	MS6162544			1,245,955.2400	1,245,955	89,570	LIMITED PARTNERSHIP INVESTMENTS
INVESCO NON-US PARTNERSHI	INVESCO NON-US PARTNERSHI	MS6162551			191,822.0900	191,822	95,050	LIMITED PARTNERSHIP INVESTMENTS
INVESCO US BUYOUT PARTNER	INVESCO US BUYOUT PARTNER	MS6162569			223,233.6000	223,234	433,277	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST PTNRS VIII VE	HARBOURVEST PTNRS VIII VE	MS6422286			1,100,150.0000	1,100,150	1,324,577	LIMITED PARTNERSHIP INVESTMENTS
HARBVEST PART VI-BUYOUT F	HARBVEST PART VI-BUYOUT F	MS6688977			1,420,051.0000	1,420,051	1,320,203	LIMITED PARTNERSHIP INVESTMENTS
HARBOURVEST PART VI-PART	HARBOURVEST PART VI-PART	MS6688985			1,137,830.0000	1,137,830	1,096,483	LIMITED PARTNERSHIP INVESTMENTS
							<u>\$ 592,975,156</u>	

* Parties-in-interest

Attachment to 2015 Schedule SB

Line 25: Change in Method

KapStone Paper and Packaging Corporation Defined Benefit Retirement Plan

EIN: 20-2699372

Plan Number: 002

This filing reflects a change in the Enrolled Actuary for the plan. The change in actuary is due to the plan sponsors decision to change actuarial providers.