

Verso Paper Corp.  
Form 424B3  
August 01, 2014  
Table of Contents

Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-193794

## JOINT PROXY AND INFORMATION STATEMENT/PROSPECTUS

### PROPOSED MERGER YOUR VOTE IS IMPORTANT

#### EXPLANATORY NOTE

**This joint proxy and information statement/prospectus is dated July 31, 2014, and is included in Post-Effective Amendment No. 1 to the Registration Statement on Form S-4 (File No. 333-193794) filed by Verso Paper Corp. ( Verso ) and certain of its subsidiaries with the Securities and Exchange Commission on July 29, 2014. This joint proxy and information statement/prospectus amends and restates the original joint proxy and information statement/prospectus dated July 11, 2014, previously sent to the stockholders of Verso and NewPage Holdings Inc. ( NewPage ). This joint proxy and information statement/prospectus contains updated information relating to certain matters, including the amended terms and conditions of the debt exchange offers being conducted by two of Verso s subsidiaries, Verso Paper Holdings LLC and Verso Paper Inc. See Description of Other Indebtedness Exchange Offer Transactions for more details regarding the amended exchange offers. The stockholders of Verso and NewPage are encouraged to review the information presented in this joint proxy and information statement/prospectus before making their voting decisions and investment decisions, respectively, with respect to the matters covered herein. In addition, in connection with the delivery of this joint proxy and information statement/prospectus, Verso has registered an additional 400,000 shares of common stock, par value \$0.01 per share, for issuance to the NewPage stockholders as part of the Merger Consideration pursuant to the Merger Agreement (as such terms are defined herein).**

Dear Stockholders of Verso Paper Corp.:

On December 28, 2013, the board of directors of Verso Paper Corp., or Verso, approved an Agreement and Plan of Merger, which was subsequently entered into on January 3, 2014, referred to as the Merger Agreement, providing for Verso to acquire NewPage Holdings Inc., or NewPage, which transaction is referred to as the Merger. The Merger Agreement was separately approved by the NewPage board of directors at a meeting on January 1, 2014 and subsequently by unanimous written consent on January 3, 2014.

Pursuant to the Merger Agreement, (a) approximately \$243 million in cash was paid to holders of NewPage common stock as a dividend prior to the date of this joint proxy and information statement/prospectus, which is referred to as the Recapitalization Dividend, with the remaining approximately \$7 million of the \$250 million total cash consideration contemplated by the Merger Agreement paid into an escrow account for the benefit of holders of NewPage restricted stock units upon vesting and holders of NewPage stock options upon consummation of the Merger, and (b) each share of common stock of NewPage outstanding immediately prior to the effective time of the Merger (other than treasury shares of NewPage and any shares of NewPage common stock owned by Verso or any subsidiary of Verso or NewPage, and other than shares of common stock as to which dissenters rights have been properly exercised pursuant to the General Corporation Law of the State of Delaware) will be converted into the right

to receive its pro rata portion of:

the remainder, if any, of the approximately \$7 million in cash paid into the escrow account, plus the cash actually received by NewPage in respect of any exercises of NewPage stock options between the date of the Merger Agreement and the closing of the Merger;

\$650 million in principal amount of New First Lien Notes (subject to downward adjustment in certain circumstances in an amount not to exceed \$27 million in value); and

shares of Verso common stock representing 20% (subject to upward adjustment in certain circumstances to no greater than 25%) of the sum of (x) the number of outstanding Verso shares as of immediately prior to closing of the Merger plus (y) the number of shares, if any, underlying vested, in-the-money Verso stock options as of the signing of the Merger Agreement.

The New First Lien Notes, Verso common stock, cash received from option exercises prior to closing and the remainder of cash in the escrow account at closing are referred to as the Merger Consideration, and the Merger Consideration together with the Recapitalization Dividend and any portion of cash from the escrow account paid in respect of restricted stock units upon vesting prior to closing are referred to as the Transaction Consideration. The cash portions of the Transaction Consideration (other than cash received from option exercises prior to closing) were funded from the proceeds of a new \$750 million bank borrowing that was also used to refinance NewPage's former \$500 million term loan facility. See The Merger Agreement Transaction Consideration for more details.

As of the date of this joint proxy and information statement/prospectus, the number of shares of Verso common stock to be issued to NewPage stockholders would be approximately 14.4 million in the aggregate, assuming a 100% participation of aggregate principal amount of Old Second Lien Notes in the Second Lien Notes Exchange Offer and a 100% participation of aggregate principal amount of Old Subordinated Notes in the Subordinated Notes Exchange Offer, and that the number of shares of Verso common stock issued as part of the Merger Consideration is not further adjusted upwards. See Description of Other Indebtedness Exchange Offer Transactions for more details. The Verso common stock is listed for trading on the New York

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**Table of Contents**

Stock Exchange under the symbol VRS. The implied value of the stock portion of the Merger Consideration will fluctuate as the market price of Verso common stock fluctuates. The number of shares of Verso common stock issuable to each NewPage stockholder will be rounded up or down to the nearest whole number of shares, and no fractional shares or cash in lieu of fractional shares will be paid by Verso.

The value of the portion of the Merger Consideration represented by the New First Lien Notes may be adversely affected by several factors identified in this joint proxy and information statement/prospectus, and we cannot assure you that an active market for the notes will develop or continue. Additionally, the amount of New First Lien Notes to be issued in the Merger is subject to downward adjustment, in an amount not to exceed \$27 million in value, if NewPage makes certain restricted payments between September 30, 2013 and the closing of the Merger. No denomination of New First Lien Notes less than \$2,000 will be issued in the Merger, but in lieu thereof each holder of NewPage common stock otherwise entitled to a lower amount of New First Lien Notes will have the aggregate amount of such New First Lien Notes to be issued to such holder equitably adjusted (by rounding up or down to the nearest whole denomination or increment, as appropriate) such that the holders of NewPage common stock only receive New First Lien Notes in denominations of \$2,000 with fully integral multiples of \$1,000 in excess of \$2,000, with no adjustment to the aggregate amount of New First Lien Notes issuable in the Merger.

Verso is soliciting proxies for use at a special meeting of its stockholders where they will be asked to consider and vote on proposals to (1) approve the issuance of shares of Verso common stock to the NewPage stockholders as part of the Merger Consideration pursuant to the Merger Agreement; (2) approve the issuance of Verso Warrants to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer, and shares of Verso common stock issuable upon the conversion of such Verso Warrants immediately prior to the consummation of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, as each such term is defined in this joint proxy and information statement/prospectus; (3) approve the issuance of Verso Warrants to the holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer, and shares of Verso common stock issuable upon the conversion of such Verso Warrants immediately prior to the consummation of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, as each such term is defined in this joint proxy and information statement/prospectus; (4) approve Verso's Amended and Restated 2008 Incentive Award Plan; (5) approve and adopt the amendment of Verso's Amended and Restated Certificate of Incorporation to change its corporate name to Verso Corporation effective upon the consummation of the Merger; and (6) approve any adjournment of the Verso special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve Proposal 1 at the time of the Verso special meeting.

On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement.

After careful consideration, on December 28, 2013, the Verso board of directors unanimously approved the Merger Agreement, the Merger and the transactions contemplated by the Merger Agreement, and declared that the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement are advisable, fair to and in the best interests of Verso and its stockholders. **The Verso board of directors unanimously recommends that you vote FOR each of Proposals 1-6 as described above and elsewhere in this joint proxy and information statement/prospectus.**

**Your vote is important, regardless of the number of shares that you own.** The Merger cannot be completed without the approval of the Verso stockholders. Verso is holding a special meeting of its stockholders to vote on, among other things, a proposal necessary to complete the Merger. More information about Verso, NewPage, the Merger Agreement, the Merger and the special meeting of Verso stockholders is contained in this joint proxy and

information statement/prospectus. **We encourage you to read this document carefully before voting, including the section entitled Risk Factors beginning on page 47.** Regardless of whether you plan to attend the Verso special meeting, please take the time to vote your securities in accordance with the instructions contained in this document.

**For a discussion of risk factors you should consider in evaluating the Merger Agreement and the proposals you are being asked to adopt, see Risk Factors beginning on page 47 of this joint proxy and information statement/prospectus.**

Sincerely,

David J. Paterson  
President and Chief Executive Officer

Verso Paper Corp.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Merger described in this joint proxy and information statement/prospectus nor have they approved or disapproved of the issuance of the Verso common stock in connection with the Merger, or determined if this joint proxy and information statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

This joint proxy and information statement/prospectus is dated July 31, 2014 and is first being mailed on or about August 5, 2014.

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**Table of Contents**

**INFORMATION STATEMENT**

**PROPOSED MERGER WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED  
NOT TO SEND US A PROXY**

Dear Stockholders of NewPage Holdings Inc.:

The board of directors of NewPage Holdings Inc., or NewPage, at a meeting on January 1, 2014 (with one director absent) and subsequently by unanimous written consent on January 3, 2014, approved the Agreement and Plan of Merger, which was subsequently entered into on January 3, 2014, referred to as the Merger Agreement, providing for NewPage to be acquired by Verso Paper Corp., or Verso, which transaction is referred to as the Merger. The Merger Agreement was separately approved by Verso's board of directors on December 28, 2013.

Pursuant to the Merger Agreement, (a) approximately \$243 million in cash was paid to holders of NewPage common stock as a dividend prior to the date of this joint proxy and information statement/prospectus, which is referred to as the Recapitalization Dividend, with the remaining approximately \$7 million of the \$250 million total cash consideration contemplated by the Merger Agreement paid into an escrow account for the benefit of holders of NewPage restricted stock units upon vesting and holders of NewPage stock options upon consummation of the Merger, and (b) each share of common stock of NewPage outstanding immediately prior to the effective time of the Merger (other than treasury shares of NewPage and any shares of NewPage common stock owned by Verso or any subsidiary of Verso or NewPage, and other than shares of common stock as to which dissenters' rights have been properly exercised pursuant to the General Corporation Law of the State of Delaware) will be converted into the right to receive its pro rata portion of:

the remainder, if any, of the approximately \$7 million in cash paid into the escrow account, plus the cash actually received by NewPage in respect of any exercises of NewPage stock options between the date of the Merger Agreement and the closing of the Merger;

\$650 million in principal amount of New First Lien Notes (subject to downward adjustment in certain circumstances in an amount not to exceed \$27 million in value); and

shares of Verso common stock representing 20% (subject to upward adjustment in certain circumstances to no greater than 25%) of the sum of (x) the number of outstanding Verso shares as of immediately prior to closing of the Merger plus (y) the number of shares, if any, underlying vested, in-the-money Verso stock options as of the signing of the Merger Agreement.

The New First Lien Notes, Verso common stock, cash received from option exercises prior to closing and the remainder of cash in the escrow account at closing are referred to as the Merger Consideration, and the Merger Consideration together with the Recapitalization Dividend and any portion of cash from the escrow account paid in respect of restricted stock units upon vesting prior to closing are referred to as the Transaction Consideration. The cash portions of the Transaction Consideration (other than cash received from option exercises prior to closing) were

funded from the proceeds of a new \$750 million bank borrowing that was also used to refinance NewPage's former \$500 million term loan facility. See "The Merger Agreement - Transaction Consideration" for more details.

As of the date of this joint proxy and information statement/prospectus, the number of shares of Verso common stock to be issued to NewPage stockholders would be approximately 14.4 million in the aggregate, assuming a 100% participation of aggregate principal amount of Old Second Lien Notes in the Second Lien Notes Exchange Offer and a 100% participation of aggregate principal amount of Old Subordinated Notes in the Subordinated Notes Exchange Offer, and that the number of shares of Verso common stock issued as part of the Merger Consideration is not further adjusted upwards. See "Description of Other Indebtedness - Exchange Offer Transactions" for more details. The Verso common stock is listed for trading on the New York Stock Exchange under the symbol "VRS". The implied value of the stock portion of the Merger Consideration will fluctuate as the market price of Verso common stock fluctuates. The number of shares of Verso common stock issuable to each NewPage shareholder will be rounded up or down to the nearest whole number of shares, and no fractional shares or cash in lieu of fractional shares will be issued or paid by Verso.

**Table of Contents**

The value of the portion of the Merger Consideration represented by the New First Lien Notes may be adversely affected by several factors identified in the Information Statement, and we cannot assure you that an active market for the notes will develop or continue. Additionally, the amount of New First Lien Notes to be issued in the Merger is subject to downward adjustment, in an amount not to exceed \$27 million in value, if NewPage makes certain restricted payments between September 30, 2013 and the closing of the Merger. No denomination of New First Lien Notes (as defined in the information statement enclosed with this letter, the Information Statement ) less than \$2,000 will be issued in the Merger, but in lieu thereof each holder of NewPage common stock otherwise entitled to a lower amount of New First Lien Notes will have the aggregate amount of such New First Lien Notes to be issued to such holder equitably adjusted (by rounding up or down to the nearest whole denomination or increment, as appropriate) such that the holders of NewPage common stock only receive New First Lien Notes in denominations of \$2,000 with fully integral multiples of \$1,000 in excess of \$2,000, with no adjustment to the aggregate amount of New First Lien Notes issuable in the Merger.

On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement. No further action by any other NewPage stockholders would be required to adopt the Merger Agreement or to authorize the transactions contemplated thereby. For this reason, the Information Statement is being provided to you for informational purposes only. NewPage has not solicited and is not soliciting your adoption and approval of the Merger Agreement.

On July 11, 2014, NewPage sent its notice of appraisal to you with the joint proxy and information statement/prospectus dated the same day. Under Delaware law, if you comply with certain requirements of Delaware law described in that notice of appraisal, you will have the right to seek an appraisal and to be paid the fair value of your shares of NewPage common stock as determined in accordance with Delaware law (exclusive of any element of value arising from the accomplishment or expectation of the Merger) instead of the Merger Consideration. Your appraisal rights under Delaware law are more fully described in the accompanying Information Statement under The Merger NewPage Stockholder Appraisal Rights beginning on page 253.

The Information Statement includes important information about NewPage, Verso and the Merger, including the existence of several conditions to NewPage's obligations and those of Verso's to complete the Merger, all of which must be either satisfied or waived prior to the completion of the Merger, and should be read carefully and in its entirety. Neither the Information Statement, nor any other information you receive from NewPage in respect of the Merger, is intended to be legal, tax or investment advice. Accordingly, you should consult your own legal counsel, accountants and investment advisors as to legal, tax and other matters concerning the Merger.

Sincerely,

Mark A. Angelson  
Chairman of the Board

NewPage Holdings Inc.

**Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the Merger, passed upon the merits or fairness of the Merger Agreement or the transactions contemplated thereby, including the proposed Merger, or passed upon the adequacy or accuracy of the information contained in this document or the accompanying Information Statement. Any representation to the contrary is a criminal offense.**



Table of Contents

**VERSO PAPER CORP.**

**6775 Lenox Center Court, Suite 400**

**Memphis, TN 38115-4436**

**NOTICE OF**

**SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON AUGUST 12, 2014**

NOTICE IS HEREBY GIVEN that a special meeting of the stockholders of Verso Paper Corp., or Verso, will be held at 10:00 a.m., Central Time, on August 12, 2014, at Verso's office located at 6775 Lenox Center Court, Memphis, Tennessee. Holders of record of Verso common stock at the close of business on August 4, 2014 (such date and time, the record date) will be asked to consider and vote on the following proposals:

- Proposal 1. approve the issuance of shares of Verso common stock to the stockholders of NewPage Holdings Inc., or NewPage, as part of the Merger Consideration pursuant to the Agreement and Plan of Merger dated as of January 3, 2014, among NewPage, Verso and Verso Merger Sub Inc., or Merger Sub, pursuant to which Merger Sub will merge with and into NewPage and NewPage will continue as the surviving corporation and an indirect, wholly owned subsidiary of Verso, which transaction is referred to as the Merger;
- Proposal 2. approve the issuance of Verso Warrants to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer, and shares of Verso common stock issuable upon the conversion of such Verso Warrants immediately prior to the consummation of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, as each such term is defined in this joint proxy and information statement/prospectus;
- Proposal 3. approve the issuance of Verso Warrants to the holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer, and shares of Verso common stock issuable upon the conversion of such Verso Warrants immediately prior to the consummation of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, as each such term is defined in this joint proxy and information statement/prospectus;
- Proposal 4. approve Verso's Amended and Restated 2008 Incentive Award Plan;
- Proposal 5. approve and adopt the amendment of Verso's Amended and Restated Certificate of Incorporation to change its corporate name to Verso Corporation effective upon the consummation of the Merger; and
- Proposal 6. approve any adjournment of the Verso special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve Proposal 1 at the time of the Verso special meeting.

Please refer to the attached joint proxy and information statement/prospectus and the attached materials for further information with respect to the business to be transacted at the Verso special meeting. Verso expects to transact no other business at the meeting. Holders of record of Verso common stock as of the record date will be entitled to receive notice of and to vote at the Verso special meeting.

**The Verso board of directors unanimously recommends that you vote FOR each of Proposals 1-6 as described in the accompanying joint proxy and information statement/prospectus.**

**Your vote is important, regardless of the number of shares that you own.** Whether or not you plan on attending the Verso special meeting, we urge you to read the joint proxy and information statement/prospectus carefully and to please vote your shares as promptly as possible. You may vote your shares by proxy electronically via the Internet, by telephone, by completing and sending in the appropriate paper proxy card or in person at the Verso special meeting.

All Verso stockholders as of the record date are cordially invited to attend the Verso special meeting.

By Order of the Board of Directors,

Peter H. Kesser  
Secretary

July 31, 2014

**Table of Contents**

**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy and information statement/prospectus incorporates by reference important business and financial information about Verso from documents that Verso has filed or will file with the Securities and Exchange Commission, or the SEC, but that are not being included in or delivered with this joint proxy and information statement/prospectus. This information is available to you without charge upon your written or oral request. You may read and copy documents and other information about Verso that is filed with the SEC under the Securities and Exchange Act of 1934, or the Exchange Act, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. You can also obtain such documents free of charge through the SEC's website, [www.sec.gov](http://www.sec.gov), or by requesting them in writing or by telephone at the following address and telephone number:

By Mail: Verso Paper Corp.  
6775 Lenox Center Court  
Suite 400  
Memphis, Tennessee 38115-4436  
Attention: Investor Relations

By Telephone: (901) 369-4100

In order to obtain timely delivery, you must request such documents and other information no later than five business days before August 12, 2014.

For additional information, please see **Where You Can Find More Information** beginning on page 415. Please note that information contained on the website of Verso is not incorporated by reference in, nor considered to be part of, this joint proxy and information statement/prospectus.

**ABOUT THIS JOINT PROXY AND INFORMATION STATEMENT/PROSPECTUS**

Verso has supplied all information contained in this joint proxy and information statement/prospectus relating to Verso and the combined company, including combined company synergies or synergy assumptions or restructuring costs. NewPage has supplied all information contained in this joint proxy and information statement/prospectus relating to NewPage. Verso and NewPage have both contributed to information relating to the Merger.

You should rely only on the information contained in this joint proxy and information statement/prospectus provided by Verso and on the information contained in this joint proxy and information statement/prospectus provided by NewPage. No one has been authorized to provide you with information that is different from that contained in this joint proxy and information statement/prospectus provided by Verso and information contained in this joint proxy and information statement/prospectus provided by NewPage. This joint proxy and information statement/prospectus is dated July 31, 2014, and is based on information as of such date or such other date as may be noted. You should not assume that the information contained in this joint proxy and information statement/prospectus provided by Verso or contained in this joint proxy and information statement/prospectus provided by NewPage is accurate as of any other date. Neither the mailing of this joint proxy and information statement/prospectus to the stockholders of NewPage nor the taking of any actions contemplated hereby by Verso or NewPage at any time will create any implication to the contrary.

**This joint proxy and information statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in any jurisdiction in which or from any person to whom it is unlawful to make any**

**such offer or solicitation in such jurisdiction.**

Table of Contents

## TABLE OF CONTENTS

	<b>Page</b>
<u>DEFINED TERMS</u>	1
<u>QUESTIONS AND ANSWERS FOR VERSO STOCKHOLDERS</u>	5
<u>QUESTIONS AND ANSWERS TO NEWPAGE STOCKHOLDERS ABOUT THE MERGER</u>	10
<u>SUMMARY</u>	13
<u>The Companies</u>	13
<u>Vote Required</u>	16
<u>Merger and Merger Agreement</u>	16
<u>Transaction Consideration</u>	16
<u>Ancillary Agreements</u>	17
<u>Verso Board of Directors Reasons for the Merger</u>	17
<u>NewPage Board of Directors Reasons for the Merger</u>	17
<u>Fairness Opinion of Financial Advisor to NewPage</u>	18
<u>Fairness Opinion of Financial Advisor to Verso</u>	18
<u>Solvency Opinion of Financial Advisor to Verso</u>	18
<u>Treatment of NewPage Stock Options and Other Stock-Based Awards</u>	18
<u>Interests of NewPage Directors and Executive Officers in the Merger</u>	19
<u>Interests of Verso Directors and Executive Officers in the Merger</u>	20
<u>Conditions to the Completion of the Merger</u>	20
<u>Regulatory Approvals Required to Complete the Merger</u>	21
<u>Financing</u>	22
<u>Use of Proceeds of NewPage Term Loan Facility</u>	22
<u>Exchange Offer Transactions</u>	23
<u>Shared Services Agreement</u>	25
<u>Termination of the Merger Agreement</u>	26
<u>Non-Solicitation of Alternative Proposals</u>	27
<u>Expenses and Termination Fees Relating to the Merger</u>	28
<u>Accounting Treatment of the Merger</u>	29
<u>Certain Material U.S. Federal Income Tax Consequences of the Merger</u>	29
<u>Comparison of the Rights of Holders of Verso Common Stock and NewPage Common Stock</u>	29
<u>Appraisal Rights in Connection with the Merger</u>	29
<u>SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA</u>	30
<u>Summary Historical Consolidated Financial Data of Verso</u>	30
<u>Summary Historical Consolidated Financial Data of Verso Holdings</u>	33
<u>Summary Historical Consolidated Financial Data of NewPage and Predecessor</u>	36
<u>Summary Unaudited Pro Forma Condensed Combined Financial Information of Verso</u>	39
<u>Summary Unaudited Pro Forma Condensed Combined Financial Information of Verso Holdings</u>	42
<u>COMPARATIVE PER SHARE DATA</u>	45
<u>MARKET PRICE AND DIVIDEND INFORMATION</u>	46
<u>RISK FACTORS</u>	47

<u>Risks Relating to the Merger</u>	47
<u>Risks Relating to Verso's Indebtedness</u>	56
<u>Risks Relating to the Combined Company Following the Merger</u>	58
<u>Risks Relating to the Verso Common Stock</u>	65
<u>Risks Relating to the New First Lien Notes</u>	66
<u>Risks Relating to Verso's Indebtedness Following the Merger</u>	78
<u>DESCRIPTION OF OTHER INDEBTEDNESS</u>	79
<u>Existing ABL Facility</u>	79
<u>Existing Cash Flow Facility</u>	80

Table of Contents

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
<u>Amendments to Existing ABL Facility and Existing Cash Flow Facility in Contemplation of the Merger</u>	82
<u>11.75% Senior Secured Notes due 2019</u>	82
<u>11.75% Secured Notes due 2019</u>	82
<u>New Second Lien Notes</u>	83
<u>New Subordinated Notes</u>	84
<u>Old Second Lien Notes</u>	85
<u>Old Subordinated Notes</u>	86
<u>Second Priority Senior Secured Floating Rate Notes</u>	86
<u>Verso Quinnesec REP LLC</u>	86
<u>Non-Core Energy Financing</u>	86
<u>NewPage Term Loan Facility</u>	87
<u>NewPage ABL Facility</u>	89
<u>Financing Transactions in Connection with the Merger</u>	90
<u>Exchange Offer Transactions</u>	90
<u>REGARDING FORWARD-LOOKING STATEMENTS</u>	94
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF VERSO AND VERSO HOLDINGS</u>	95
<u>Selected Historical Consolidated Financial Data of Verso</u>	95
<u>Selected Historical Consolidated Financial Data of Verso Holdings</u>	97
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF NEWPAGE AND PREDECESSOR</u>	99
<u>Selected Financial Data</u>	99
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	101
<u>NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	109
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	118
<u>BUSINESS</u>	137
<u>VERSO STOCKHOLDERS</u>	146
<u>DIRECTORS AND EXECUTIVE OFFICERS</u>	148
<u>BOARD OF DIRECTORS AND CORPORATE GOVERNANCE</u>	155
<u>AUDIT COMMITTEE REPORT</u>	162
<u>AUDIT AND NON-AUDIT SERVICES AND FEES OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	163
<u>COMPENSATION COMMITTEE REPORT</u>	164
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	165
<u>EXECUTIVE COMPENSATION</u>	178
<u>DIRECTOR COMPENSATION</u>	191
<u>COMPARATIVE PER SHARE DATA</u>	193
<u>MARKET PRICE AND DIVIDEND INFORMATION</u>	194
<u>VERSO SPECIAL MEETING</u>	195

NEWPAGE STOCKHOLDERS

200

ii



Table of Contents

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
<u>PROPOSALS SUBMITTED TO VERSO STOCKHOLDERS</u>	202
<u>Proposal 1 Approval of Issuance of Shares of Verso Common Stock as Part of Merger Consideration Pursuant to Merger Agreement</u>	202
<u>Proposal 2 Approval of Issuance of Verso Warrants and Shares of Verso Common Stock Issuable upon Mandatory Conversion of such Verso Warrants pursuant to Second Lien Notes Exchange Offer</u>	202
<u>Proposal 3 Approval of Issuance of Verso Warrants and Shares of Verso Common Stock Issuable upon Mandatory Conversion of such Verso Warrants pursuant to Subordinated Notes Exchange Offer</u>	202
<u>Proposal 4 Approval of Verso's Amended and Restated 2008 Incentive Award Plan</u>	202
<u>Proposal 5 Approval and Adoption of Amendment of Verso's Amended and Restated Certificate of Incorporation to Change Corporate Name to Verso Corporation Effective Upon Consummation of Merger</u>	212
<u>Proposal 6 Approval of Adjournment of Verso Special Meeting</u>	212
<u>THE MERGER</u>	213
<u>Effects of the Merger</u>	213
<u>Financing for the Merger</u>	214
<u>Exchange Offer Transactions</u>	215
<u>Background of the Merger</u>	217
<u>Recommendation of the NewPage Board of Directors and NewPage's Reasons for the Merger</u>	222
<u>Fairness Opinion of Financial Advisor to NewPage</u>	226
<u>Financial Forecasts</u>	231
<u>Recommendation of the Verso Board of Directors and Verso's Reasons for the Merger</u>	232
<u>Opinion of Evercore Group L.L.C.</u>	234
<u>Solvency Opinion</u>	242
<u>Interests of NewPage Directors and Executive Officers in the Merger</u>	245
<u>Payments to Verso Executive Officers Contingent Upon the Merger</u>	249
<u>Golden Parachute Compensation</u>	249
<u>Board of Directors and Officers of Verso after the Merger</u>	251
<u>Regulatory Approvals</u>	251
<u>New York Stock Exchange Listing of Verso Common Stock Issued in the Merger</u>	252
<u>Exchange of Shares of NewPage Common Stock</u>	252
<u>Fractional Shares</u>	252
<u>Minimum Denomination of New First Lien Notes</u>	253
<u>NewPage Stockholder Appraisal Rights</u>	253
<u>Accounting Treatment of the Merger</u>	257
<u>Certain Material U.S. Federal Income Tax Consequences</u>	257
<u>THE MERGER AGREEMENT</u>	266
<u>Effective Time: Closing Date</u>	266
<u>Effect of the Merger</u>	266
<u>Transaction Consideration</u>	266
<u>Treatment of Stock Options and Other Stock-Based Awards</u>	268
<u>Exchange and Payment Procedures</u>	269

<u>Representations and Warranties</u>	270
<u>Conduct of Business between Signing and Closing</u>	272
<u>Access to Verso and NewPage Businesses between Signing and Closing</u>	275
<u>Exclusivity; Alternative Transactions</u>	275
<u>Regulatory Approvals</u>	276

**Table of Contents**

**TABLE OF CONTENTS**

(continued)

	<b>Page</b>
<u>Financing Provisions</u>	276
<u>Indemnification: Directors and Officers and Fiduciary Liability Insurance</u>	279
<u>Employee Benefits</u>	279
<u>Shareholder Litigation</u>	280
<u>Stock Exchange Listing</u>	280
<u>Confirmation of NewPage and Verso Capitalization</u>	280
<u>Conditions to the Merger</u>	280
<u>Termination</u>	282
<u>Termination Fees</u>	283
<u>Specific Performance</u>	284
<u>Governing Law: Jurisdiction: Waiver of Jury Trial</u>	284
<u>Legal Status of Debt Financing Sources</u>	285
<u>ANCILLARY AGREEMENTS ENTERED INTO IN CONNECTION WITH THE MERGER AGREEMENT</u>	286
<u>NewPage Stockholders Support Agreements</u>	286
<u>Verso Stockholders Voting Agreement</u>	286
<u>Lock-Up Side Letter</u>	287
<u>Regulatory Filing Letter</u>	287
<u>Director Appointment Letter</u>	289
<u>Asset Financing Letter</u>	289
<u>Cooperation Agreement</u>	289
<u>Release Agreement</u>	290
<u>DESCRIPTION OF THE NEW FIRST LIEN NOTES</u>	291
<u>BOOK-ENTRY; DELIVERY AND FORM</u>	375
<u>DESCRIPTION OF VERSO CAPITAL STOCK</u>	377
<u>Common Stock</u>	377
<u>Preferred Stock</u>	377
<u>Registration Rights Agreement</u>	377
<u>Certain Corporate Anti-Takeover Provisions</u>	378
<u>Transfer Agent and Registrar</u>	379
<u>Exchange Listing</u>	379
<u>COMPARISON OF RIGHTS OF HOLDERS OF VERSO COMMON STOCK AND NEWPAGE COMMON STOCK</u>	380
<u>INFORMATION ABOUT VERSO</u>	390
<u>INFORMATION ABOUT NEWPAGE</u>	391
<u>Description of Business</u>	391
<u>Description of Property</u>	400

<u>Legal Proceedings</u>	400
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	400
<u>Contractual Commitments</u>	413
<u>Quantitative and Qualitative Disclosures About Market Risk</u>	413
<u>LEGAL MATTERS</u>	414
<u>EXPERTS</u>	414
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	415
<u>INDEX TO CONSOLIDATED FINANCIAL STATEMENTS</u>	F-1

**Table of Contents**

**ANNEXES**

<u>ANNEX A</u>	MERGER AGREEMENT	A-1
<u>ANNEX B</u>	OPINION OF FINANCIAL ADVISOR TO NEWPAGE	B-1
<u>ANNEX C</u>	SECTION 262 OF THE DELAWARE GENERAL CORPORATION LAW	C-1
<u>ANNEX D</u>	FAIRNESS OPINION OF FINANCIAL ADVISOR TO VERSO	D-1
<u>ANNEX E</u>	SOLVENCY OPINION OF FINANCIAL ADVISOR TO VERSO	E-1
<u>ANNEX F</u>	LOCK UP SIDE LETTER	F-1
<u>ANNEX G</u>	REGULATORY FILING LETTER	G-1
<u>ANNEX H</u>	DIRECTOR APPOINTMENT LETTER	H-1
<u>ANNEX I</u>	FORM OF COOPERATION AGREEMENT	I-1
<u>ANNEX J</u>	FORM OF RELEASE AGREEMENT	J-1
<u>ANNEX K</u>	AMENDED AND RESTATED 2008 INCENTIVE AWARD PLAN	K-1
<u>ANNEX L</u>	CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION	L-1
<u>ANNEX M</u>	INDEX TO FINANCIAL STATEMENTS OF NEWPAGE HOLDINGS INC.	M-1

**Table of Contents**

**DEFINED TERMS**

This joint proxy and information statement/prospectus generally avoids the use of technical defined terms, but a few frequently used terms may be helpful for you to have in mind at the outset. Unless otherwise specified or if the context so requires, this joint proxy and information statement/prospectus uses the following defined terms:

**Apollo** means Apollo Global Management, LLC;

**Chapter 11 Proceedings** means the voluntary cases under Chapter 11 of the United States Bankruptcy Code, as amended, commenced by NewPage and certain of its U.S. subsidiaries on September 7, 2011;

**Consent Solicitations** means the process of Verso trying to obtain consent to amend, eliminate or waive certain sections of the applicable indentures governing the Old Second Lien Notes and Old Subordinated Notes;

**Credit Agreement Amendments** means the amendments to the Existing ABL Facility and the Existing Cash Flow Facility that Verso entered into in connection with its entry into the Merger Agreement;

**Debt Commitment Letters** means the debt commitment letters pursuant to which the lenders named therein agreed, subject to the terms and conditions thereof, to provide the NewPage Term Loan Facility and NewPage ABL Facility;

**DGCL** means the General Corporation Law of the State of Delaware;

**Early Tender Time** means, with respect to the Second Lien Note Exchange Offer, 12:00 midnight, New York City time, at the end of July 16, 2014 (as it may be extended) and, with respect to the Subordinated Notes Exchange Offer, 12:00 midnight, New York City time, at the end of July 30, 2014 (as it may be extended);

**Eligible Holders** means holders of Old Second Lien Notes who are qualified institutional buyers (as defined in Rule 144A under the Securities Act) and holders of Old Second Lien Notes who are not U.S. persons in reliance upon Regulation S under the Securities Act;

**End Date** means 5:00 p.m. (New York City time) on December 31, 2014;

**Exchange Offer Transactions** means (i) the consummation of the Second Lien Notes Exchange Offer, assuming that all outstanding Old Second Lien Notes are tendered into the Second Lien Notes Exchange

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Offer by the Early Tender Time (as defined herein) and accepted by us, and (ii) the consummation of the Subordinated Notes Exchange Offer, assuming that all outstanding Old Subordinated Notes are tendered into the Subordinated Notes Exchange Offer by the Early Tender Time (as defined herein) and accepted by us;

Exchange Offers means the Second Lien Notes Exchange Offer and Subordinated Notes Exchange Offer;

Existing ABL Facility means Verso's existing \$150 million asset-based revolving facility;

Existing Cash Flow Facility means Verso's existing \$50 million cash flow facility;

Existing First Lien Notes means the Verso Issuers' 11.75% Senior Secured Notes due 2019;

FERC means the Federal Energy Regulatory Commission;

GAAP means generally accepted accounting principles in the United States;

HSR Act means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended;

Merger means the transaction pursuant to which Verso's indirect, wholly owned subsidiary, Verso Merger Sub Inc., will merge with and into NewPage, and NewPage will become an indirect, wholly

**Table of Contents**

owned subsidiary of Verso, and the conversion of shares of NewPage common stock into rights to receive cash, shares of Verso common stock and the New First Lien Notes;

Merger Sub means Verso Merger Sub Inc.;

Merger Agreement means the Agreement and Plan of Merger dated as of January 3, 2014, among Verso, Merger Sub and NewPage, providing for the Merger of Merger Sub and NewPage, with NewPage surviving as an indirect subsidiary of Verso;

Merger Consideration means (i) the cash actually received by NewPage in respect of any exercises of NewPage stock options between the date of the Merger Agreement and the closing of the Merger, (ii) \$650 million in principal amount of New First Lien Notes (subject to downward adjustment in certain circumstances in an amount not to exceed \$27 million in value), (iii) shares of Verso common stock representing 20% (subject to upward adjustment to no greater than 25% in certain circumstances) of the sum of (x) the number of outstanding shares of Verso common stock as of immediately prior to closing plus (y) the number of shares, if any, underlying vested, in-the-money Verso stock options as of the signing of the Merger Agreement and (iv) the remainder of the approximately \$7 million paid into an escrow account for the benefit of holders of NewPage restricted stock units upon vesting and NewPage stock options upon consummation of the Merger (see The Merger Agreement Transaction Consideration for more details);

New First Lien Notes means the Verso Issuers' 11.75% Senior Secured Notes due 2019 to be offered in connection with the Merger with terms as described in Description of New First Lien Notes ;

New Second Lien Notes means the new Second Priority Adjustable Senior Secured Notes to be issued by the Verso Issuers in the Second Lien Notes Exchange Offer;

New Subordinated Notes means the new Adjustable Senior Subordinated Notes to be issued by the Verso Issuers in the Subordinated Notes Exchange Offer;

NewPage means NewPage Holdings Inc., a Delaware corporation;

NewPage ABL Facility means NewPage Corporation's new asset-based loan facility of up to \$350 million entered into by NewPage Corporation on February 11, 2014. The issuers and guarantors of Verso's debt securities (including the New First Lien Notes) and the borrower and guarantors of Verso's credit facilities do not guarantee the obligations under the NewPage ABL Facility, and the borrower and guarantors under the NewPage ABL Facility will not guarantee the obligations under Verso's debt securities and credit facilities. As a result, following the consummation of the Merger, the holders of Verso's debt securities (including the New First Lien Notes) will be structurally subordinated to the obligations under the NewPage ABL Facility to the extent of the value of the assets of the NewPage Subsidiaries;



NewPage board of directors means the board of directors of NewPage;

NewPage By-laws means the by-laws of NewPage;

NewPage Charter means the certificate of incorporation of NewPage;

NewPage common stock means the common stock, par value \$0.001 per share, of NewPage;

NewPage Stockholders Agreement means the Stockholders Agreement, dated as of December 21, 2012, as amended, among NewPage and each of the stockholders party thereto;

NewPage Subsidiaries means subsidiaries of NewPage Holdings Inc.;

NewPage Term Loan Facility means NewPage Corporation's new term loan facility of \$750 million entered into by NewPage Corporation on February 11, 2014. The issuers and guarantors of Verso's debt securities (including the New First Lien Notes) and the borrower and guarantors of Verso's credit

**Table of Contents**

facilities do not guarantee the obligations under the NewPage Term Loan Facility, and the borrower and guarantors under the NewPage Term Loan Facility will not guarantee the obligations under Verso's debt securities and credit facilities. As a result, following the consummation of the Merger, the holders of Verso's debt securities (including the New First Lien Notes) will be structurally subordinated to the obligations under the NewPage Term Loan Facility to the extent of the value of the assets of the NewPage Subsidiaries;

Old Floating Rate Notes means the Verso Issuers' Second Priority Senior Secured Floating Rate Notes due 2014;

Old Second Lien Notes means the Verso Issuers' 8.75% Second Priority Senior Secured Notes due 2019;

Old Subordinated Notes means the Verso Issuers' ~~3/8%~~ Senior Subordinated Notes due 2016;

Predecessor Period means the period prior to December 31, 2012;

Pro Forma Statements means the unaudited pro forma condensed combined financial statements of Verso, Verso Holdings, and NewPage;

PSCW means the Public Service Commission of Wisconsin;

Recapitalization Dividend means the approximately \$243 million which was paid to NewPage's stockholders as a dividend prior to the date of this joint proxy and information statement/prospectus;

record date means August 4, 2014;

Second Lien Notes Exchange Offer means the exchange offer commenced on July 2, 2014 and subsequently amended on July 24, 2014 by the Verso Issuers for any and all of their outstanding Old Second Lien Notes in exchange for new Second Priority Adjustable Senior Secured Notes and Verso Warrants to be issued and the simultaneous solicitation of consents with respect to certain amendments to the indenture governing the Old Second Lien Notes;

Subordinated Notes Exchange Offer means the exchange offer commenced on July 2, 2014 and subsequently amended on July 24, 2014 by the Verso Issuers for any and all of their outstanding Old Subordinated Notes in exchange for new Adjustable Senior Subordinated Notes and Verso Warrants to be issued and the simultaneous solicitation of consents with respect to certain amendments to the indenture governing the Old Subordinated Notes;

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**Support Agreements** means agreements between Verso and certain NewPage stockholders that collectively owned approximately 61% of NewPage's outstanding shares of common stock on January 3, 2014, entered into as of the date of the Merger Agreement, by which such stockholders have agreed to provide their written consents for the adoption of the Merger Agreement;

**Successor Period** means the period on or after December 31, 2012;

**Surviving Corporation** means NewPage after the Merger is consummated, as the surviving corporation of the Merger;

**Transaction Consideration** means the Merger Consideration together with the Recapitalization Dividend and any portion of cash from the escrow account paid in respect of restricted stock units upon vesting prior to closing;

**Verso** means Verso Paper Corp., a Delaware corporation;

**Verso board of directors** means the board of directors of Verso;

**Verso Bylaws** means the amended and restated bylaws, as amended, of Verso dated as of October 28, 2013;

**Table of Contents**

Verso Charter means the amended and restated certificate of incorporation of Verso, as filed on May 12, 2008;

Verso common stock means the common stock, par value \$0.01 per share, of Verso;

Verso Finance means Verso Paper Finance Holdings LLC;

Verso Holdings means Verso Paper Holdings LLC;

Verso Issuers means Verso Paper Holdings LLC and Verso Paper Inc.;

Verso Junior Noteholder Consent means the written consent or affirmative vote of (i) at least a majority of the holders of the Old Second Lien Notes and (ii) at least a majority of the holders of the Old Subordinated Notes, in each case in favor of the amendments necessary for the adoption of the Merger Agreement, the transactions contemplated by the Merger Agreement and the Exchange Offer Transactions;

Verso Junior Notes means the Old Second Lien Notes, the Old Floating Rate Notes and the Old Subordinated Notes;

Verso Stockholder means Verso Paper Management LP, which owns a majority of the outstanding shares of Verso common stock;

Verso Warrants means warrants that will be issued by Verso to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer and the holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer, and that will be mandatorily convertible immediately prior to the closing of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, into shares of Verso common stock representing, as of immediately after the consummation of the Merger, each participating holder's pro rata portion (based on such holder's pro rata portion of the Old Second Lien Notes and New Subordinated Notes, respectively) of 15% (with respect to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer) and 6.670% (with respect to the holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer), of the total number of outstanding shares of Verso common stock, determined on a fully diluted basis;

VPI means Verso Paper Investments LP, the parent entity of the Verso Stockholder;

Warrant Agreement means the warrant agreement for the issuance of the Verso Warrants between Verso and the warrant agent named therein; and

Wholly Owned Subsidiary of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or shares required to be held by Foreign Subsidiaries) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person.

**Table of Contents**

**QUESTIONS AND ANSWERS FOR VERSO STOCKHOLDERS**

The questions and answers below highlight only selected information from this joint proxy and information statement/prospectus. They do not contain all of the information that may be important to you. The Verso board of directors is soliciting proxies from its stockholders to vote at a special meeting of Verso stockholders, to be held at 10:00 a.m., Central Time, on August 12, 2014 at Verso's office located at 6775 Lenox Center Court, Memphis, Tennessee, and any adjournment or postponement of that meeting. You should read carefully this entire joint proxy and information statement/prospectus to fully understand the matters to be acted upon and the voting procedures for the Verso special meeting.

**Q: Why have I received this joint proxy and information statement/prospectus?**

A: You are receiving this document because you were a stockholder of record of Verso on the record date for the Verso special meeting. The boards of directors of Verso and NewPage approved the Merger on December 28, 2013 and January 1, 2014, respectively, providing for NewPage to be acquired by Verso. A copy of the Merger Agreement is attached to this joint proxy and information statement/prospectus as Annex A, which we encourage you to review.

In order to complete the Merger, Verso stockholders must vote to approve the issuance of shares of Verso common stock to the NewPage stockholders as part of the Merger Consideration pursuant to the Merger Agreement. Verso stockholders must also vote to approve the issuance of Verso Warrants in connection with the Second Lien Notes Exchange Offer and the Subordinated Notes Exchange Offer. The number of shares of Verso common stock to be issued to the NewPage stockholders as part of the Merger Consideration will be based on the number of shares of Verso common stock outstanding after the conversion of the Verso Warrants to be issued to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer and holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer.

This document serves as both a proxy statement of Verso and a prospectus of Verso. It is a proxy statement because the Verso board of directors is soliciting proxies for use at a special meeting of its stockholders to vote on a proposal to approve the issuance of shares of Verso common stock as well as the other proposals set forth in the notice of the meeting and described in this joint proxy and information statement/prospectus, and your proxy will be used at the meeting or at any adjournment or postponement of the meeting. It is a prospectus because Verso will issue Verso common stock and New First Lien Notes to NewPage stockholders in the Merger. On or about August 5, 2014, Verso intends to begin to deliver to its stockholders of record as of the close of business on August 4, 2014, printed versions of these materials.

Your vote is important.

We are not soliciting a vote of NewPage stockholders. On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement. This joint proxy and information statement/prospectus is being provided to NewPage stockholders for informational purposes.

**Q: What matters are to be voted on at the Verso special meeting?**

A: At the Verso special meeting, the holders of Verso common stock as of the close of business on August 4, 2014, or the record date, will be asked to consider and vote on the following proposals:

Proposal 1. approve the issuance of shares of Verso common stock to the NewPage stockholders as part of the Merger Consideration pursuant to the Merger Agreement;

**Table of Contents**

- Proposal 2. approve the issuance of Verso Warrants to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer, and shares of Verso common stock issuable upon the conversion of such Verso Warrants immediately prior to the consummation of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration;
- Proposal 3. approve the issuance of Verso Warrants to the holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer, and shares of Verso common stock issuable upon the conversion of such Verso Warrants immediately prior to the consummation of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration;
- Proposal 4. approve Verso's Amended and Restated 2008 Incentive Award Plan;
- Proposal 5. approve and adopt the amendment of Verso's Amended and Restated Certificate of Incorporation to change its corporate name to Verso Corporation effective upon the consummation of the Merger; and
- Proposal 6. approve any adjournment of the Verso special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve Proposal 1 at the time of the Verso special meeting.

**Q: How does the Verso board of directors recommend that the Verso stockholders vote?**

A: The Verso board of directors recommends that the Verso stockholders vote **FOR** each of Proposals 1-6.

**Q: When is the Merger expected to be completed?**

A: The parties anticipate that the Merger will be completed during the second half of 2014.

**Q: Are there risks associated with the Merger that I should consider in deciding how to vote?**

A: Yes. There are a number of risks related to the Merger and the other transactions contemplated by the Merger Agreement that are discussed in this joint proxy and information statement/prospectus. Please read with particular care the detailed description of the risks described in the section of this joint proxy and information statement/prospectus entitled "Risk Factors" beginning on page 47.

**Q: Why does Verso need to amend the incentive award plan?**

A: Verso has granted incentive equity awards, and plans to grant additional incentive equity awards in the future, to its employees so as to encourage strong performance by the recipients of such awards by enabling them to participate in the future growth of the business. The number of shares of Verso common stock authorized for



issuance under the incentive plan must be increased based on the incentive equity awards Verso has granted to its directors, officers and employees to date and the incentive equity awards Verso plans to grant to certain executives upon the closing of the Merger and to its directors, officers and employees as it customarily would over the next few years. The Amended and Restated 2008 Incentive Award Plan would increase the number of shares of Verso common stock that may be issued pursuant to incentive equity awards from 6,250,000 shares to 11,000,000 shares of Verso common stock.

**Q: When and where is the Verso special meeting?**

- A. The Verso special meeting will be held at 10:00 a.m., Central Time, on August 12, 2014, at Verso's office located at 6775 Lenox Center Court, Memphis, Tennessee.

**Q: What is a quorum?**

- A: In order for business to be conducted at the Verso special meeting, a quorum must be present. The quorum requirement for holding the Verso special meeting and transacting business at the Verso special meeting is

**Table of Contents**

the presence, in person or by proxy, of a majority of the issued and outstanding shares of Verso common stock as of the record date entitled to vote at the Verso special meeting.

**Q: What is the effect of broker non-votes?**

A: Under the rules of the New York Stock Exchange, brokers, banks and other nominees are not permitted to exercise voting discretion on any of the proposals to be voted upon at the Verso special meeting. Therefore, if a beneficial holder of shares of Verso common stock does not give the broker, bank or other nominee specific voting instructions on Proposals 1, 2, 3, 4, 5 or 6, the holder's shares of Verso common stock will not be entitled to vote, and will not be voted, on those proposals. Broker non-votes (if any) will have no effect on the voting results of Proposals 1, 2, 3, 4, 5 or 6.

**Q: Who can vote at the Verso special meeting?**

A: Holders of record at the close of business as of the record date of Verso common stock will be entitled to notice of and to vote at the Verso special meeting. Each of the shares of Verso common stock issued and outstanding on the record date is entitled to one vote at the Verso special meeting with regard to each of the proposals described above.

**Q: What stockholder approvals are needed?**

A: Proposals 1, 2, 3, 4, 5 and 6 require the affirmative vote of a majority of the votes cast in person or represented by proxy at the Verso special meeting.

As of June 30, 2014, there were 53,327,441 shares of Verso common stock outstanding and entitled to vote at the Verso special meeting that were held by 31 holders of record.

**Q: Are NewPage stockholders voting on the Merger?**

A: No. On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement. Therefore, we are not soliciting a vote of NewPage stockholders.

**Q: If I beneficially own restricted shares of Verso common stock as of the record date issued pursuant to any of Verso's equity incentive plans, will I be able to vote on the matters to be voted upon at the Verso special meeting?**

A: Yes. Holders who beneficially own restricted shares of Verso common stock as of the record date issued pursuant to any of Verso's equity incentive plans may vote on each proposal to be voted on at the Verso special meeting.

**Q: Will any other matters be presented for a vote at the Verso special meeting?**

A: Verso is not aware of any other matters that will be presented for a vote at the Verso special meeting. However, if any other matters properly come before the Verso special meeting, the proxies will have the discretion to vote upon such matters in their discretion.

**Q: Who can attend the Verso special meeting?**

A: You are entitled to attend the Verso special meeting only if you are a Verso stockholder of record or a beneficial owner as of the record date, or you hold a valid proxy for the Verso special meeting.

## **Table of Contents**

If you are a Verso stockholder of record and wish to attend the Verso special meeting, please so indicate on the appropriate proxy card or as prompted by the telephone or Internet voting system. Your name will be verified against the list of Verso stockholders of record prior to your being admitted to the Verso special meeting.

If a broker, bank or other nominee is the record owner of your shares of Verso common stock, you will need to have proof that you are the beneficial owner to be admitted to the Verso special meeting. A recent statement or letter from your bank or broker confirming your ownership as of the record date, or presentation of a valid proxy from a broker, bank or other nominee that is the record owner of your shares of Verso common stock, would be acceptable proof of your beneficial ownership.

You should be prepared to present photo identification for admittance. If you do not provide photo identification or comply with the other procedures outlined above upon request, you may not be admitted to the Verso special meeting.

Regardless of whether you intend to attend the Verso special meeting, you are encouraged to vote your shares of Verso common stock as promptly as possible. Voting your shares will not impact your ability to attend the Verso special meeting.

### **Q: How do I vote my shares?**

A: You may vote your shares of Verso common stock by proxy electronically via the Internet, by telephone, by completing and sending in the appropriate paper proxy card or in person at the Verso special meeting.

### **Q: How do I vote if my shares of Verso common stock are held in street name by a broker, bank or other nominee?**

A: If you hold your shares of Verso common stock in street name, you have the right to direct your broker, bank or other nominee how to vote the shares. You should complete a voting instruction card provided to you by your broker, bank or other nominee or provide your voting instructions electronically via the Internet or by telephone, if made available by your broker, bank or other nominee. If you wish to vote in person at the meeting, you must first obtain from your broker, bank or other nominee a proxy issued in your name.

### **Q: If my shares of Verso common stock are held in street name, will my broker, bank or other nominee vote my shares for me?**

A: If you hold your shares of Verso common stock in street name and do not provide voting instructions to your broker, bank or other nominee, your shares will not be voted on the proposals described above because your broker, bank or other nominee does not have discretionary authority to vote on these proposals. You should follow the directions your broker, bank or other nominee provides.

### **Q: Can I change my vote after I have delivered my proxy?**

A: You may revoke a proxy or change your voting instructions at any time prior to the vote at the Verso special meeting. You may enter a new vote electronically via the Internet or by telephone or by mailing a new proxy card or new voting instruction card bearing a later date (which will automatically revoke your earlier voting instructions) or by attending the Verso special meeting and voting in person. Your attendance at the Verso special meeting in person will not cause your previously granted proxy to be revoked unless you specifically so request. You may deliver written notice of revocation of a proxy to Verso's Secretary at any time before the Verso special meeting by sending such revocation to the Secretary, 6775 Lenox Center Court, Suite 400, Memphis, Tennessee 38115-4436, in time for the Secretary to receive it before the Verso special meeting.

**Table of Contents**

**Q: What if I receive more than one proxy card?**

A: If you receive more than one proxy card, your shares of Verso common stock are registered in more than one name or are registered in different accounts. Please complete, date, sign and return each appropriate proxy card to ensure that all your shares are voted.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this joint proxy and information statement/prospectus, please respond by completing, signing and dating the appropriate proxy card or voting instruction card and returning in the enclosed postage-paid envelope, or, if available, by submitting your voting instruction electronically via the Internet or by telephone, as soon as possible so that your shares of Verso common stock may be represented and voted at the Verso special meeting. In addition, you may also vote your shares in person at the Verso special meeting. If you hold shares registered in the name of a broker, bank or other nominee, that broker, bank or other nominee has enclosed, or will provide, instructions for directing your broker, bank or other nominee how to vote those shares.

**Q: Should I send in my stock certificates (or evidence of shares in book-entry form) with my proxy card?**

A: No. Please do NOT send your Verso stock certificates (or evidence of shares in book-entry form) with your proxy card.

**Q: Who can help answer my questions?**

A: If you have any questions about the Verso special meeting, the matters to be voted upon, including the Merger, or questions about how to submit your proxy, or if you need additional copies of this joint proxy and information statement/prospectus or the enclosed proxy card or voting instruction card, you should contact Peter H. Kesser at [peter.kesser@versopaper.com](mailto:peter.kesser@versopaper.com) (e-mail) or call (901) 369-4105.

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**Table of Contents**

**QUESTIONS AND ANSWERS TO NEWPAGE STOCKHOLDERS ABOUT THE MERGER**

The following questions and answers are intended to address briefly some commonly asked questions regarding the Merger and the Merger Agreement. These questions and answers may not address all questions that may be important to you as a NewPage stockholder. Please refer to the Summary and the more detailed information contained elsewhere in this joint proxy and information statement/prospectus, the annexes to this joint proxy and information statement/prospectus and the documents referred to in this joint proxy and information statement/prospectus, each of which you should read carefully. For additional information about NewPage and its subsidiaries, please see

Information About NewPage beginning on page 391. You may also obtain additional information about NewPage and its subsidiaries without charge by following the instructions set forth in the section entitled Where You Can Find More Information beginning on page 415.

**Q: What is the proposed transaction and what effects will it have on NewPage?**

A: The proposed transaction is the acquisition of NewPage by Verso pursuant to the Merger Agreement. The acquisition is structured as a reverse triangular merger. If the closing conditions under the Merger Agreement have been satisfied or waived and the Merger Agreement is not otherwise terminated, Merger Sub, an indirect, wholly owned subsidiary of Verso, will merge with and into NewPage, with NewPage as the surviving entity. As a result of the Merger, NewPage will become an indirect, wholly-owned subsidiary of Verso, will no longer be a 1934 Act reporting company and will no longer file any reports with the SEC on account of NewPage's common stock. In addition, the NewPage Stockholders Agreement will terminate in accordance with its terms.

**Q: What will I be entitled to receive pursuant to the Merger Agreement?**

A: Pursuant to the Merger Agreement, (a) approximately \$243 million in cash was paid to holders of NewPage common stock as a dividend prior to the date of this joint proxy and information statement/prospectus, which is referred to as the Recapitalization Dividend, with the remaining approximately \$7 million of the \$250 million total cash consideration contemplated by the Merger Agreement paid into an escrow account for the benefit of holders of NewPage restricted stock units upon vesting and holders of NewPage stock options upon consummation of the Merger, and (b) each share of common stock of NewPage outstanding immediately prior to the effective time of the Merger (other than treasury shares of NewPage and any shares of NewPage common stock owned by Verso or any subsidiary of Verso or NewPage, and other than shares of common stock as to which dissenters' rights have been properly exercised pursuant to the General Corporation Law of the State of Delaware) will be converted into the right to receive its pro rata portion of (i) the remainder, if any, of the approximately \$7 million in cash paid into the escrow account, plus the cash actually received by NewPage in respect of any exercises of NewPage stock options between the date of the Merger Agreement and the closing of the Merger; (ii) \$650 million in principal amount of New First Lien Notes (subject to downward adjustment in certain circumstances in an amount not to exceed \$27 million in value); and (iii) shares of Verso common stock representing 20% (subject to upward adjustment in certain circumstances to no greater than 25%) of the sum of (x) the number of outstanding Verso shares as of immediately prior to closing of the Merger plus (y) the number of shares, if any, underlying vested, in-the-money Verso stock options as of the signing of the Merger Agreement. The number of shares of Verso common stock to be issued to the NewPage stockholders as part of the Merger

## Edgar Filing: Verso Paper Corp. - Form 424B3

Consideration will be based on the number of shares of Verso common stock outstanding after the conversion of the Verso Warrants to be issued to the holders of Old Second Lien Notes participating in the Second Lien Notes Exchange Offer and holders of Old Subordinated Notes participating in the Subordinated Notes Exchange Offer. Upon completion of the Merger, you will not own any shares of the capital stock in the Surviving Corporation but will own shares of Verso common stock to be issued to NewPage stockholders as part of the Merger Consideration.



**Table of Contents**

**Q: When do you expect the Merger to be completed?**

A: We are working to complete the Merger as soon as practicable. The parties anticipate that the Merger will be completed during the second half of 2014. However, because the Merger is subject to a number of conditions, some of which are beyond the control of NewPage and Verso, the precise timing for completion of the Merger cannot be predicted with certainty, and we cannot assure you that the Merger will be completed at all. See the section entitled "The Merger Agreement - Conditions to the Merger" beginning on page 280.

**Q: When can I expect to receive the Transaction Consideration for my shares?**

A: NewPage stockholders received approximately \$243 million of the cash portion of the Transaction Consideration through the Recapitalization Dividend when the proceeds of the NewPage Term Loan Facility were funded. After the Merger is completed, you will be sent a stockholder consent and release, a cooperation agreement and detailed written instructions for exchanging your NewPage common stock for the Merger Consideration. When you properly complete and return the required documentation described in the written instructions, you will receive from the paying agent your pro rata portion of the note consideration, share consideration and remaining portion of the cash consideration for your shares.

**Q: Where will the Verso common stock and the notes that I receive in the Merger be publicly traded?**

A: Verso common stock is listed on the New York Stock Exchange under the trading symbol VRS. We intend to apply to the New York Stock Exchange to list the shares of Verso common stock offered hereby prior to the consummation of the Merger. The notes are not listed on a public stock exchange, and Verso does not intend to have the New First Lien Notes listed on a national securities exchange.

**Q: What are the material U.S. federal income tax consequences of the Merger?**

A: The receipt of Merger Consideration for NewPage common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. In general, a stockholder subject to U.S. federal income taxation who receives Merger Consideration in exchange for NewPage common stock will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the fair market value of the Merger Consideration, paid to such stockholder and the adjusted basis of the NewPage common stock exchanged by such stockholder in the Merger. In addition, the Recapitalization Dividend will be treated as a taxable dividend to the extent of NewPage's current and accumulated earnings and profits (as determined for U.S. tax purposes). See "Certain Material U.S. Federal Income Tax Consequences." Tax matters can be complicated, and the tax consequences of the Merger to you will depend on your particular tax situation. You should consult your tax advisor to determine the tax consequences of the Merger to you.

**Q: Did the NewPage board of directors approve and recommend the Merger Agreement?**

A: Yes. At a meeting on January 1, 2014 and subsequently by unanimous written consent dated January 3, 2014, the NewPage board of directors approved the Merger Agreement.

**Q: Has NewPage stockholder approval and adoption of the Merger Agreement been obtained?**

A: Yes. On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement.

**Table of Contents**

**Q: What happens if the Merger is not completed?**

A: If the Merger is not completed for any reason, NewPage will continue as an independent entity, your NewPage common stock will not be cancelled and will remain outstanding, and you will not receive the Merger Consideration.

**Q: Why am I not being asked to vote on the Merger?**

A: This document is entitled joint proxy and information statement/prospectus because it is a joint document combining a proxy for Verso stockholders and an information statement for NewPage stockholders. We are not asking for a proxy from NewPage stockholders and you are not being requested to send us a proxy. Consummation of the Merger requires the adoption of the Merger Agreement by the holders of a majority of the outstanding shares of NewPage common stock voting or consenting as a single class. On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement. No further approval of the stockholders of NewPage will be required to adopt the Merger Agreement and approve the Merger and the transactions and agreements contemplated by the Merger Agreement.

**Q: Why am I receiving this joint proxy and information statement/prospectus?**

A: You may be receiving this joint proxy and information statement/prospectus because you owned shares of NewPage common stock on the close of business day that we received the written consent of the holders of a majority of NewPage's issued and outstanding common stock approving the Merger.

**Q: What happens if I transfer my shares before the completion of the Merger?**

A: If you transfer your shares before the completion of the Merger, you will have transferred the right to receive the Merger Consideration to be received by NewPage stockholders pursuant to the Merger. In order to receive the Merger Consideration, you must hold your shares through completion of the Merger.

**Q: Am I entitled to exercise appraisal rights under the DGCL instead of receiving the Merger Consideration for my shares of NewPage common stock?**

A: Yes, provided that you comply with all applicable requirements and procedures of the DGCL. As a holder of NewPage common stock, you are entitled to appraisal rights under the DGCL in connection with the Merger if you take certain actions and meet certain conditions. The notice of appraisal was sent to you on July 11, 2014. See the section entitled The Merger NewPage Stockholder Appraisal Rights beginning on page 253.

**Q: Who can help answer my questions?**

A: If you have any questions about the Merger or the Merger Agreement, or if you need additional copies of this joint proxy and information statement/prospectus, you should contact Barbara Telek at [barbara.telek@newpagecorp.com](mailto:barbara.telek@newpagecorp.com) (e-mail) or call (937) 242-9629.

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**Table of Contents**

**SUMMARY**

This summary highlights selected information described in more detail elsewhere in this joint proxy and information statement/prospectus and may not contain all of the information that is important to you. To understand the Merger and to obtain a more complete description of the terms of the Merger Agreement, you should carefully read this entire joint proxy and information statement/prospectus, including the annexes hereto, and the documents to which Verso and NewPage refer you. We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary. Within the organization, Verso Paper Corp. is the ultimate parent entity and the sole member of Verso Paper Finance Holdings One LLC, which is the sole member of Verso Paper Finance Holdings LLC, which is the sole member of Verso Paper Holdings LLC. Unless otherwise indicated herein or the context requires otherwise, references in this Summary to *Verso*, refers collectively to Verso Paper Corp. and its subsidiaries; the term *Verso Finance* refers to Verso Paper Finance Holdings LLC; the term *Verso Holdings* refers to Verso Paper Holdings LLC. Unless otherwise noted, the information provided pertains to both Verso and Verso Holdings. References to *NewPage* refer collectively to NewPage Holdings Inc. and its subsidiaries. References to *we*, *us* or *our* refer collectively to Verso and NewPage; however, in the case of Management's Discussion and Analysis of Financial Condition and Results of Operations and Business, the terms *we*, *us* or *our* refer only to Verso and Verso Holdings.

**The Companies**

*Verso* (See page 390)

Verso Paper Corp.

6775 Lenox Center Court, Suite 400

Memphis, Tennessee 38115-4436

(901) 369-4100

Verso is a leading North American supplier of coated papers to catalog and magazine publishers. The coating process adds a smooth uniform layer in the paper, which results in superior color and print definition. As a result, coated paper is used primarily in media and marketing applications, including catalogs, magazines, and commercial printing applications, such as high-end advertising brochures, annual reports, and direct mail advertising.

Verso is one of North America's largest producers of coated groundwood paper, which is used primarily for catalogs and magazines. Verso is also a low cost producer of coated freesheet paper, which is used primarily for annual reports, brochures, and magazine covers. Verso also produces and sells market kraft pulp, which is used to manufacture printing and writing paper grades and tissue products. Verso's net sales by product line for the year ended December 31, 2013 were approximately \$619 million, \$444 million, \$156 million and \$170 million for coated groundwood paper, coated freesheet paper, pulp and other, respectively.

Verso operates eight paper machines at three mills located in Maine and Michigan. Verso believes its coated paper mills are among the most efficient and lowest cost coated paper mills based on the cash cost of delivery to Chicago, Illinois. Verso attributes its manufacturing efficiency, in part, to the significant historical investments made in its mills. Verso's mills have a combined annual production capacity of 1,305,000 tons of coated paper, 160,000 tons of ultra-lightweight specialty and uncoated papers, and 930,000 tons of kraft pulp. Of the pulp that Verso produces, Verso consumes approximately 635,000 tons internally and sells the rest. Verso's facilities are well located near major

publication printing customers, which affords it the ability to more quickly and cost-effectively deliver its products. The facilities also benefit from convenient and cost-effective access to northern softwood fiber, which is required for the production of lightweight and ultra-lightweight coated papers.

Verso sells and markets its products to approximately 130 customers, which comprise approximately 700 end-user accounts. Verso has long-standing relationships with many leading magazine and catalog publishers,

**Table of Contents**

commercial printers, specialty retail merchandisers and paper merchants. Verso's relationships with its ten largest coated paper customers average more than 20 years. Verso reaches its end-users through several distribution channels, including direct sales, commercial printers, paper merchants, and brokers. Many of Verso's customers provide Verso with forecasts of their paper needs, which allows Verso to plan its production runs in advance, optimizing production over its integrated mill system and thereby reducing costs and increasing overall efficiency. Verso's key customers include leading magazine publishers such as Condé Nast Publications, Hearst Enterprises, and National Geographic Society; leading catalog producers such as Avon Products, Inc., Restoration Hardware, Inc. and Cornerstone Brands, Inc.; leading commercial printers such as Quad/Graphics, Inc. and RR Donnelley & Sons Company and leading paper merchants and brokers, such as A.T. Clayton & Co., xpedx, and Clifford Paper, Inc.

As of June 30, 2014, Verso had approximately 2,100 employees. For the fiscal years ended December 31, 2013, 2012, and 2011, Verso had net sales of approximately \$1,388.9 million, \$1,474.6 million and \$1,722.5 million, respectively. For the three months ended March 31, 2014 and 2013, Verso had net sales of approximately \$299.1 million and \$333.2 million, respectively. Verso had net losses of \$111.2 million, \$173.8 million and \$137.1 million in fiscal years 2013, 2012, and 2011, respectively, and net losses of \$90.6 million and \$38.4 million for the three months ended March 31, 2014 and 2013, respectively. Verso Holdings had net losses of \$111.2 million, \$166.2 million and \$122.5 million in fiscal years 2013, 2012, and 2011, respectively, and net losses of \$90.6 million and \$37.7 million for the three months ended March 31, 2014 and 2013, respectively.

***Verso Merger Sub Inc.***

Verso Merger Sub Inc.

6775 Lenox Center Court, Suite 400

Memphis, TN 38115-4436

(901) 369-4100

Verso Merger Sub Inc., a Delaware corporation, referred to as Merger Sub, is an indirect, wholly owned subsidiary of Verso and a direct subsidiary of Verso Holdings. Merger Sub was formed solely for the purpose of engaging in the transactions contemplated by the Merger Agreement and, prior to the Merger, will not have engaged in any other business activities other than those relating to the transactions contemplated by the Merger Agreement. In the Merger, Merger Sub will merge with and into NewPage, and Merger Sub will cease to exist.

***Verso Paper Holdings LLC***

Verso Paper Holdings LLC

6775 Lenox Center Court, Suite 400

Memphis, TN 38115-4436

(901) 369-4100

Within our organization, Verso Paper Corp. is the ultimate parent entity and the sole member of Verso Paper Finance Holdings One LLC, which is the sole member of Verso Paper Finance Holdings LLC, which is the sole member of Verso Paper Holdings LLC.

*NewPage* (See page 391)

NewPage Holdings Inc.

8540 Gander Creek Drive

Miamisburg, Ohio 45342

(937) 242-9629



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**Table of Contents**

NewPage competes in the global printing and writing paper business, producing coated papers, supercalendered papers, and other uncoated and specialty products. NewPage also sells its excess market pulp. Most of NewPage's sales represent coated paper shipments to North American customers. Coated paper is used primarily in media and marketing applications, such as high-end advertising brochures, direct mail advertising, coated labels, magazines, magazine covers and inserts, catalogs and textbooks.

NewPage operates paper mills located in Kentucky, Maine, Maryland, Michigan, Minnesota and Wisconsin. All of NewPage's paper mills are at least partially-integrated, meaning that they produce paper, pulp and energy. Most of the energy produced at these mills is for internal use. As of December 31, 2013, NewPage's mills had total annual production capacity of approximately 3.5 million short tons of paper, including approximately 2.9 million short tons of coated paper, approximately 400,000 short tons of uncoated paper and approximately 200,000 short tons of specialty paper. All of NewPage's long-lived assets are located within the United States. NewPage's mills and distribution centers, are strategically located near major print markets, such as New York, Chicago and Minneapolis.

NewPage has long-standing relationships with many leading publishers, commercial printers, specialty retail merchandisers and paper merchants. NewPage's ten largest customers accounted for approximately half of its net sales for 2013. NewPage's key customers include Condé Nast Publications, The McGraw-Hill Companies, Meredith Corporation, Hearst Corporation, Rodale Inc. and Time Inc. in publishing; Quad/Graphics and R.R. Donnelley & Sons Company in commercial printing; Sears Holdings Corporation, Target Corporation and Williams-Sonoma, Inc. in retailing; and paper merchants Lindenmeyr, a division of Central National-Gottesman Inc., Unisource Worldwide, Inc. and xpedx, a division of International Paper Company. Key customers for specialty paper products include Avery Dennison Corporation and Fort Dearborn Company. During 2013, xpedx and Unisource accounted for 13% and 12% of net sales. No other customer accounted for more than 10% of NewPage's 2013 net sales.

As of June 30, 2014, NewPage had approximately 5,500 employees. For the fiscal years ended December 31, 2013, 2012, and 2011, NewPage had net sales of \$3,054 million, \$3,131 million and \$3,502 million, respectively. For the three months ended March 31, 2014 and 2013, NewPage had net sales of \$757 million and \$756 million, respectively. NewPage had net losses of \$2 million in 2013, net income of \$1,258 million in 2012 and net losses of \$498 million in 2011 and net losses of \$71 million and \$11 million in the three months ended March 31, 2014 and 2013.

As a result of the Creditor Protection Proceedings described elsewhere in this joint proxy and information statement/prospectus, the implementation of the Chapter 11 plan and the application of fresh start accounting materially changed the carrying amounts and classifications reported in NewPage's consolidated financial statements and resulted in NewPage becoming a new entity for financial reporting purposes. Accordingly, NewPage's consolidated financial statements for periods prior to December 31, 2012 will not be comparable to NewPage's consolidated financial statements as of December 31, 2012 or for periods subsequent to December 31, 2012. References to Successor or Successor Company refer to NewPage Holdings Inc. on or after December 31, 2012, after giving effect to the implementation of the Chapter 11 plan and the application of fresh start accounting. References to Predecessor or Predecessor Company refer to NewPage Corporation prior to December 31, 2012.

For additional information about NewPage and its subsidiaries, see Information About NewPage beginning on page 391 and Where You Can Find More Information beginning on page 415.

**Table of Contents**

**Vote Required**

Proposals 1, 2, 3, 4, 5 and 6 require the affirmative vote of a majority of the votes cast in person or represented by proxy at the Verso special meeting. As of the record date, Verso directors, executive officers and their affiliates are entitled to vote 37,720,907 shares of Verso common stock, or approximately 71% of the total outstanding shares of Verso common stock.

On July 16, 2014, NewPage received the written consents signed by a sufficient number of holders of shares of NewPage common stock to adopt the Merger Agreement and approve the Merger and other transactions contemplated by the Merger Agreement. As of July 16, 2014 and the date of this joint proxy and information statement/prospectus, NewPage directors, executive officers and their affiliates are entitled to vote 8,761 shares of NewPage common stock, or approximately 0.1% of the total issued and outstanding shares of NewPage common stock.

**Merger and Merger Agreement** (See pages 213 and 266)

On January 3, 2014, Verso, Merger Sub and NewPage entered into the Merger Agreement, providing for the merger of Merger Sub and NewPage, with NewPage surviving as an indirect subsidiary of Verso.

The terms and conditions of the Merger are contained in the Merger Agreement, a copy of which is attached as Annex A to this joint proxy and information statement/prospectus. We encourage you to read the Merger Agreement carefully, as it is the legal document that governs the Merger.

**Transaction Consideration** (See page 266)

Pursuant to the Merger Agreement, (a) approximately \$243 million in cash was paid to holders of NewPage common stock as a dividend prior to the date of this joint proxy and information statement/prospectus, which is referred to as the Recapitalization Dividend, with the remaining approximately \$7 million of the \$250 million total cash consideration contemplated by the Merger Agreement paid into an escrow account for the benefit of holders of NewPage restricted stock units upon vesting and holders of NewPage stock options upon consummation of the Merger, and (b) each share of common stock of NewPage outstanding immediately prior to the effective time of the Merger (other than treasury shares of NewPage and any shares of NewPage common stock owned by Verso or any subsidiary of Verso or NewPage, and other than shares of common stock as to which dissenters' rights have been properly exercised pursuant to the General Corporation Law of the State of Delaware) will be converted into the right to receive its pro rata portion of:

the remainder, if any, of the approximately \$7 million in cash paid into the escrow account, plus the cash actually received by NewPage in respect of any exercises of NewPage stock options between the date of the Merger Agreement and the closing of the Merger;

\$650 million in principal amount of New First Lien Notes (subject to downward adjustment in certain circumstances in an amount not to exceed \$27 million in value); and

shares of Verso common stock representing 20% (subject to upward adjustment in certain circumstances to no greater than 25%) of the sum of (x) the number of outstanding Verso shares as of immediately prior to

closing of the Merger plus (y) the number of shares, if any, underlying vested, in-the-money Verso stock options as of the signing of the Merger Agreement.

As of the date of the filing of this joint proxy and information statement/prospectus, the number of shares of Verso common stock to be issued to NewPage stockholders would be approximately 14.4 million in the aggregate, assuming a 100% participation of aggregate principal amount of Old Second Lien Notes in the Second Lien Notes Exchange Offer and a 100% participation of aggregate principal amount of Old Subordinated Notes in the Subordinated Notes Exchange Offer, and that the number of shares of Verso common stock issued as part of the Merger Consideration is not further adjusted upwards.

**Table of Contents**

Upon the closing of the Merger, each share of NewPage common stock outstanding immediately prior to the closing (other than shares owned directly or indirectly by Verso or Merger Sub or any of their respective subsidiaries, and NewPage stockholders, if any, who effectively exercise appraisal rights under Delaware law) will be canceled and extinguished and be converted automatically into the right to receive a portion of the Merger Consideration. See The Merger Agreement Transaction Consideration.

**Ancillary Agreements** (See page 286)

Concurrently with the execution of the Merger Agreement, NewPage, Merger Sub, Verso and certain of NewPage's stockholders and Verso's affiliates entered into ancillary agreements relating to:

support of the Merger by certain NewPage stockholders, and support of the issuance of shares of Verso common stock as part of the Merger Consideration by Verso's majority stockholder;

the lock-up of debt and equity securities of Verso held by Apollo Global Management LLC ( Apollo ) and its affiliates, and agreement by certain affiliates of Verso to take specified actions with respect to regulatory filings required in connection with the Merger;

the appointment of a current director of NewPage to the board of Verso;

Verso's efforts to enter into a financing in connection with certain non-core energy assets;

the form of a release agreement whereby NewPage stockholders and holders of NewPage restricted stock units and in-the-money NewPage stock options will release claims against NewPage and its successors and assigns as consideration for their receipt of the Merger Consideration; and

the form of a cooperation agreement whereby Verso will be subject to a cooperation agreement which will require Verso to assist with marketing the New First Lien Notes.

The foregoing summaries of such ancillary agreements executed or to be executed at the closing of the Merger are qualified in their entirety by reference to the descriptions of such agreements set forth on Form 8-K as filed with the SEC on January 6, 2014 by Verso and NewPage, respectively.

**Verso Board of Directors Reasons for the Merger** (See page 232)

Verso believes that the acquisition of NewPage will, among other things, enable the combined company to be better positioned to compete on a global scale, to effectively leverage NewPage's existing customer base and geographical reach to withstand competition from electronic substitution for print and international producers and result in at least \$175 million of pre-tax total cost synergies, which are expected to be achieved during the first 18 months after completion of the Merger (based on an analysis developed by Verso's management).

In the course of reaching its decision to approve the Merger Agreement, the Verso board of directors considered a number of factors in its deliberations. Those factors are described in The Merger Recommendation of the Verso Board of Directors and Verso's Reasons for the Merger beginning on page 232.

**NewPage Board of Directors Reasons for the Merger** (See page 222)

At a meeting on January 1, 2014, NewPage's board of directors determined by unanimous vote of all directors present and subsequently by unanimous written consent, dated January 3, 2014, that the Merger is in the best interests of NewPage and its stockholders. In reaching its decision to approve the Merger Agreement and declare it advisable, NewPage's board of directors received advice from NewPage's management and legal, financial, tax and accounting advisors and considered a number of factors.

## **Table of Contents**

NewPage's board of directors determined that the Merger represents the most certain and best prospect for maximizing stockholder value and creating an opportunity for NewPage stockholders to monetize that value. Importantly, the Merger is expected to enable the realization of at least \$175 million of pre-tax total cost synergies during the first 18 months after the closing of the Merger. These synergies will benefit the value of the New First Lien Notes and Verso common stock issued in the Merger. See *The Merger Recommendation of the NewPage Board of Directors and NewPage's Reasons for the Merger* beginning on page 222.

### **Fairness Opinion of Financial Advisor to NewPage** (See page 226)

Goldman Sachs rendered its oral opinion on January 1, 2014, which was subsequently confirmed by a written opinion to NewPage's board of directors that based upon and subject to the factors and assumptions set forth therein, the Per Share Closing Cash Consideration, the Per Share Closing Note Consideration and the Per Share Closing Share Consideration, each as defined in the Merger Agreement, taken in the aggregate, to be paid to holders (other than Verso and its affiliates) of shares of NewPage common stock pursuant to the Merger Agreement was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated January 3, 2014, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex B. Goldman Sachs provided its opinion for the information and assistance of NewPage's board of directors in connection with its consideration of the Merger. The Goldman Sachs opinion is not a recommendation as to how any holder of NewPage common stock should vote or act by written consent with respect to the Merger or any other matter. Pursuant to an engagement letter between NewPage and Goldman Sachs, NewPage has agreed to pay Goldman Sachs a transaction fee of approximately \$12 million, all of which will become payable upon consummation of the Merger.

### **Fairness Opinion of Financial Advisor to Verso** (See page 234)

Evercore has provided Verso's board of directors with an opinion that concludes that the Merger is fair, from a financial point of view, to Verso's stockholders. A copy of Evercore's fairness opinion is attached as Annex D.

### **Solvency Opinion of Financial Advisor to Verso** (See page 242)

Murray Devine has provided Verso's board of directors with an opinion that, after giving effect to the Merger and the other transactions contemplated by the Merger Agreement, Verso and its subsidiaries will be solvent. Prior to the closing of the Merger, Murray Devine will deliver a bring down of its solvency opinion. A copy of Murray Devine's solvency opinion is attached as Annex E.

### **Treatment of NewPage Stock Options and Other Stock-Based Awards** (See page 268)

#### ***NewPage Stock Options***

When NewPage paid the Recapitalization Dividend to its stockholders, as described in *The Merger Agreement Transaction Consideration Form of Transaction Consideration*, NewPage adjusted the exercise price of each outstanding option by reducing it by the amount payable in respect of one share of NewPage common stock. As of the effective time of the Merger, each outstanding option that is an in-the-money option (which are all outstanding options immediately prior to the effective time that had an exercise price of \$108.72 as of the date of the Merger Agreement) will become fully vested and, as of the closing of the Merger, will be automatically cancelled and converted into the right of the optionholder to receive consideration equal to the difference between (i) the per share aggregate

Transaction Consideration and (ii) the exercise price of such in-the-money option (determined without regard to any adjustment in respect of the Recapitalization Dividend

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**Table of Contents**

described in the preceding sentence). In the event an optionholder executes an optionholder acknowledgement, the form of consideration such holder will be entitled to receive will be a combination of cash consideration, note consideration and share consideration as determined by the board of directors of NewPage based on the proportionate amount of each form of consideration payable in respect of one share of NewPage's common stock, taking into account the cash paid in connection with the Recapitalization Dividend. In the event an optionholder does not execute the optionholder acknowledgement, the form of consideration such holder will be entitled to receive will be a combination of cash consideration, note consideration and share consideration as determined by the board of directors of NewPage based on the proportionate amount of each form of consideration payable in respect of one share of NewPage's common stock at closing. Each form of consideration payable to optionholders will be reduced on a pro rata basis by amounts that are required to be withheld under any applicable tax laws. The Surviving Corporation or its subsidiaries will be required to issue the consideration payable to the former optionholders as soon as reasonably practicable following the closing date, subject to their execution of a stockholder consent and release. All options that are not in-the-money options will be automatically cancelled and terminated without payment as of the effective time of the Merger.

***NewPage Restricted Stock Unit Awards***

Each holder of NewPage restricted stock units (each, an RSU) that were outstanding on the date that the Recapitalization Dividend was paid to NewPage stockholders is entitled to receive a dividend equivalent equal to the amount payable in respect of one share of NewPage common stock in connection with the Recapitalization Dividend. Such dividend equivalent payable in respect of each RSU will be paid to its holder, less any amounts that are required to be withheld under applicable tax laws, on the date on which NewPage's common stock underlying the RSU is distributed to the holder in accordance with the applicable RSU award agreement. Upon the closing of the Merger, each holder of RSUs will be entitled to receive payment of any outstanding and unpaid dividend equivalents in respect of the RSUs held by such individual.

As of the effective time of the Merger, each RSU, whether vested or unvested, will become fully vested. At the closing of the Merger, each RSU will be cancelled and automatically converted into the right of the holder of each RSU outstanding immediately prior to the effective time of the merger to receive, promptly following the closing of the Merger, the cash consideration, note consideration and share consideration to which one share of NewPage common stock is entitled at closing, reduced on a pro rata basis by the amounts that are required to be withheld or deducted under any applicable tax laws. The Surviving Corporation or its subsidiaries will be required to issue such consideration to the former RSU holders subject to their execution of a stockholder consent and release.

Because certain NewPage stock options and RSUs had not vested at the time the Recapitalization Dividend was paid to NewPage stockholders, NewPage deposited an amount into escrow that is sufficient to satisfy NewPage's obligation to the holders of such options and RSUs. In this regard, the Merger Agreement provides that in connection with the payment of the Recapitalization Dividend to NewPage stockholders, an amount reasonably determined by the NewPage board of directors which is not less than (a) the product of (i) the number of RSUs outstanding as of the record date of the Recapitalization Dividend, multiplied by (ii) the amount of the per share Recapitalization Dividend, plus (b) \$3 million plus (c) the cash actually received by NewPage in respect of any exercises of NewPage stock options between the signing of the Merger Agreement and the closing of the Merger, was funded into escrow and paid to holders of in-the-money options and RSUs in connection with the closing of the Merger or, with respect to RSUs, upon the earlier settlement of the underlying RSUs.

**Interests of NewPage Directors and Executive Officers in the Merger (See page 245)**



Certain of NewPage's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of NewPage's stockholders. The board of directors of NewPage was aware of these interests and considered them when it adopted the Merger Agreement and approved the Merger. These interests

**Table of Contents**

are described in more detail in the section of this document entitled See The Merger Interests of NewPage Directors and Executive Officers in the Merger beginning on page 245.

**Interests of Verso Directors and Executive Officers in the Merger** (See page 249)

Verso has previously committed to granting stock options to purchase a total of 200,000 shares of Verso common stock to its chief executive officer immediately after the consummation of the Merger.

**Conditions to the Completion of the Merger** (See page 280)

Verso and NewPage currently expect to complete the Merger in the second half of 2014, subject to receipt of required stockholder and regulatory approvals and the satisfaction or waiver of the other conditions to the Merger. As more fully described in this joint proxy and information statement/prospectus and in the Merger Agreement, each party's obligation to complete the Merger depends on a number of conditions being satisfied or, where legally permissible, waived, including the following:

receipt of the NewPage stockholder approval through execution of written consents or otherwise;

no law or order having been enacted or entered by any governmental authority that restrains, makes illegal or otherwise prohibits the consummation of the Merger;

the waiting period under the HSR Act will have expired or been earlier terminated without Verso or Merger Sub being required to take any action to resolve an antitrust challenge that would materially affect the business;

approvals of FERC and the PSCW will have been obtained without Verso or Merger Sub being required to take any action to resolve a challenge by such governmental entities that would materially affect the business;

the Exchange Offer Transactions and the Consent Solicitations will have been consummated;

NewPage Corporation's existing asset based loan facility will have been replaced with the NewPage ABL Facility as contemplated by the Debt Commitment Letters;

there will not have been any default or event of default under any existing Verso notes as a result of the Merger or the transactions contemplated by the Merger Agreement;

the number of shares of NewPage stock whose holders will have exercised dissenter's rights will not be greater than 7%;

the registration statement on Form S-4 will have become effective and not be the subject of any continuing stop order;

prior to the payment of the Recapitalization Dividend to NewPage stockholders, Houlihan Lokey Financial Advisors, Inc. will have delivered an opinion related to solvency matters to the NewPage board of directors, and NewPage will have provided Verso with a copy of such opinion for the board of directors of Verso;

a nationally recognized accounting firm will have delivered to NewPage and Verso the certificate with the calculations of certain NewPage restricted payments that occurred during the pre-closing period;

NewPage will have received the proceeds contemplated by the Debt Commitment Letters;

on or before January 17, 2014, Murray Devine will have delivered an opinion to the NewPage board of directors and the Verso board of directors that Verso (together with its subsidiaries) will be solvent as of the closing of the Merger after giving pro forma effect to the transactions contemplated by the Merger Agreement. At the closing of the Merger, Murray Devine will deliver a bring down of its solvency opinion; and

**Table of Contents**

Verso will have received the requisite approval of its stockholders for the issuance of Verso common stock as share consideration.

The obligation of NewPage to complete the Merger is subject to the satisfaction or waiver of the following additional conditions:

certain of Verso's representations and warranties will be true and correct in all respects and the other representations and warranties of Verso will be true and correct except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, have not had and would not reasonably be expected to have a material adverse effect;

the performance, in all material respects, by Verso and Merger Sub of their covenants and agreements required to be performed or complied with prior to the closing of the Merger;

since September 30, 2013, there will not have occurred a material adverse effect with respect to Verso;

Verso will have delivered to NewPage a certification that the conditions in the previous three bullets have been satisfied; and

the shares of Verso common stock to be issued as share consideration will have been approved for listing on the New York Stock Exchange.

The obligation of Verso to complete the Merger is subject to the satisfaction or waiver of the following additional conditions:

certain of NewPage's representations and warranties will be true and correct in all respects and the other representations and warranties of NewPage will be true and correct except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, have not had and would not reasonably be expected to have a material adverse effect;

the performance, in all material respects, by NewPage of its covenants and agreements required to be performed or complied with prior to the closing of the Merger;

since September 30, 2013, there will not have occurred a material adverse effect with respect to NewPage;

NewPage will have delivered to Verso a certification that the conditions in the previous three bullets have been satisfied;

NewPage will have delivered to Verso an affidavit stating that NewPage is not and has not been a United States real property holding corporation; and

NewPage will have used the proceeds of the NewPage Term Loan Facility only in accordance with the terms of the Merger Agreement related to the payment of the Recapitalization Dividend to NewPage stockholders.

**Regulatory Approvals Required to Complete the Merger** (See page 251)

Verso and NewPage have agreed to cooperate and use reasonable best efforts to obtain all regulatory approvals required to complete the transactions contemplated by the Merger Agreement. For an acquisition transaction meeting certain size thresholds, such as the Merger, the HSR Act requires the parties to file notification and report forms with the Antitrust Division of the United States Department of Justice (the DOJ) and the Federal Trade Commission (FTC) and to observe specified waiting period requirements before completing the Merger.

On February 28, 2014, Verso and NewPage filed Notification and Report Forms with the DOJ and FTC. On March 31, 2014, the parties received a Request for Additional Information and Documentary Materials, referred

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**Table of Contents**

to as a second request, from the DOJ regarding the Merger. The effect of the second request was to extend the waiting period imposed by the HSR Act until 30 days after each party has substantially complied with the second request, unless that period is terminated sooner by the DOJ or is extended by the agreement of the parties and the DOJ. The parties have responded to the second request and will continue to work cooperatively with the DOJ in connection with this review. In addition, receipt of certain energy regulatory approvals is a condition to each of Verso's and NewPage's obligation to close the Merger. Approvals of the Merger by FERC and the PSCW are conditions to each party's obligation to consummate the Merger. As of the date of this joint proxy and information statement/prospectus, the parties have received the required approvals from the FERC and PSCW.

**Financing** (See page 214)

On January 3, 2014, in connection with the entry into the Merger Agreement, Verso entered into amendments (the Credit Agreement Amendments) to its Existing ABL Facility and its Existing Cash Flow Facility. Under the Credit Agreement Amendments, (a) the lenders under each of Verso's Existing ABL Facility and Existing Cash Flow Facility consented to the Merger and the other transactions contemplated by the Merger Agreement, including the incurrence of certain indebtedness in connection therewith, (b) the lenders consented to amendments to allow the sale and/or financing of certain non-core assets, and (c) the parties agreed to amend Verso's Existing ABL Facility and Verso's Existing Cash Flow Facility to allow for certain other transactions upon the consummation of the Merger and the other transactions contemplated by the Merger Agreement. The pricing terms, maturities and commitments under Verso's Existing ABL Facility and Verso's Existing Cash Flow Facility remain unchanged.

Prior to the closing of the Merger, NewPage borrowed \$750 million under the NewPage Term Loan Facility and replaced its former \$350 million asset-based loan facility with the NewPage ABL Facility.

At the time of the closing, Verso expects to issue \$650 million in aggregate principal amount of New First Lien Notes to the current shareholders of NewPage as part of the Merger Consideration.

The issuers and guarantors of Verso's debt securities (including the New First Lien Notes) and the borrower and guarantors of Verso's credit facilities do not guarantee the obligations under the NewPage Term Loan Facility and the NewPage ABL Facility, and the borrower and guarantors under the NewPage Term Loan Facility and the NewPage ABL Facility will not guarantee the obligations under Verso's debt securities and credit facilities. As a result, following the consummation of the Merger, the holders of Verso's debt securities (including the New First Lien Notes) will be structurally subordinated to the obligations under the NewPage Term Loan Facility and the NewPage ABL Facility to the extent of the value of the assets of NewPage Subsidiaries. Upon the consummation of the Merger, NewPage Holdings Inc. (but not the NewPage Subsidiaries) will guarantee Verso's debt securities (other than any remaining Old Second Lien Notes and Old Subordinated Notes) and Verso's credit facilities. NewPage Holdings Inc. is a holding company without any assets or operations other than interests in its subsidiaries.

**Use of Proceeds of NewPage Term Loan Facility**

Proceeds of the NewPage Term Loan Facility were used to repay NewPage's former \$500 million term loan facility and to pay the Recapitalization Dividend to NewPage's stockholders. Prior to payment of the Recapitalization Dividend, the NewPage board of directors received an opinion related to solvency matters from Houlihan Lokey Financial Advisors, Inc. The opinion addressed matters only relating to NewPage after giving effect to the Recapitalization Dividend and the financing therefor, and not with respect to the combined company. Although the receipt of this opinion prior to payment of the Recapitalization Dividend is a condition to the completion of the Merger, the opinion has already been delivered and the Recapitalization Dividend has already been paid. Accordingly, the opinion is not materially related to either the Merger or the decisions to be made by the shareholders of either

NewPage or Verso with respect to the Merger.

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**Table of Contents****Exchange Offer Transactions**

On July 2, 2014, the Verso Issuers launched and, subsequently on July 24, 2014, amended offers to exchange (a) new New Second Lien Notes and Verso Warrants that will be mandatorily convertible, immediately prior to the closing of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, into shares of Verso common stock representing, as of immediately after the consummation of the Merger, each participating holder's pro rata portion (based on such holder's pro rata portion of the Old Second Lien Notes) of 15% of the total number of outstanding shares of Verso common stock, determined on a fully diluted basis, for any and all outstanding Old Second Lien Notes, and (b) New Subordinated Notes and Verso Warrants that will be mandatorily convertible, immediately prior to the closing of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration, into shares of Verso common stock representing, as of immediately after the consummation of the Merger, each participating holder's pro rata portion (based on such holder's pro rata portion of the New Subordinated Notes) of 6.670% of the total number of outstanding shares of Verso common stock, determined on a fully diluted basis, for any and all outstanding Old Subordinated Notes. Each Verso Warrant will be convertible into one share of Verso common stock. No fractional shares of Verso common stock will be issued upon conversion of the Verso Warrants. If, upon conversion of the Verso Warrants, a holder would be entitled to receive a fractional interest in a share, such fractional interest will be rounded up to the nearest whole number of shares of Verso common stock to be issued to the Verso Warrant holder.

In connection with the Exchange Offers, the Verso Issuers are also soliciting consents to amend the Old Second Lien Notes, the Old Subordinated Notes and the indentures governing the Old Second Lien Notes and the Old Subordinated Notes. The proposed amendments, which require the consent of a majority in outstanding aggregate principal amount of the Old Second Lien Notes and Old Subordinated Notes, respectively, will eliminate or waive substantially all of the restrictive covenants, eliminate certain events of default, modify covenants regarding mergers and transfer of assets, and modify or eliminate certain other provisions. In addition, the consents with respect to the Old Second Lien Notes will authorize a release of the liens and security interests in the collateral securing the Old Second Lien Notes. In order to be effected, the collateral release must be consented to by the holders of at least two-thirds in outstanding aggregate principal amount of the Old Second Lien Notes.

Prior to the consummation of the Merger, (i) the New Second Lien Notes will have substantially the same terms as the Old Second Lien Notes in that the New Second Lien Notes will have their original principal amount, will bear interest at a rate of 8.75% per annum, will mature on February 1, 2019 and will be governed by covenants that are substantially the same as the covenants currently governing the Old Second Lien Notes, and (ii) the New Subordinated Notes will have substantially the same terms as the Old Subordinated Notes in that the New Subordinated Notes will have their original principal amount, will bear interest at a rate of 11  $\frac{3}{8}$ % per annum, will mature on August 1, 2016 and will be governed by covenants that are substantially the same as the covenants currently governing the Old Subordinated Notes. If the Merger does not occur, the New Second Lien Notes and the New Subordinated Notes will retain their original principal amount and these same terms.

Upon the consummation of the Merger, (i) the principal amount of the outstanding New Second Lien Notes will be adjusted such that a holder of \$1,000 principal amount of New Second Lien Notes immediately prior to the Merger will hold \$668.75 principal amount of New Second Lien Notes immediately following the Merger, subject to adjustment based on participation in the Second Lien Notes Exchange Offer (as described below), and the principal amount of the outstanding New Subordinated Notes will be adjusted such that a holder of \$1,000 principal amount of New Subordinated Notes immediately prior to the Merger will hold \$710 principal amount of New Subordinated Notes immediately following the Merger, subject to adjustment based on participation in the Subordinated Notes Exchange Offer (as described below), (ii) the maturity date of the New Second Lien Notes will be extended to August 1, 2020 and the maturity date of the New Subordinated Notes will be extended to August 1, 2020, (iii) the New



Second Lien Notes interest rate will be adjusted such that the New Second Lien Notes will bear interest from and after the date of the consummation of the Merger at a rate of 10% per annum entirely in cash plus 3% per annum ( Second Lien Notes PIK Interest ) payable entirely by increasing the

**Table of Contents**

principal amount of the outstanding New Second Lien Notes or by issuing additional New Second Lien Notes ( Second Lien PIK Notes ), (iv) the New Subordinated Notes interest rate will be adjusted such that the New Subordinated Notes will bear interest from and after the date of the consummation of the Merger at a rate of 11% per annum entirely in cash plus 5% per annum ( Subordinated Notes PIK Interest ) payable entirely by increasing the principal amount of the outstanding New Subordinated Notes or by issuing additional New Subordinated Notes ( Subordinated PIK Notes ), (v) certain other amendments to the terms of the New Second Lien Notes and New Subordinated Notes will be effected and (vi) the Verso Warrants will have been mandatorily converted into shares of Verso common stock.

The principal amount of New Second Lien Notes following the Merger per \$1,000 principal amount of New Second Lien Notes prior to the Merger will be adjusted based on participation in the Second Lien Notes Exchange Offer as follows:

Percentage of Aggregate Principal Amount of Old Second Lien Notes Participating in the Second Lien Notes Exchange Offer	Principal Amount of New Second Lien Notes Following the Merger per \$1,000 Principal Amount of New Second Lien Notes Prior to the Merger
75%	\$593.75
80%	\$608.75
85%	\$623.75
90%	\$638.75
95%	\$653.75
100%	\$668.75

If holders in the aggregate tender a percentage of Old Second Lien Notes that is not set forth in the table above, holders will receive the principal amount corresponding to the closest lower percentage (e.g., if 87.5% of the Old Second Lien Notes are tendered, holders will receive the principal amount corresponding to 85%).

The principal amount of New Subordinated Notes following the Merger per \$1,000 principal amount of New Subordinated Notes prior to the Merger will be adjusted based on participation in the Subordinated Notes Exchange Offer as follows:

Percentage of Aggregate Principal Amount of Old Subordinated Notes Participating in the Subordinated Notes Exchange Offer	Principal Amount of New Subordinated Notes Following the Merger per \$1,000 Principal Amount of New Subordinated Notes Prior to the Merger
70%	\$620
75%	\$635
80%	\$650
85%	\$665

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90%	\$680
95%	\$695
100%	\$710

If holders in the aggregate tender a percentage of Old Subordinated Notes that is not set forth in the table above, holders will receive the principal amount corresponding to the closest lower percentage (e.g., if 87.5% of the Old Subordinated Notes are tendered, holders will receive the principal amount corresponding to 85%).

The Verso Warrants will be issued pursuant to a warrant agreement to be dated as of the date of the consummation of the Second Lien Notes Exchange Offer and the Subordinated Notes Exchange Offer (the Warrant Agreement), between Verso and the warrant agent named therein. The Verso Warrants will entitle an eligible holder to acquire shares of Verso common stock representing, as of immediately after the consummation of the Merger, such holder's pro rata portion (based on such holder's pro rata portion of the Old Second Lien Notes or New Subordinated Notes) of 15% or 6.670%, respectively, of the total number of outstanding shares of

## **Table of Contents**

Verso common stock, determined on a fully diluted basis. Each Verso Warrant will be convertible into one share of Verso common stock. The Verso Warrants will be mandatorily convertible into shares of Verso common stock without payment of consideration (and will not otherwise be convertible) immediately prior to the closing of the Merger and the issuance of shares of Verso common stock as part of the Merger Consideration. No fractional shares of Verso common stock will be issued upon conversion of the Verso Warrants. If, upon conversion of the Verso Warrants, a holder would be entitled to receive a fractional interest in a share, such fractional interest will be rounded up to the nearest whole number of shares of Verso common stock to be issued to the Verso Warrant holder. If the Merger is terminated, the Verso Warrants will be void and of no value and will cease to be convertible into shares of Verso common stock.

Neither the Verso Warrants nor the shares of Verso common stock issuable in respect of such Verso Warrants have been registered under the Securities Act or any other securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The consummation of the Second Lien Notes Exchange Offer is conditioned upon, among other things, the valid tender, and not withdrawal, of at least 75% in aggregate principal amount of outstanding Old Second Lien Notes.

The consummation of the Subordinated Notes Exchange Offer is conditioned upon, among other things, the valid tender, and not withdrawal, of at least 70% in aggregate principal amount of outstanding Old Subordinated Notes.

It is not a condition of the Second Lien Notes Exchange Offer that the Subordinated Notes Exchange Offer is consummated, and it is not a condition of the Subordinated Notes Exchange Offer that the Second Lien Notes Exchange Offer is consummated.

Additionally, the New Second Lien Notes and the New Subordinated Notes will be subject to registration rights agreements.

Unless otherwise specified in this joint proxy and information statement/prospectus, we have assumed that all outstanding Old Second Lien Notes and all outstanding Old Subordinated Notes will be exchanged, that \$396.0 million aggregate principal amount of New Second Lien Notes and \$142.5 million aggregate principal amount of New Subordinated Notes will be issued in the Exchange Offer Transactions, and that approximately 18.8 million shares of Verso common stock will be issued upon the mandatory conversion of the Verso Warrants immediately prior to the closing of the Merger.

As of the date of this joint proxy and information statement/prospectus, Verso has not obtained the Verso Junior Noteholder Consent or consummated the Exchange Offer Transactions, and Verso may not be able to obtain the Verso Junior Noteholder Consent or consummate the Exchange Offer Transactions on the current terms or at all, in which case the Merger may not close.

## **Shared Services Agreement**

In connection with the consummation of the Merger, Verso and NewPage will enter into a shared services agreement (the Shared Services Agreement). Under the Shared Services Agreement, Verso may provide or cause to be provided to NewPage certain services from and after the closing of the Merger. The Shared Services Agreement provides for the treatment of services costs, costs to implement expected synergies and the benefits anticipated therefrom. Payment under the Shared Services Agreement will be monthly with quarterly true-ups.



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**Table of Contents**

The Shared Services Agreement provides for a broad array of potential services, including operating and back office or corporate-type services. For all services provided to NewPage, NewPage will pay Verso an amount equal to the all-in cost incurred or paid by NewPage for such service on an average basis over the twelve month period prior to the closing of the transaction.

Any costs incurred in the implementation of the expected synergies from the transaction will be allocated one-third to Verso and two-thirds to NewPage. Additionally, 100% of all realized synergies and cost savings resulting from the transaction will be for the benefit of Verso. If either Verso or NewPage suffers a reduction in production capacity of greater than 10% of such party's production capacity measured prior to the closing of the Merger, such party will be entitled to a specified make-whole payment (equal to the lesser of \$75.00 per ton and pre-reduction EBITDA per ton) if the party that did not experience such reduction realizes an increase of at least 10% in tons sold in any of the four subsequent quarters. The make-whole will be paid quarterly.

We currently anticipate that payments from NewPage to Verso under the Shared Services Agreement will be significant. However, such payments are not expected to increase NewPage's costs relative to its standalone position immediately prior to the Merger. See Risk Factors Risks Relating to the Merger The combined company may not realize the anticipated benefits of the Merger and Risk Factors Risks Relating to the Merger The combined company's operating results after the Merger may materially differ from the pro forma information presented in this joint proxy and information statement/prospectus.

In order to monitor, coordinate and facilitate the implementation of the terms and conditions of the Shared Services Agreement, Verso and NewPage will establish a Steering Committee on which each of Verso and NewPage will be equally represented. The Steering Committee will meet at least quarterly to monitor and determine the services to be provided and their cost. The Steering Committee will also serve as the first forum for the resolution of any disputes arising under the Shared Services Agreement. The Shared Services Agreement will have an initial term of three years and will automatically renew for successive one-year terms thereafter unless either Verso or NewPage provides 90 days' prior written notice. NewPage will indemnify Verso in connection with its or its affiliates provision of services to NewPage.

**Termination of the Merger Agreement** (See page 282)

The Merger Agreement may be terminated and the Merger may be abandoned at any time prior to the effective time of the Merger, whether before or after the NewPage stockholder approval has been obtained, as follows:

by mutual written consent of the parties;

by either NewPage or Verso if (i) the closing of the Merger has not occurred on or before 5:00 p.m. (New York City time) on December 31, 2014 (the End Date) and (ii) the party seeking to terminate the Merger Agreement has not breached in any material respect its obligations under the Merger Agreement in a manner that was a principal cause of the failure to consummate the Merger on or before the End Date; provided, that either party has the right to extend the End Date for up to two additional thirty (30) calendar day periods, if the only condition to closing that has not been satisfied or waived is the expiration of the waiting period under the HSR Act;

by either NewPage or Verso if any court of competent jurisdiction has issued or entered a permanent injunction or a similar order has been entered permanently enjoining or otherwise prohibiting the consummation of the Merger;

by either NewPage or Verso if the NewPage stockholder approval is not obtained either by written consent or at a meeting of the NewPage stockholders;

by NewPage, if Verso or Merger Sub has breached or failed to perform any of their representations, warranties, covenants or other agreements contained in the Merger Agreement, which breach or failure

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**Table of Contents**

to perform would result in the failure of the condition relating to the accuracy of Verso's representation and warranties and performance of its covenants;

by Verso, in the event (A) of a change of recommendation by the NewPage board of directors or (B) certain tender or exchange offers for NewPage common stock if NewPage does not thereafter issue a public statement reaffirming the NewPage board of directors' recommendation of the Merger, if NewPage has breached its obligations with respect to the non-solicitation of transactions covenant in any material respect and failed to cease such breach within two business days of being notified by Verso of such breach, or if NewPage will have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the Merger Agreement (other than with respect to non-solicitation), which breach or failure to perform would result in a failure of the conditions relating to the accuracy of NewPage's representations and warranties and performance of its covenants; or

by NewPage, at any time prior to the NewPage stockholder approval having been obtained after NewPage will have received a Superior Proposal (as defined in the The Merger Agreement Exclusivity; Alternative Transactions on page 275) in order for NewPage to enter into a definitive agreement with respect to such Superior Proposal, so long as NewPage has complied with its obligations with respect to alternative transactions and prior to or concurrently with such termination, NewPage will have paid a termination fee to Verso; after March 4, 2014 and on or prior to March 19, 2014, in the event that the Verso Junior Noteholder Consent has not been obtained, or the Exchange Offer Condition (as defined in the Merger Agreement) has not been satisfied, in each case by March 4, 2014; and between January 18, 2014 and 5:00 pm (New York City) time on January 21, 2014 if Murray Devine has not delivered its initial solvency opinion as to Verso and its subsidiaries.

**Non-Solicitation of Alternative Proposals** (See page 275)

Between signing of the Merger Agreement and the closing of the Merger (or the earlier termination of the Merger Agreement), NewPage has agreed not to take, and will not permit its subsidiaries and their respective officers, directors and employees to take, and will use reasonable best efforts to cause its other representatives not to take, any action to solicit, encourage, initiate or engage in discussions or negotiations with or provide any information to or enter into any agreement with any person or entity or facilitate any inquiries or submission of proposals for any acquisition transaction involving 25% or more of NewPage's assets or capital stock (other than with Verso or its affiliates).

This restriction includes ceasing any existing activities, discussions or negotiations conducted prior to the date of the Merger Agreement with respect to any alternative transaction. NewPage is required to promptly (and in no event later than 48 hours after receipt) notify Verso of the receipt of any proposal for an alternative transaction (or any request for information that could reasonably be expected to result in an alternative transaction), and keep Verso informed on a prompt basis (and in any event within 48 hours of NewPage's or its representatives' knowledge) of any material developments with respect to such proposal for an alternative transaction.

At any time prior to receipt of the NewPage stockholder approval, if NewPage receives an unsolicited proposal for an alternative acquisition transaction involving 100% of NewPage's assets or capital stock, the NewPage board of directors may take the following actions if it determines in good faith after consulting with NewPage's financial advisors and legal counsel that (i) such proposal constitutes or is reasonably likely to constitute a Superior Proposal and (ii) failure to take such action would be inconsistent with the directors' fiduciary duties under applicable law:



provide information to the third party making a proposal, so long as such third party has entered into a confidentiality agreement with NewPage; and

engage in discussions or negotiations with such third party with respect to the proposal for an alternative transaction.

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**Table of Contents**

At any time prior to the receipt of the NewPage stockholder approval, the NewPage board of directors may change its recommendation of the Merger to its stockholders that they adopt the Merger Agreement and approve the Merger if the following occurs:

the NewPage board of directors determines in good faith after consulting with NewPage's financial advisors and legal counsel that (A) the failure to effect a change of recommendation would be inconsistent with the directors' fiduciary duties under applicable law and (B) that a proposal for an alternative transaction constitutes a Superior Proposal, and NewPage enters into an agreement with respect to such Superior Proposal and concurrently terminates the Merger Agreement and pays Verso a termination fee;

NewPage gives at least five business days' notice to Verso prior to the NewPage board of directors changing its recommendation, and thereafter, the NewPage board of directors and NewPage's representatives negotiate with Verso in good faith to adjust the terms of the Merger Agreement so as to obviate the need for the change of recommendation; and

upon the expiration of the five business day notice period to Verso and after consultation with NewPage's financial and legal advisors and taking into account any proposed changes to the terms of the Merger Agreement by Verso, the NewPage board of directors will have determined that the failure of the NewPage board of directors to change its recommendation would be inconsistent with the directors' fiduciary duties under applicable law.

**Expenses and Termination Fees Relating to the Merger** (See page 283)

NewPage has agreed to pay to Verso a termination fee of \$27 million in cash if:

(i) after the signing of the Merger Agreement, any Qualifying Transaction (as defined in the Merger Agreement) is made known to the NewPage board of directors, or is publicly proposed or publicly disclosed prior to the NewPage stockholder approval having been obtained (or prior to a termination of the Merger Agreement as a result of the NewPage stockholder approval not being obtained), (ii) Verso or NewPage, as applicable, terminates the Merger Agreement as a result of reaching the End Date, the NewPage stockholder approval not being obtained or the failure of the closing condition related to the bring down of NewPage's representations and warranties and covenant compliance and (iii) concurrently with or within twelve (12) months after such termination, NewPage will have consummated a transaction whereby any person or entity would own 50% or more of NewPage following the consummation of such transaction (regardless of whether the transaction is the same one referred to in clause (i) above);

Verso terminates the Merger Agreement through an Alternative Transaction Termination (as defined in The Merger Agreement Termination on page 282); or

NewPage terminates the Merger Agreement as a result of reaching the End Date (only if the NewPage stockholder approval has not been obtained), the NewPage stockholder approval has not been obtained or

NewPage receives a Superior Proposal and enters into a definitive agreement with respect to such proposal; provided, that NewPage will be obligated to pay the termination fee as result of reaching the End Date or because it failed to obtain the NewPage stockholder approval only if, prior to such termination, the NewPage board of directors changed its recommendation that the NewPage stockholders adopt the Merger Agreement and approve the Merger.

Verso has agreed to pay to NewPage a termination fee of \$27 million (half in cash and half in New First Lien Notes) if (i) the Verso Junior Noteholder Consent was not obtained, or the closing condition related to the Exchange Offer Transactions is not satisfied or waived by NewPage, in each case prior to March 4, 2014, (ii) NewPage does not terminate the Merger Agreement as a result, (iii) certain other closing conditions (e.g., stockholder approval and regulatory approvals) were satisfied, or were reasonably capable of being satisfied at

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**Table of Contents**

the closing, (iv) the condition to closing the Merger that Murray Devine deliver a bring down of its solvency opinion is not reasonably capable of being satisfied at closing solely as a result of the failure of the closing condition related to the Exchange Offer Transactions, (v) the Merger fails to close due to the failure of Verso to consummate the Exchange Offer Transactions and (vi) Verso or NewPage subsequently terminates the Merger Agreement as a result of reaching the End Date.

**Accounting Treatment of the Merger** (See page 257)

The Merger will be accounted for by Verso as a business combination under the acquisition method of accounting.

**Certain Material U.S. Federal Income Tax Consequences of the Merger** (See page 257)

The receipt of Merger Consideration for NewPage common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. In general, a stockholder subject to U.S. federal income taxation who receives Merger Consideration in exchange for NewPage common stock will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the fair market value of the Merger Consideration, paid to such U.S. stockholder and the adjusted basis of the NewPage common stock exchanged by such U.S. stockholder in the Merger. In addition, the Recapitalization Dividend will be treated as a taxable dividend to the extent of NewPage's current and accumulated earnings and profits (as determined for U.S. tax purposes). See The Merger Certain Material U.S. Federal Income Tax Consequences beginning on page 257. Tax matters can be complicated, and the tax consequences of the Merger to you will depend on your particular tax situation. You should consult your tax advisor to determine the tax consequences of the Merger to you.

**Comparison of the Rights of Holders of Verso Common Stock and NewPage Common Stock** (See page 380)

As a result of the completion of the Merger, holders of NewPage common stock, in-the-money options to acquire NewPage common stock, and NewPage restricted stock units will become holders of Verso common stock. Each of Verso and NewPage is a Delaware corporation governed by the DGCL, but the rights of Verso stockholders currently are, and from and after the Merger will be, governed by the Verso Charter and the Verso Bylaws, while the rights of NewPage stockholders are currently governed by the NewPage Charter, the NewPage By-laws, and the NewPage Stockholders Agreement. This joint proxy and information statement/prospectus includes summaries of the material differences between the rights of NewPage stockholders and Verso stockholders arising because of differences between the Verso Charter and Verso Bylaws and the NewPage Charter, NewPage By-laws, and NewPage Stockholders Agreement.

**Appraisal Rights in Connection with the Merger** (See page 253)

Pursuant to Section 262 of the DGCL, holders of NewPage common stock who comply with the applicable requirements of Section 262 of the DGCL and do not otherwise withdraw or lose the right to appraisal under Delaware law have the right to seek appraisal of the fair value of their shares of NewPage common stock, as determined by the Delaware Court of Chancery, if the Merger is completed. The fair value of your shares of NewPage common stock as determined by the Delaware Court of Chancery may be more or less than, or the same as, the value of the Merger Consideration per share that you are otherwise entitled to receive under the terms of the Merger Agreement. Holders of NewPage common stock who wish to preserve any appraisal rights must so advise NewPage by submitting a demand for appraisal within the period prescribed by Section 262 of the DGCL, and must otherwise follow the procedures prescribed by Section 262 of the DGCL. A person having a beneficial interest in shares of NewPage common stock held of record in the name of another person, such as a broker, bank or other nominee, must act promptly to cause the record holder to follow the steps summarized in this joint proxy and information

statement/prospectus and in a timely manner to perfect appraisal rights. In view of the complexity of Section 262 of the DGCL, NewPage stockholders who may wish to pursue appraisal rights should consult their legal and financial advisors.

Table of Contents**SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA****Summary Historical Consolidated Financial Data of Verso**

The following table presents summary historical consolidated financial and operating data for Verso as of and for the fiscal years ended December 31, 2013, 2012 and 2011 and as of and for the three months ended March 31, 2014 and 2013. The summary historical financial information presented below for each of the three years ended December 31, 2013 has been derived from Verso's audited consolidated financial statements. The summary historical financial information presented below for the three months ended March 31, 2014 and 2013 has been derived from Verso's unaudited interim condensed consolidated financial statements. In the opinion of Verso's management, the unaudited interim financial data includes all adjustments, consisting of only normal non-recurring adjustments, considered necessary for a fair presentation of this information.

The information is only a summary and should be read in conjunction with Verso's consolidated financial statements and the related notes thereto and the information under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" included herein.

	Three Months Ended		Year Ended December 31,		
	March 31, 2014	2013	2013	2012	2011
<b>(Dollars in millions except per share amounts)</b>					
<b>Statements of Operations Data:</b>					
<b>Net sales</b>	\$ 299.1	\$ 333.2	\$ 1,388.9	\$ 1,474.6	\$ 1,722.5
<b>Costs and expenses:</b>					
Cost of products sold (exclusive of depreciation, amortization and depletion)	302.3	291.8	1,179.1	1,272.6	1,460.3
Depreciation, amortization, and depletion	25.7	26.0	104.7	118.2	125.3
Selling, general, and administrative expenses	17.6	18.8	73.8	74.4	78.0
Goodwill impairment					18.7
Restructuring charges		1.0	1.4	102.4	24.5
<b>Total operating expenses</b>	<b>345.6</b>	<b>337.6</b>	<b>1,359.0</b>	<b>1,567.6</b>	<b>1,706.8</b>
Other operating income(1)		(3.3)	(4.0)	(60.6)	
<b>Operating (loss) income</b>	<b>(46.5)</b>	<b>(1.1)</b>	<b>33.9</b>	<b>(32.4)</b>	<b>15.7</b>
Interest income					(0.1)
Interest expense	34.5	34.7	137.8	135.4	126.6
Other loss, net	9.6	2.6	7.9	7.4	26.1
<b>Loss before income taxes</b>	<b>(90.6)</b>	<b>(38.4)</b>	<b>(111.8)</b>	<b>(175.2)</b>	<b>(136.9)</b>
Income tax (benefit) expense			(0.6)	(1.4)	0.2
<b>Net loss</b>	<b>\$ (90.6)</b>	<b>\$ (38.4)</b>	<b>\$ (111.2)</b>	<b>\$ (173.8)</b>	<b>\$ (137.1)</b>



**Table of Contents**

	<b>Three Months Ended</b>		<b>Year Ended December 31,</b>		
	<b>March 31, 2014</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>(Dollars in millions except per share amounts)</b>					
<b>Per Share Data:</b>					
(Loss) earnings per common share:					
Basic	\$ (1.70)	\$ (0.72)	\$ (2.09)	\$ (3.29)	\$ (2.61)
Diluted	(1.70)	(0.72)	(2.09)	(3.29)	(2.61)
Weighted average common shares outstanding (in thousands):					