

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 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 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/30/2018</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.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☒ the final return/report ☐ an amended return/report ☒ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>VERSO CORPORATION PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>004</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>04/30/2011</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>004</u>	1c Effective date of plan <u>04/30/2011</u>	
1b Three-digit plan number (PN) ▶	<u>004</u>				
1c Effective date of plan <u>04/30/2011</u>					
2a Plan sponsor's name (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) <u>VERSO CORPORATION</u> <u>8540 GANDER CREEK DRIVE</u> <u>MIAMISBURG, OH 45342</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>75-3217389</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>937-528-3608</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>322100</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>75-3217389</u>	2c Plan Sponsor's telephone number <u>937-528-3608</u>	2d Business code (see instructions) <u>322100</u>	
2b Employer Identification Number (EIN) <u>75-3217389</u>					
2c Plan Sponsor's telephone number <u>937-528-3608</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.	10/15/2019	LISA B. MULLEN
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 1998
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 300 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h 1
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

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

1B 2I 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
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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)

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 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/30/2018	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan VERSO CORPORATION PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN) ▶ 004
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VERSO CORPORATION	D Employer Identification Number (EIN) 75-3217389
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2018			
2	Assets:			
a	Market value.....	2a	76766764	
b	Actuarial value	2b	76766764	
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	1056	50569715	50569715
b	For terminated vested participants	642	23458903	23458903
c	For active participants	300	10487552	10827085
d	Total	1998	84516170	84855703
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	5.72 %	
6	Target normal cost	6	1290000	

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		09/24/2019
PAUL W. FOLEY, A.S.A., E.A.		Date
Type or print name of actuary		17-05775
Firm name		Most recent enrollment number
TRANSAMERICA		508-903-6016
24 SUPERIOR DRIVE SUITE 400 NATICK, MA 01760-1528		Telephone number (including area code)
Address of the firm		

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>14.51</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		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>5.93</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)	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	90.46%
15 Adjusted funding target attainment percentage	15	90.46%
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	83.45%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/13/2018	809142				
07/13/2018	809142				
09/14/2018	1267				
10/15/2018	809142				
01/15/2019	809142				
09/13/2019	823404				
Totals ▶			18(b)	4061239	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	3870986

20 Quarterly contributions and liquidity shortfalls:

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

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ 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	1290000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	8088939		2306187
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	3596187	
	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	3596187	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	3870986	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	274799	
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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/30/2018		
A Name of plan VERSO CORPORATION PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN) ▶	004
C Plan sponsor's name as shown on line 2a of Form 5500 VERSO CORPORATION	D Employer Identification Number (EIN) 75-3217389	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS
13-3689044

(b) Enter name and EIN or address of person who provided you disclosures 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)

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 12 15 28 38 50 59 61 62 63 64	RECORD KEEPER	138075	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

NATIONAL FINANCIAL SERVICES

04-3523567

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33 71	SECURITIES BROKER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

STEPHENS CAPITAL MANAGEMENT

71-0641478

(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 ADVISOR	63000	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)

CLARK SCHAEFER HACKETT

31-0800053

(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	37100	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ALLIANZ PO BOX 8050 BOSTON, MA 02266	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
GOLDMAN SACHS 3414 PEACHTREE ROAD NE SUITE 600 STAMFORD, CT 06905	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MAINGATE C/O US BANCORP FUND SERVICES LLC 615 EAST MICHIGAN ST BOSTON, MA 02111	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPENHEIMER TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET BOSTON, MA 02199	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL 751 BROAD STREET SUITE 1100 NEWARK, NJ 07102	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/30/2018

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE: VERSO MASTER INVESTMENT TRUST

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

c EIN-PN <u>75-3217389-008</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
---------------------------------------	-------------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK EMERGING MARKETS ALPHA TI

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

c EIN-PN <u>27-0793907-001</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>0</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)
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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)
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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):

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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/30/2018	
A Name of plan VERSO CORPORATION PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN) ► 004
C Plan sponsor's name as shown on line 2a of Form 5500 VERSO CORPORATION	D Employer Identification Number (EIN) 75-3217389

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)	1763268	1632546
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	75077188	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	76840456 1632546
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	66702 1632546
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	66702 1632546
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	76773754 0

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	4061239
	(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)	4061239
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	923518
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	923518
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-638914
(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)		-3768349
c Other income.....	2c		-385071
d Total income. Add all income amounts in column (b) and enter total	2d		192423

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4274659	
(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)		4274659
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)	67293	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	63000	
(4) Other	2i(4)	1194284	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1324577
j Total expenses. Add all expense amounts in column (b) and enter total	2j		5599236

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-5406813
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		71366941

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: CLARK, SCHAEFER, HACKETT & CO

(2) EIN: 31-0800053

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

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

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☒ Yes ☐ No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

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)
VERSO CORPORATION EMPLOYEE PENSION PLAN	75-3217389	005

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
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4177270. (See instructions.)

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 sections 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 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/30/2018

A Name of plan <u>VERSO CORPORATION PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)</u>	B Three-digit plan number (PN) ▶ <u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERSO CORPORATION</u>	D Employer Identification Number (EIN) <u>75-3217389</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>13-3689044</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>0</u>

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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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
--	-----------------------------------	-----------------------------------	-------------------------------	--

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2018
v. 171027

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**16b**

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: 57.4% Investment-Grade Debt: 26.5% High-Yield Debt: 8.6% Real Estate: 3.5% Other: 4.0%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Verso Corporation Pension Plan for Hourly Employees (Androscoggin)

Financial Statements and Supplemental Schedule
December 31, 2018 and 2017
with Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

To the Participants and Benefit Plans Administration Committee
Verso Corporation Pension Plan for
Hourly Employees (Androscoggin)
Miamisburg, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Verso Corporation Pension Plan for Hourly Employees (Androscoggin) (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by State Street Bank and Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter – Supplemental Schedule

The supplemental schedule of reportable transactions is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

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

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective December 31, 2018, the Plan was merged into the NewPage Retirement Plan for Bargained Hourly Employees. The combined plan was renamed the NewPage Retirement Plan for Bargained Hourly Employees. Our report on form and content in compliance with DOL rules and regulations is not modified with respect to this matter.

Clark, Schaefer, Hackett & Co.

Dayton, Ohio
October 14, 2019

Verso Corporation Pension Plan for Hourly Employees (Androscoggin)
Statements of Net Assets Available for Benefits
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets:		
Investments, at fair value:		
Registered investment companies	\$ -	\$ 72,052,922
Hedge funds	<u>-</u>	<u>3,024,266</u>
	-	75,077,188
Receivables:		
Employer contributions receivable	<u>-</u>	<u>1,763,268</u>
	-	76,840,456
Liabilities:		
Accrued expenses	<u>-</u>	<u>66,702</u>
Net assets available for benefits	<u><u>\$ -</u></u>	<u><u>\$ 76,773,754</u></u>

See accompanying notes to financial statements.

Verso Corporation Pension Plan for Hourly Employees (Androscoggin)
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Additions:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	\$ (4,792,334)	\$ 7,543,598
Dividends	<u>923,518</u>	<u>2,158,557</u>
	(3,868,816)	9,702,155
Less: Investment expenses	<u>(47,250)</u>	<u>(63,000)</u>
	(3,916,066)	9,639,155
Employer contributions	<u>4,061,239</u>	<u>4,608,054</u>
	<u>145,173</u>	<u>14,247,209</u>
Deductions:		
Benefits paid to participants and beneficiaries	4,274,659	4,013,103
Administrative expenses	124,223	157,050
PBGC Premiums	<u>1,153,104</u>	<u>1,179,032</u>
	<u>5,551,986</u>	<u>5,349,185</u>
Net change	(5,406,813)	8,898,024
Net assets available for benefits:		
Beginning of year	76,773,754	67,875,730
Transfer of assets from this plan	<u>(71,366,941)</u>	<u>-</u>
End of year	<u><u>\$ -</u></u>	<u><u>\$ 76,773,754</u></u>

See accompanying notes to financial statements.

1. DESCRIPTION OF THE PLAN:

The following description of the Verso Corporation Pension Plan for Hourly Employees (Androscoggin) (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan was a defined benefit pension plan that covered full time and part time hourly employees of Verso Corporation (the "Sponsor") who had attained the age of 21 and completed one year of service at the Androscoggin Mill located in Jay, Maine prior to September 30, 2015.

Effective December 31, 2018, the Plan merged into the NewPage Retirement Plan for Bargained Hourly Employees (the "Surviving Plan"). As of December 31, 2018, participants of the Plan became participants of the Surviving Plan. The provisions of the Plan were incorporated into the Surviving Plan for current and former employees covered under the Plan whose benefits are now provided by the Surviving Plan.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Funding policy

Contributions to the Plan were made by the Sponsor based on the minimum funding requirements in amounts that were actuarially determined to be necessary to provide benefits to participants under the Plan. The minimum required contribution was met during the current plan year.

Payment of benefits

Benefits were computed by applying years of service to pension multipliers, as defined by the Plan document, and were typically paid as a single life annuity or a joint and survivor annuity. Vested benefits that did not exceed \$5,000 were paid in a lump sum.

The Plan also permitted reduced benefits for certain participants who elected early retirement as defined in the plan document. In the event that an active participant passed away, the participant's surviving spouse was entitled to a death benefit as defined in the plan document. Active participants who became totally disabled received annual benefits as defined in the plan document.

Vesting

A participant was fully vested after completing five years of service or after reaching the age of 65.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of estimates

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

Investment valuation and income recognition

The Plan's investments, as described in Note 5, were stated 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.

Purchase and sales of securities are recorded on a trade-date basis. Interest income was recorded on the accrual basis. Dividends were recorded on the ex-dividend date. Net appreciation (depreciation) included the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits

Benefit payments were recorded upon distribution.

Administrative expenses

Certain administrative functions were performed by officers or employees of the Sponsor. No such officer or employee received compensation from the Plan. Administrative expenses associated with the Plan were paid by the Plan.

Subsequent events

The Plan has evaluated subsequent events through the report date, the date the financial statements were available to be issued.

3. ACCUMULATED PLAN BENEFITS:

Accumulated plan benefits were those future periodic payments, including lump-sum distributions that were 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. Benefits payable under all circumstances are included to the extent they were deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits was determined by the Plan's actuary and was the amount that resulted 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 death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The more significant assumptions underlying the actuarial computations were the following:

Mortality

Healthy: RP-2014 blue collar tables adjusted back to 2006 and then projected forward with Scale MP-2017.

Disabled: RP-2014 disabled retiree table adjusted back to 2006 and then projected forward with Scale MP-2017.

Expected investment return
6.50%

Administrative expenses
\$1,290,000

The actuarial assumptions were based on the presumption 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. The merger into the Surviving Plan is not considered a termination, and therefore, did not impact the actuarial assumptions presented as of December 31, 2017.

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

The actuarial present value of accumulated plan benefits as of December 31, 2017 is summarized as follows:

Vested benefits:	
Participants currently receiving payments	\$ 47,020,788
Vested termination	21,306,027
Other participants	9,709,356
	<u>78,036,171</u>
Non-vested benefits	386,801
Actuarial present value of accumulated plan benefits	<u><u>\$ 78,422,972</u></u>

The change in actuarial present value of accumulated plan benefits for the year ended December 31, 2017 is as follows:

Actuarial present value of accumulated plan benefits	
at beginning of period	\$ 77,396,224
Increase (decrease) attributable to:	
Change in actuarial assumptions	(423,099)
Interest accumulated	4,902,330
Benefits paid	(4,014,733)
Benefits accrued and actuarial experience	562,250
Actuarial present value of accumulated plan benefits	
at end of period	<u><u>\$ 78,422,972</u></u>

The changes in the actuarial assumptions were primarily related to updates to the mortality tables used from the prior year and updates to the administrative expense assumption. The changes in actuarial assumptions resulted in a decrease in the actuarial present value of accumulated plan benefits of \$423,099.

4. INVESTMENTS:

Plan management has elected the method of compliance permitted by 29 CFR2520.103 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, State Street Bank and Trust Company, the trustee, has certified the completeness and accuracy of all investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2018 and 2017; the related investment activity reflected in the statements of changes in net assets available for benefits for the years ended December 31, 2018 and 2017, and the information reflected on the supplemental schedule of reportable transactions for the year ended December 31, 2018.

During 2018, the Sponsor created the Verso Master Investment Trust ("Master Trust"), which was established to hold a portion of the assets of the Plan and assets from other defined benefit plans sponsored by Verso Corporation. The Plan's initial interest in the Master Trust totaled \$30,058,068. Due to the merger described in Note 1, the Master Trust was dissolved, with its assets being received by the Surviving Plan. Total investment income (including net appreciation (depreciation) in the fair value of investments) in the Master Trust was allocated to the individual plans based on the proportionate interest in the net assets of the Master Trust. Prior to the merger the Plan's interest was 7%. During 2018, the Plan recognized \$198,589 of net investment earnings from the Master Trust, which is included with net appreciation (depreciation) in fair value of investments in the accompanying statement of changes in net assets available for benefits.

5. FAIR VALUE MEASUREMENT:

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels are defined as follows:

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

Level 2: Inputs to the valuation methodology 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;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

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

Following is a description of the valuation methods used for assets measured at fair value by the Plan.

Registered investment companies: Valued at the daily closing price as reported by the fund. The funds held by the Plan are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV per share and to transact at that price. The registered investment companies held by the Plan are deemed to be actively traded.

Hedge fund: These investments do not have a readily determinable fair value. As permitted by accounting principles generally accepted in the United States of America, the Plan has valued such investments at Net Asset Value ("NAV") per share. The NAV per share, as provided by the investment manager, is based on the underlying net assets owned by the fund, divided by the number of shares outstanding. The NAV is based on the fair value of the underlying securities within the fund. The fund's objective is to achieve consistent, positive, absolute returns with low volatility. There are no unfunded commitments or withdrawal restrictions.

The following tables set forth, by level within the fair value hierarchy, a summary of the Plan's investments that were measured at fair value as of December 31, 2017. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement:

Assets at Fair Value at December 31, 2017

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Assets at NAV</u>	<u>Total</u>
Registered investment companies	\$ 72,052,922	\$ -	\$ -	\$ -	\$ 72,052,922
Hedge fund	-	-	-	3,024,266	3,024,266
Total	<u>\$ 72,052,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,024,266</u>	<u>\$ 75,077,188</u>

6. RELATED PARTY TRANSACTIONS:

Certain Plan investments were managed by State Street Bank and Trust Company, the trustee of the Plan and therefore, these transactions qualified as party in interest transactions.

7. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Sponsor has the right to terminate the Plan subject to the provisions of ERISA. In the event of a termination, the net assets of the Plan will be distributed to the participants in order of priority determined in accordance with ERISA and its applicable regulations, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested, normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive benefits should the Plan be terminated at some future time will depend on the sufficiency, at the time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

Effective December 31, 2018, the Plan merged into NewPage Retirement Plan for Bargained Hourly Employees. The Plan was terminated effective December 31, 2018.

8. TAX STATUS:

The Internal Revenue Service has determined and informed the Sponsor by a letter dated December 4, 2015, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

9. RISKS AND UNCERTAINTIES:

The Plan invested in various investment securities. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits. Effective December 31, 2018, the Plan merged into NewPage Retirement Plan for Bargained Hourly Employees. All investments held by the Plan were transferred to the Surviving Plan as of December 31, 2018.

9. SUBSEQUENT EVENT:

In June 2019, the Plan Sponsor approved engaging Transamerica to manage a process under which approximately 4,000 terminated vested participants have been offered a limited time within which they could elect to receive a lump sum distribution of their vested benefit. Participants choosing to participate must return their elections by November 15, 2019. The number of participants that may choose to participate is not known and the impact the on the Plan's financial status has not been determined.

SUPPLEMENTAL SCHEDULE

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value on Transaction Date	(i) Net Gain/(Loss)
<i>Category (i) - Single Transactions in Excess of 5 Percent of Net Assets</i>						
* State Street Bank and Trust Company	BlackRock Emerging Markets Alpha Tilts Fund Purchase	\$ 4,020,773	-	4,020,773	4,020,773	
	Invesco Oppenheimer International Bond Y Sale	\$ -	7,224,259	7,117,491	7,224,259	106,768
	Vanguard Long Term Investment Grade Adm Sale	\$ -	8,267,673	7,903,595	8,267,673	364,078
	Vanguard Emerging Markets Stock Index Sale	\$ -	4,020,773	3,950,643	4,020,773	70,130
	Goldman sachs High Yield Rate Instl Sale	\$ -	4,036,896	4,028,669	4,036,896	8,227
	State Street Instl US Govt Money Market Sale	\$ -	26,247,237	26,247,237	26,247,237	-
	Sale	\$ -	4,020,773	4,020,773	4,020,773	-
	Purchase	\$ 26,253,698	-	26,253,698	26,253,698	-
	Purchase	\$ 4,020,773	-	4,020,773	4,020,773	-

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value on Transaction Date	(i) Net Gain/(Loss)
<i>Category (iii) - Series of Transactions in Excess of 5 Percent of Net Assets</i>						
* State Street Bank and Trust Company	BlackRock Emerging Markets Alpha Tilts Fund					
	Purchases	\$ 4,020,773	-	4,020,773	4,020,773	-
	Invesco Oppenheimer International Bond Y					
	Sales	\$ -	7,224,259	7,117,491	7,224,259	106,768
	Purchases	\$ 33,809	-	33,809	33,809	-
	Vanguard Long Term Investment Grade Adm					
	Sales	\$ -	8,267,673	7,903,595	8,267,673	364,078
	Purchases	\$ 33,568	-	33,568	33,568	-
	Vanguard Emerging Markets Stock Index					
	Sales	\$ -	4,020,773	3,950,643	4,020,773	70,130
	Purchases	\$ 7,833	-	7,833	7,833	-
	Goldman Sachs High Yield Rate Instl					
	Sales	\$ -	4,036,896	4,028,669	4,036,896	8,227
	Purchases	\$ 18,706	-	18,706	18,706	-

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value on Transaction Date	(i) Net Gain/(Loss)
<i>Category (iii) - Series of Transactions in Excess of 5 Percent of Net Assets</i>						
	State Street Instl US Govt Money Market					
	Purchases	\$ 33,526,820	-	33,526,820	33,526,820	-
	Sales	\$ -	33,468,045	33,468,045	33,468,045	-

* Party-in-interest

There were no reportable category (ii) or (iv) transactions for the year ended December 31, 2018.

Note: "Reportable Transactions" are defined in Section 2520.103-6 of the Department of Labor's Regulations.

Note: "Reportable Transactions" excludes the transfer of assets to the NewPage Retirement Plan for Bargained Hourly Employees effective December 31, 2018.



**Attachment to 2018 Form 5500 Schedule SB,
Line 26 – Schedule of Active Participant Data**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

.....Completed Years of Credited Service

<u>Age</u>	0 to <u>1</u>	1 to <u>4</u>	5 to <u>9</u>	10 to <u>14</u>	15 to <u>19</u>	20 to <u>24</u>	25 to <u>29</u>	30 to <u>34</u>	35 to <u>39</u>	40 ±	<u>Total</u>
0 – 24	0	0	0	0	0	0	0	0	0	0	0
25 – 29	0	0	0	0	0	0	0	0	0	0	0
30 – 34	0	5	4	0	0	0	0	0	0	0	9
35 – 39	0	3	4	1	2	0	0	0	0	0	10
40 – 44	0	5	5	7	2	0	0	0	0	0	19
45 – 49	0	3	8	10	5	0	6	0	0	0	32
50 – 54	0	6	6	12	7	6	40	0	0	0	77
55 – 59	0	1	7	6	4	8	76	6	1	0	109
60 – 64	0	1	1	4	5	2	17	7	2	0	39
65 – 69	0	0	0	0	0	0	4	0	0	0	4
70 & Up	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
Totals	0	24	35	40	25	16	143	13	3	1	300

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

A ACTUARIAL COST METHOD

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

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

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

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

B ASSET VALUATION METHOD

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

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

C INTEREST RATE METHODS

Target Liability Interest Rates

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

PBGC Interest Rates

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

Expected Investment Return/
ASC 960-20 Interest Rate

6.50% (unchanged).

D ACTUARIAL ASSUMPTIONS

Pre- and Post-Retirement Mortality

2018 Static Mortality Table in accordance with 1.430(h)(3)-1 reflecting a one-time election for 2018 under 1.430(h)(3)-1(f)(2) to use mortality tables under prior regulations as specified in IRS Notice 2017-60 (previously, Static 2017).

RP-2014 Blue Collar Tables adjusted back to 2006 and then projected forward with Scale MP-2017 for all years for ASC 960-20 purposes (previously, Scale MP-2016).

Disability Mortality

Revenue Ruling 96-7 Post Disability Mortality Table for funding purposes.

RP-2014 Disabled Retiree Table adjusted back to 2006 and then projected forward with Scale MP-2017 for ASC 960-20 purposes (previously, Scale MP-2016).

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

D ACTUARIAL ASSUMPTIONS (cont'd)

Withdrawal Rates

Sample rates are as follows:

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

Retirement Rates

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

Rates are as follows:

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

Terminated vested participants are assumed to retire at age 62 if that have 10 years of service. Otherwise, they are assumed to retire at 65.

Disability Rates

Sample rates are as follows:

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

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

D ACTUARIAL ASSUMPTIONS (cont'd)

IRC Maximum Benefit and Compensation Limitations

<i>Benefit Limit</i>	\$220,000 for 2018 (previously, \$215,000).
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<i>Compensation Limit</i>	Not Applicable.
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Form of Payment Life annuity.

<u>Marital Assumption</u>	It is assumed that 80% of male participants are married and 50% of female participants are married. Husbands are assumed to be three years older than their wives.
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Plan Expenses \$1,290,000 (previously, \$1,570,000).

ATTACHMENT TO THE 2018 SCHEDULE H OF FORM 5500
LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS

Plan Sponsor: Verso Corporation

Plan Name: Verso Corporation Pension Plan for Hourly Employees (Androscoggin)

Plan Year: January 1, 2018 to December 30, 2018

EIN: 75-3217389

Plan No.: 004

Item 4j- Schedule of Reportable Transactions

Pages 11-13 of the attached auditor's report of the Plan for the plan year ending December 30, 2018 provides the schedule of reportable transactions.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/30/2018

► Round off amounts to nearest dollar.

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

A Name of plan VERSO CORPORATION PENSION PLAN FOR HOURLY EMPLOYEES (ANDROSCOGGIN)	B Three-digit plan number (PN)	<u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VERSO CORPORATION	D Employer Identification Number (EIN) 75-3217389	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>			
2 Assets:			
a Market value.....	2a	76766764	
b Actuarial value	2b	76766764	
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	1056	50569715	50569715
b For terminated vested participants	642	23458903	23458903
c For active participants	300	10487552	10827085
d Total	1998	84516170	84855703
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	5.72 %	
6 Target normal cost	6	1290000	

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

SIGN HERE	 Signature of actuary Paul W. Foley, A.S.A., E.A. Type or print name of actuary Transamerica Firm name 24 Superior Drive Suite 400 Natick, MA 01760-1528 Address of the firm	<u>09/24/2019</u> Date <u>17-05775</u> Most recent enrollment number (508) 903-6016 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>14.51</u> %.....	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		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>5.93</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).....	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	90.46 %
15 Adjusted funding target attainment percentage.....	15	90.46 %
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	83.45 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04-13-2018	809142				
07-13-2018	809142				
09-14-2018	1267				
10-15-2018	809142				
01-15-2019	809142				
09-13-2019	823404				
Totals ▶			18(b)	4061239	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 3870986

20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?.....	☒ Yes ☐ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used
b Applicable month (enter code):				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ 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	1290000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	8088939		2306187
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	3596187	
	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	3596187	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	3870986	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	274799	
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

Schedule C, Line 2(h) Formula Descriptions

Verso Corporation Pension Plan for Hourly Employees (Androscoggin)

EIN No.: 75-3217389 Plan No. 004

Plan Year Ending: 12/30/2018

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

NATIONAL FINANCIAL SERVICES

04-3523567

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

Fund Family	Fund Name	Start Date	End Date	Revenue to National Financial Services
ALLIANZ	ALLIANZGI SHORT DURATION HIGH INCOME INSTL	1/1/2018	2/7/2018	0.255
GOLDMAN SACHS	GOLDMAN SACHS FLOATING RATE FD	1/1/2018	2/7/2018	0.383
MAINGATE	MAINGATE MLP FUND	1/1/2018	8/22/2018	0.383
OPPENHEIMER	OPPENHEIMER INTERNATIONAL BOND	1/1/2018	2/7/2018	0.638
PRUDENTIAL	PGIM HIGH YIELD Z	1/1/2018	2/7/2018	0.638

**Attachment to 2018 Form 5500 Schedule SB,
Line 22 – Description of Weighted Average Retirement Age**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

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

Grandfathered

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

Average age at retirement 62.69

Rounded for Schedule SB item 22 63

Non-Grandfathered

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

Average age at retirement 64.42

Rounded for Schedule SB item 22 64

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

Effective Date

August 1, 2006 for Hourly Plan. April 30, 2011 spin-off from Hourly Plan for Androscoggin Plan. Hourly and Androscoggin Plans merged effective September 30, 2015. Plan was frozen effective December 31, 2015.

Plan Year

January 1 through December 31.

Eligibility

Employees are eligible to enter the plan after completion of one year of Service. Employees who were participants in the International Paper ("IP") Retirement Plan as of August 1, 2006 are participants in the Verso Plan as of August 1, 2006.

Plan participation was frozen effective May 1, 2011 for Bucksport and Sartell employees and November 1, 2011 for the OPEIU Local 555 of Bucksport.

Plan was frozen effective December 31, 2015.

Service

Elapsed time from date of participation to date of termination. Service earned as a participant in the IP Retirement Plan is included.

Normal Retirement Benefit:

A monthly benefit equal to:

- \$3 times IP Service plus

- Years of Verso Service at the following rates:

\$50 if employed at Androscoggin at 9/30/2007

\$50 if employed at Bucksport prior to 5/31/2008

\$50 if employed at Sartell prior to 8/31/2007

\$45 for all others

Normal Retirement Age

Age 65.

Early Retirement Date

A Participant's Early Retirement Date is the first day of the month coincident with age 55 and 10 years of Service.

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

Early Retirement Benefit

The Normal Retirement Benefit is reduced at the following rates:

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

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

Termination Benefit

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

Disability Benefit

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

Pre-Retirement Death Benefit

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

Normal Form of Payment

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

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

Optional Forms of Payment

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

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

Social Security Level Option

Small Payments

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

Plan Actuarial Equivalence

Interest Rate: 7.0%

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

For Lump-Sums:

Interest Rate: IRC Section 417(e) segmented
interest rates for second month prior to the plan
year of determination (November)

Mortality Table: Table described in IRC Section
417(e)

Disability Actuarial Equivalence:

Interest Rate: 4.0%

Mortality Table: UP-84

Benefits Not Included

None to our knowledge.

Summary of Changes in
Benefit Provisions since the
Last Valuation

None to our knowledge.

Significant Events

None to our knowledge.

**Attachment to 2018 Form 5500 Schedule SB,
Line 32 – Schedule of Amortization Bases**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

Amortization Schedule

<u>(a)</u> <u>Year</u>	<u>(b)</u> <u>Type</u>	<u>(c)</u> <u>Present Value</u>	<u>(d)</u> <u>Years Left</u>		<u>(e)</u> <u>Payment</u>
2012	Shortfall	\$ 0	1	\$	0
2013	Shortfall	1,072,417	2		546,516
2014	Shortfall	455,874	3		157,837
2015	Shortfall	1,207,187	4		319,420
2016	Shortfall	7,276,335	5		1,569,275
2017	Shortfall	1,235,315	6		228,713
2018	Shortfall	<u>(3,158,189)</u>	7		<u>(515,574)</u>
Total		\$ 8,088,939		\$	2,306,187

**Attachment to 2018 Form 5500 Schedule SB,
Line 24 – Change in Actuarial Assumptions**

**Plan Name: Verso Paper Corp. Pension Plan for
Hourly Employees (Androscoggin)
EIN/PN: 75-3217389/004**

For 2018, the expected expenses included in the target normal cost was changed to \$1,290,000 to reflect expected plan year expenses to be paid from plan assets (previously, \$1,570,00).