

**UNITED STATES BANKRUPTCY COURT
Delaware**

<u>In re</u>)	Chapter 11
)	
SP Newsprint Holdings LLC, et al.,)	Case No. 11-13649
)	
Debtors.)	(Jointly Administered)
)	

SCHEDULES OF ASSETS AND LIABILITIES FOR

SP Newsprint Holdings LLC

Case No: 11-13649

UNITED STATES BANKRUPTCY COURT
Delaware

In re: SP Newsprint Holdings LLC

Case No. 11-13649

Chapter 11

SUBJECT TO GLOBAL NOTES AND SPECIFIC NOTES TO THESE SCHEDULES:

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, C, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts from Schedules D, E, and F to determine the total amount of the debtor's liabilities.

AMOUNTS SCHEDULED

NAME OF SCHEDULE	ATTACHED YES / NO	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - REAL PROPERTY	YES	1	\$0		
B - PERSONAL PROPERTY	YES	7	\$305,142		
C - PROPERTY CLAIMED AS EXEMPT	NO	0			
D - CREDITORS HOLDING SECURED CLAIMS	YES	3		\$253,212,648	
E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS (Total of claims on Schedule E)	YES	3		Undetermined	
F - CREDITORS HOLDING UNSECURED NON-PRIORITY CLAIMS	YES	2		N/A	
G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES	YES	2			
H - CODEBTORS	YES	1			
I - CURRENT INCOME OF INDIVIDUAL DEBTOR(S)	NO	0			N/A
J - CURRENT EXPENDITURES OF INDIVIDUAL DEBTOR(S)	NO	0			N/A
Total number of sheets of all Schedules		19			
			Total Assets >	\$305,142	
				Total Liabilities >	\$253,212,648

**UNITED STATES BANKRUPTCY COURT
DELAWARE**

SP Newsprint Holdings LLC

Case Number: 11-13649

GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY, AND DISCLAIMER REGARDING DEBTORS' SCHEDULES AND STATEMENTS

Introduction

On November 15, 2011 (the "Petition Date"), SP Newsprint Holdings LLC, SP Newsprint Co., LLC, SP Recycling Corporation, and SEP Technologies L.L.C. (collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). The Debtors continue to operate their business and manage their property as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. Additionally, on November 29, 2011, the United States Trustee for Region 3, serving the District of Delaware appointed an official committee of unsecured creditors pursuant to Section 1102(a)(1) of the Bankruptcy Code.

On the date hereof, the Debtors with the assistance of their management and advisors, filed the Schedules of Assets and Liabilities (collectively, "Schedules") and the Statement of Financial Affairs (collectively, "Statements," and, together with the Schedules, "Schedules and Statements") pursuant to Section 521 of the Bankruptcy Code and Rule 1007 of the Federal Rules of Bankruptcy Procedure. Mr. Edward D. Sherrick, Senior Vice President and Chief Financial Officer, executed the Schedules and Statements in his capacity as an authorized signatory. Mr. Sherrick has not (and could not have) personally verified the accuracy of each statement and representation contained in the Schedules and Statements, including statements and representations concerning amounts owed to creditors.

In addition, while the Debtors' management has made reasonable efforts to ensure that the Schedules and Statements are as accurate and complete as possible in all mutual respects based on the information that was available at the time of preparation additional information, or subsequent discovery thereof, may result in changes to the Schedules and Statements, and inadvertent errors or omissions may exist. Furthermore, because the Schedules and Statements contain unaudited financial information that is subject to further review and potential adjustment, there can be no assurance that the Schedules and Statements are complete. Accordingly, the Debtors reserve all rights to amend, supplement, or otherwise modify the Schedules and Statements to the extent that it is necessary or appropriate. However, the Debtors are not required to amend, supplement, or otherwise modify the Schedules and Statements.

Global Notes and Overview of Methodology

These General Notes and Statement of Limitations, Methodology and Disclaimer Regarding the Debtors' Schedules and Statements ("Global Notes") are incorporated by reference in, and comprise an integral part of, the Schedules and Statements and should be referred to and reviewed in connection with any review of the Schedules and Statements. These Global Notes are in addition to the specific notes contained in the Debtors' Schedules and Statements. The fact that certain Global Notes may apply to only particular Schedules or Statements does not exclude the applicability of such Global Notes to any or all of the Debtors' remaining Schedules or Statements, as appropriate.

Accounts Receivable

The accounts receivable information included in the Schedules and Statements is as of October 31, 2011, and has been listed net of reserves.

Amendment

Although reasonable efforts have been made to prepare and file complete and accurate Schedules and Statements, inadvertent errors or omissions may exist. Accordingly, the Debtors reserve all rights to amend and/or supplement the Schedules and Statements as they deem necessary or appropriate.

Cash Management

The Debtors use a consolidated cash management system through which the Debtors collect substantially all receipts and pay liabilities and expenses.

Causes of Action

Despite reasonable efforts, the Debtors may have inadvertently failed to identify and/or set forth as assets all of their filed or potential causes of action against third parties. The Debtors reserve all rights with respect to any such potential causes of action, and nothing contained in the Global Notes or the Schedules and Statements shall be deemed a waiver of any right to prosecute or defend against any causes of action.

Claims Designations and Claims of Third-Party Related Entities

Although the Debtors have made every effort to classify properly each claim listed in the Schedules as being either disputed or undisputed, liquidated or unliquidated, and contingent or noncontingent, the Debtors have not been able to reconcile fully all payments made to certain third parties and their related entities on account of the Debtors' obligations to such entities and their affiliates. Accordingly, any failure of the Debtors to designate a claim identified on the Schedules and Statements as "disputed;" "contingent;" or "unliquidated" does not constitute an admission by the Debtors that such amount is not "disputed;" "contingent;" or "unliquidated." Indeed, the Debtors reserve the right to dispute, or assert offsets or defenses to, any claim reflected on the Schedules or Statements on any grounds whatsoever, including amount, liability, or classification, or to otherwise subsequently designate such claims as "disputed;" "contingent;" or "unliquidated." Identification of a claim on the Schedules and Statements shall not constitute an admission of liability by the Debtors.

Confidentiality

In certain circumstances, certain information has been intentionally omitted or revised due to concerns about the confidential or commercially sensitive nature of such information and for privacy of individuals. The revisions or omissions will be limited to only what is necessary for the Debtors or third-parties and will provide interested parties with sufficient information.

**UNITED STATES BANKRUPTCY COURT
DELAWARE**

SP Newsprint Holdings LLC

Case Number: 11-13649

GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY, AND DISCLAIMER REGARDING DEBTORS' SCHEDULES AND STATEMENTS

Employees

The Debtors employed approximately 670 employees as of the Petition Date. As part of the Debtors' "first-day" relief, the Bankruptcy Court entered Orders Authorizing Payment of Pre-Petition Wages and Salaries and Honoring Pre-Petition Employee Benefits and Related Obligations. The Debtors have made certain payments to their employees pursuant to such orders, and the Schedules and Statements do not include employee claims that the Debtors have paid or otherwise resolved. In addition, the Debtors may take certain actions that could rise to employee-related claims. Such potential claims are not included in the Schedules and Statements. Furthermore, the Debtors have omitted from their response to Statement Question 3(b) ordinary course payments made to employees within 90 days of the Petition Date.

Estimates

To close the books and records of the Debtors as of the Petition Date, the Debtors' management was required to make estimates, allocations or assumptions that affect the amounts of assets and liabilities as of November 15, 2011, and reported revenue and expenses for the period ending November 15, 2011.

Excluded Assets and Liabilities

The Debtors have excluded certain assets from the Schedules and Statements, including goodwill, customer relationships, and assets with a net book value of zero. The Debtors have excluded certain liabilities from the Schedules and Statements, including accrued salaries and employee benefits, tax accruals, noncurrent pension liabilities, letters of credit and other accrued liabilities. The Debtors have also excluded potential rejection damage claims of counterparties to executory contracts and unexpired leases that have been or may be rejected, to the extent such damage claims may at some point arise. Liabilities resulting from non-specific accruals and/or estimates of long-term liabilities that are not payable at this time given that they have not been approved for payment in accordance with the Debtors' normal procedures or have not yet been reported and, therefore, do not represent specific claims as of the Petition Date, have been excluded from the Schedules and Statements. Other de minimis or otherwise immaterial assets and liabilities may also have been excluded.

Financial Reporting

The Debtors are privately-held and the Schedules and Statements identify the Debtors' stand-alone assets and liabilities and were not prepared in accordance with generally accepted accounting principles ("GAAP").

Fiscal Year

The Debtors' fiscal year covers the period January 1 through December 31.

Foreign Currency

All amounts are reflected in U.S. Dollars ("USD").

Guarantees and Other Secondary Liability Claims

The Debtors have used their best efforts to locate and identify guarantee obligations and other secondary liability claims related to each of their executory contracts unexpired leases, secured financings, debt instruments, and other agreements (collectively, the "Guarantees"). Where such Guarantees have been identified they have been included in the Schedule.

Insiders

For purposes of the Schedules and Statements, the term "insiders" is defined pursuant to Section 101(31) of the Bankruptcy Code as: (i) directors; (ii) officers; (iii) shareholders holding in excess of 5% of the voting shares; and (iv) relatives of directors, officers, or shareholders of the Debtors (to the extent known by the Debtors). Persons listed as "insiders" have been included for informational purposes only. The Debtors do not take any position with respect to: (i) such person's influence over the control of the Debtors; (ii) the management responsibilities or functions of such individual; (iii) the decision-making or corporate authority of such individual; or (iv) whether any such individual could successfully argue that he or she is not an "insider" under applicable law, including the Bankruptcy Code or federal securities laws, or with respect to any theories of liability or for any other purpose.

Intellectual Property Rights

Any exclusion of the Debtors' intellectual property shall not be construed as an admission by the Debtors that such intellectual property rights have been abandoned, terminated, assigned, expired by their terms, or otherwise transferred pursuant to a sale, acquisition, or other transaction, and the Debtors reserve any and all of its rights with respect to the legal status of any and all of their intellectual property.

Intercompany Claims

Receivables and payables among the Debtors (each an "Intercompany Receivable" or "Intercompany Payable" and collectively, the "Intercompany Claims") are included in the Schedules to the extent they are not duplicative of other listed amounts.

**UNITED STATES BANKRUPTCY COURT
DELAWARE**

SP Newsprint Holdings LLC

Case Number: 11-13649

GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY, AND DISCLAIMER REGARDING DEBTORS' SCHEDULES AND STATEMENTS

Inventories, Property and Equipment

Inventories referenced in the Schedules and Statements are stated at cost based on a first-in-first-out methodology. Property and equipment referenced in the Schedules and Statements is stated at cost, net of accumulated depreciation. All inventories, as well as all property and equipment, are presented without consideration of any potential liens.

The Debtors have purchased and own certain vehicles previously under lease. The Net Book Value of such assets is immaterial and has not been listed in these Schedules.

Leases and Contracts

The Debtors have not included in the Schedules and Statements any future obligations on any leases. To the extent that there was an amount due as of the Petition Date, the creditor has been included in Schedule F. Unless otherwise stated, all lease agreements have been included in Schedule G.

The business of the Debtors is complex. While commercially-reasonable efforts have been made to ensure the accuracy of Schedule G, inadvertent errors, omissions, or over-inclusions may have occurred. In compiling Schedule G, the Debtors categorized contracts by the type for ease of reference only and do not intend such categorization to denote any significance.

The Debtors have attempted to provide complete lists of all agreements that might be considered to be executory contracts. The Debtors are continuing to review their records and may supplement their Schedules and Statements to the extent necessary. The Debtors hereby reserve all of their rights to dispute the validity, status, or enforceability of any contracts, agreements, or leases set forth in Schedule G, or to amend or supplement such Schedule as necessary. The contracts, agreements and leases listed on Schedule G may not have taken effect or be binding on any party and may have expired, or been terminated, modified, amended, or supplemented from time to time by various amendments, restatements, waivers, estoppels certificates, letters, or other documents, instruments, or agreements which may not be listed therein.

Certain of the real property leases and contracts listed on Schedule G may contain renewal options, guarantees of payments, options to purchase, rights of first refusal, rights to lease additional space and other miscellaneous rights. Such rights, powers, duties and obligations are not set forth on Schedule G. Certain executory agreements may not have been memorialized in writing and could be subject to dispute. Generally, executory agreements that are oral in nature have not been included in the Schedule. Schedule G generally does not include stand-alone equipment purchase orders. Schedule G does not include agreements that the Debtors have entered into with certain of their advisors.

Liabilities

The Debtors allocated liabilities between the pre-petition and post-petition periods based on the information available and research conducted in connection with the preparation of the Schedules and Statements. As additional information becomes available and further research is conducted, Debtors' allocation of liabilities between the pre-petition and post-petition periods may change. The liability information, except where otherwise noted, is listed as of the close of business on November 15, 2011. Accordingly, the Debtors reserves all rights to amend, supplement or otherwise modify the Schedules and Statements as necessary and appropriate.

In addition, the liabilities listed on the Schedules do not reflect any analysis conducted by the Debtors regarding potential claims under Section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve any and all of their rights to dispute or challenge the validity of any claims asserted under Section 503(b)(9) of the Bankruptcy Code or otherwise. The Debtors shall not, however, be required to update the Schedules and Statements.

Net Book Value of Assets

It would be prohibitively expensive, unduly burdensome, and an inefficient use of resources for the Debtors to obtain current market valuations of all of their assets. Accordingly, unless otherwise indicated, the values for assets contained in the Schedules and Statements are net book values as of October 31, 2011. Consequently, amounts ultimately realized from the disposition of the Debtors' assets may materially vary from the stated net book value. Additionally, because the book values of patents, trademarks, and copyrights may materially differ from their fair market values, they are listed as undetermined amounts as of the Petition Date. Furthermore, assets that have been fully depreciated or were expensed by the Debtors for accounting purposes do not appear in the Schedules and Statements because they have no net book value.

Certain of the Debtors' assets are listed in the Schedules and Statements with undetermined values as of the Petition Date because the net book values of these assets may materially differ from fair market values. Thus, unless otherwise noted, the Schedules and Statements reflect the carrying value of the assets as recorded on the Debtors' books as of October 31, 2011, and are not based upon any estimate of their current market value.

Paid Claims

Pursuant to certain orders entered by the Bankruptcy Court, the Debtors have authorization to pay certain outstanding pre-petition obligations. Accordingly, certain outstanding pre-petition liabilities may have been reduced by payments made by the Debtors post-petition.

**UNITED STATES BANKRUPTCY COURT
DELAWARE**

SP Newsprint Holdings LLC

Case Number: 11-13649

GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY, AND DISCLAIMER REGARDING DEBTORS' SCHEDULES AND STATEMENTS

Recharacterization

The Debtors have made reasonable efforts to characterize, classify, categorize, and/or designate correctly the claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and Statements. However, due to the complexity and size of the Debtors' business, the Debtors may have improperly characterized, classified, categorized, or designated certain items. Thus, the Debtors reserve the right to recharacterize, reclassify, recategorize, or redesignate items reported in the Schedules and Statements as additional information becomes available, including whether contracts listed in the Schedules and Statements were executory as of the Petition Date or remain executory post petition.

Reservation of Rights

Nothing contained in the Schedules and Statements shall constitute a waiver of the Debtors' rights or an admission with respect to its Chapter 11 case, including with respect to any issues involving substantive consolidation, equitable subordination, defenses, and/or causes of action arising under the provisions of Chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws. All rights to object to any claims of any parties and with claims listed on the Schedules are reserved.

Secured Claims

Except as otherwise agreed pursuant to a stipulation, agreed order, or general order entered by the Bankruptcy Court, the Debtors reserve their rights to dispute or challenge the validity, perfection, or immunity from avoidance of any lien purported to be granted or perfected in any specific asset to a secured creditor listed on Schedule D of any Debtors. Moreover, although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any such creditor's claim or the characterization or structure of any such transaction, or any document or instrument (including, without limitation, any inter-company agreement) related to such creditor's claim. The descriptions provided in Schedule D are intended only to be a summary, they do not constitute an admission and are not dispositive for any purpose. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent and priority of any lien. Nothing in the Global Notes or the Schedules and Statements shall be deemed to be an admission, modification, or interpretation of or relating to such agreements.

Taxes

Schedule E includes claims of various taxing authorities to which the Debtors may potentially be liable. However, certain of such claims may be subject to ongoing audits, and the Debtors are otherwise unable to determine with certainty the amount of some, if not all, of the claims listed on Schedule E. Therefore, the Debtors have listed all such claims as unliquidated, pending final resolution and liquidation of such claims, including for ongoing audits or other outstanding issues. The Debtors reserve their right to assert that any claim listed on Schedule E does not constitute an unsecured priority claim under the Bankruptcy Code.

Totals

All totals that are included in the Schedules and Statements represent totals of all known amounts. To the extent there are unknown or undetermined amounts, the actual total may differ from the total in the Schedules and Statements.

Undetermined Amounts

The description of an amount as "unknown" or "undetermined" is not intended to reflect the materiality of such amount.

Workers Compensation

Workers' compensation claims generally have been excluded from the Schedules and Statements because the Debtors are performing their obligations as required by law and in accordance with applicable court orders.

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, or both own the property by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Check this box if debtor has no real property to report on this Schedule A.

DESCRIPTION AND LOCATION OF PROPERTY	NATURE OF DEBTOR'S INTEREST IN PROPERTY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION	AMOUNT OF SECURED CLAIM

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories place an "X" in the appropriate position in the column labeled "None". If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only on Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property". If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	NET BOOK VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
1. Cash on hand.	X		
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.	X		
3. Security deposits with public utilities, telephone companies, landlords, and others.	X		
4. Household goods and furnishings, including audio, video, and computer equipment.	X		
5. Books; pictures and other art objects; antiques; stamps, coin, record, tape, compact disc, and other collections or collectibles.	X		
6. Wearing apparel.	X		
7. Furs and jewelry.	X		
8. Firearms and sports, photographic, and other hobby equipment.	X		
9. Interests in insurance policies. Name insurance company of policy and itemize surrender or refund value of each.		See Attached Schedule B-9	Undetermined
10. Annuities. Itemize and name each issuer.	X		

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories place an "X" in the appropriate position in the column labeled "None". If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only on Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property". If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	NET BOOK VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X		
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans.	X		
13. Stock and interests in incorporated and unincorporated business. Itemize.		See Attached Schedule B-13	Undetermined
14. Interests in partnerships or joint ventures. Itemize.		See Attached Schedule B-13	Undetermined
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X		
16. Accounts receivable.	X		
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X		
18. Other liquidated debts owing debtor including tax refunds. Give particulars.	X		
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X		
20. Contingent and non-contingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X		

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories place an "X" in the appropriate position in the column labeled "None". If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only on Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property". If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	NET BOOK VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X		
22. Patents, copyrights, and other intellectual property. Give particulars.	X		
23. Licenses, franchises, and other general intangibles. Give particulars.	X		
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X		

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories place an "X" in the appropriate position in the column labeled "None". If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only on Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property". If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	NET BOOK VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X		
26. Boats, motors and accessories.	X		
27. Aircraft and accessories.	X		
28. Office equipment, furnishings, and supplies.	X		
29. Machinery, fixtures, equipments, and supplies used in business.	X		
30. Inventory	X		
31. Animals	X		
32. Crops - growing or harvested. Give particulars	X		
33. Farming equipment and implements.	X		
34. Farm supplies, chemicals, and feed.	X		
35. Other personal property of any kind not already listed. Itemize.		See Attached Schedule B-35	\$305,142

SP Newsprint Holdings LLC

Case Number: 11-13649

Exhibit B-9

Interests in insurance policies

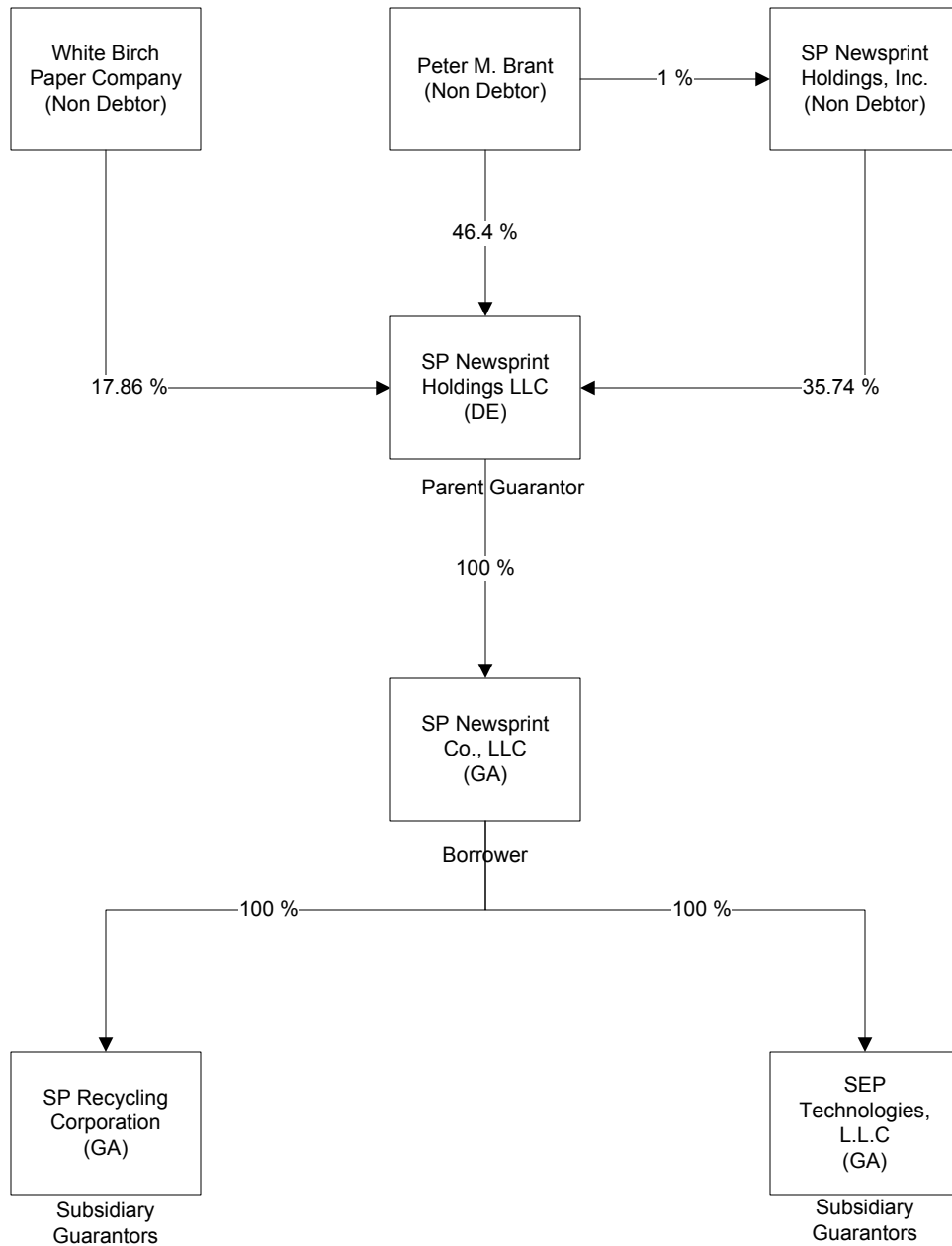
<u>Insurance Carrier</u>	<u>Policy Number</u>	<u>Policy Description</u>
CATLIN SPECIALTY INSURANCE CO.	STV-202637-0614	Pollution Liability
EXECUTIVE RISK INDEMNITY, INC.	8210-7699	Fiduciary Liability Coverage
FACTORY MUTUAL INSURANCE COMPANY	XG876	Property
HARTFORD FIRE INSURANCE CO.	FA0253284	Losses due to Theft, Forgery or Fraud
ILLINOIS NATIONAL INSURANCE COMPANY	01-498-07-60	Excess Executive Liability Coverage for Directors and Officers
LIBERTY MUTUAL	TL2621093858019	Excess Umbrella Coverage
THE HARTFORD ACCIDENT AND INDEMNITY COMPANY	10 WN R21100	Workers Compensation and Liability
THE HARTFORD INSURANCE GROUP	10 UEN IT8421	Commercial General Liability and Commercial Automobiles
THE TRAVELERS INDEMNITY COMPANY	QK090002412	Casualty
TRAVELERS CASUALTY & SURETY OF AMERICA	258908	Loss or Disaster of Vessels
U.S. SPECIALTY INSURANCE COMPANY	14-MGU-11-A23695	Basic Executive Liability Coverage for Directors and Officers

Specific Notes

Additional information regarding the insurance policies listed on Schedule B-9 can be found in the Debtors' Motion for Order Authorizing them to (I) Assume the Insurance Financing Agreement and (II) Continue and/or Modify Pre-Petition Insurance Coverage (Docket No. 15).

SP Newsprint Holdings LLC
Organizational Chart

As of November 15, 2011



SP Newsprint Holdings LLC corporate office located at 80 Field Pt. Road, Greenwich, CT 06830

SP Newsprint Co., LLC, SP Recycling Corporation and SEP Technologies L.L.C corporate office located at 709 Papermill Road, Dublin GA 31027

SP Newsprint Holdings LLC

Case Number: 11-13649

Exhibit B-35

Other personal property of any kind not already listed

<u>Description</u>	<u>Division</u>	<u>Net Book Value</u>
PREPAID EXPENSES		\$50
PREPAID INSURANCE		\$305,092
		<u>\$305,142</u>

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and account number, if any, of all entities holding claims secured by property of the debtor as of the date of filing of the petition. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust and other security interests. List creditors in alphabetical order to the extent practicable. If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.) Report the total of all claims listed on the schedules in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE	CODEBTOR	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND MARKET VALUE OF PROPERTY SUBJECT TO LIEN	C U D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY	NOTES
See Attached Schedule D-1		Secured Debt	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	\$253,212,648	Undetermined	
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			

continuation sheets attached
 Total
 \$253,212,648

UNITED STATES BANKRUPTCY COURT
Delaware

SP Newsprint Holdings LLC

Case Number: 11-13649

SPECIFIC NOTES REGARDING SCHEDULE D

Creditors Holding Secured Claims

Amounts listed herein are as of the Petition Date.

Except as otherwise agreed pursuant to a stipulation, agreed order, or general order entered by the Bankruptcy Court, the Debtors reserve their rights to dispute or challenge the extent, validity, priority, perfection, or immunity from avoidance of any lien purported to be granted or perfected in any specific asset to a creditor listed on Schedule D of any debtor. Moreover, although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any such creditor's claim or the characterization of the structure of any such transaction or any document or instrument (including, without limitation, any intercreditor or intercompany agreement) related to such creditor's claim. In certain instances, the Debtors may be a coobligor, co-mortgagor, or guarantor with respect to scheduled claims of other Debtors and no claim set forth on Schedule D of any debtor is intended to acknowledge claims of creditors that are otherwise satisfied or discharged by other entities. If the debtor is a guarantor with respect to a scheduled claim of another debtor, the claim will be labeled "Contingent." The descriptions provided on Schedule D are intended only as a summary. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent, and priority of any liens. Nothing in the Global Notes or the Schedules and Statements shall be deemed a modification or interpretation of the terms of such agreements.

Certain of the Debtors' agreements listed on Schedule G may be in the nature of conditional sales agreements or secured financing agreements. No attempt has been made to identify such agreements for purposes of Schedule D. However, the Debtors reserves all of their rights to amend Schedule D in the future to the extent the Debtors determine that any claims associated with such agreements are properly reported on Schedule D. The Debtors reserves all of their rights, claims, and causes of action with respect to claims associated with any contracts and agreements listed in Schedule G, including the right to dispute or challenge the characterization of the structure of any transaction, document, or instrument related to a creditor's claim, including to argue that an agreement listed in Schedule G may be treated as a secured financing agreement, rather than an executory contract or unexpired lease. Nothing herein shall be construed as an admission by the Debtors of the legal rights of the claimant or a waiver of the Debtors' rights to recharacterize or reclassify such claim or contract. Some of the Debtors' creditors may have filed mechanic or materialman's liens following the commencement of the Debtors' chapter 11 case. Some liens may, by virtue of section 546(b) of the Bankruptcy Code and applicable law, relate back to the period prior to the Petition Date. Any such liens that have been filed after the Petition Date are not listed on Schedule D.

To the extent that any landlords, real property and personal property lessors, utility companies, or other creditors hold a security deposit from any of the Debtors and to the extent that such deposits constitute secured claims, such deposits are not listed on Schedule D, except as specifically stated herein.

SP Newsprint Holdings LLC

Case Number: 11-13649

Exhibit D-1

Nature of Lien: Secured Debt

<u>Creditor's Name and Mailing Address</u>	<u>Description</u>	<u>C</u>	<u>U</u>	<u>D</u>	<u>Amount of Claim Without Deducting Value Of Collateral</u>	<u>Unsecured Portion, If Any</u>
GENERAL ELECTRIC CAPITAL CORPORATION AS LENDER AND ADMINISTRATIVE AGENT 11175 CICERO DR., STE 600 ALPHARETTA, GA 30022	REVOLVING LINE OF CREDIT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$40,311,512	Undetermined
GENERAL ELECTRIC CAPITAL CORPORATION AS LENDER AND AGENT FOR AVENUE INVESTMENTS LP, LOMBARD GENERAL INSURANCE COMPANY OF CANADA AND MONARCH MASTER FUNDING LTD. 11175 CICERO DR., STE 600 ALPHARETTA, GA 30022	TERM LOAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$212,901,137	Undetermined
					<u>\$253,212,648</u>	<u>Undetermined</u>

Specific Notes

(1) General Electric Capital Corporation LLC is the administrative agent for Avenue Investments LP, Lombard General Insurance Company of Canada and Monarch Master Funding Ltd.

(2) Amounts listed above include capitalized unpaid interest.

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name and mailing address, including zip code, and account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether husband, or wife, both of them or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Repeat this total also on the Summary of Schedules.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. Section 507(a)(3).

Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725 per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. Section 507(a)(4).

Contribution to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. Section 507(a)(5).

Certain farmers and fisherman

Claims of certain farmers and fishermen, up to \$5,775 per farmer or fisherman, against the debtor, as provided in 11 U.S.C. Section 507(a)(6).

Deposits by individuals

Claims of individuals up to \$2,600 for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. Section 507(a)(7).

Alimony, Maintenance, or Support

Claims of a spouse, former spouse, or child of the debtor for alimony, maintenance, or support, to the extent provided in 11 U.S.C. Section 507(a)(7).

Taxes and Certain Other Debts Owed to Government Units

Taxes, customs duties, and penalties owing to federal, state, and local government units as set forth in 11 U.S.C. Section 507(a)(8).

Commitments to Maintain the Capital of an Insured Depository Institution

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. Section 507(a)(9).

Administrative Expense Claims

Claims for the value of any goods received by the debtor within 20 days before the Petition Date in which the goods have been sold to the debtor in the ordinary course of such debtor's business.

UNITED STATES BANKRUPTCY COURT
Delaware

State the name, mailing address, including zip code, and account number, if any, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the filing of the petition. Do not include claims listed in Schedule D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report total of all claims listed on the schedules in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Check this box if debtor has no unsecured nonpriority claims to report on this Schedule E

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE	CODEBTOR DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	C U D	TOTAL AMOUNT OF CLAIMS
See Attached Schedule E-1	Tax Creditors Holding Unsecured Priority Claims	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	Undetermined
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

3 total continuation sheets attached

Total **Undetermined**

UNITED STATES BANKRUPTCY COURT
Delaware

SP Newsprint Holdings LLC

Case Number: 11-13649

SPECIFIC NOTES REGARDING SCHEDULE E

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

The Debtors believe that all employee claims entitled to priority under the Bankruptcy Code were or are being paid pursuant to the Final Order Authorizing Payment of Pre-petition Wages and Salaries and Honoring Pre-petition Employee Benefits and Related Obligation (ECF No. 178).

SP Newsprint Holdings LLC

Case Number: 11-13649

Exhibit E-1

Consideration For Claim: Tax Creditors Holding Unsecured Priority Claims

<u>Creditor's Name and Mailing Address</u>	<u>C</u>	<u>U</u>	<u>D</u>	<u>Amount Of Claim</u>
INTERNAL REVENUE SERVICES 500 N. CAPITOL ST. NW WASHINGTON, DC 20221	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Undetermined
				<u>Undetermined</u>

Specific Notes

Although specific dates are not included, all claims listed on Schedule E appear to have arisen or to have been incurred prior to the Petition Date.

In addition, all of the claims listed on Schedule E are claims owing to various taxing authorities to which the Debtors may be liable. Considering, however, that (i) certain of the tax claims may be subject to ongoing audits and (ii) Debtors are otherwise unable to determine with certainty the amount of many, if not all, of the remaining claims listed on Schedule E, the Debtors have identified all such claims as undetermined in amount pending final resolution of ongoing audits or other outstanding issues.

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and account number, if any, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the filing of the petition. Do not include claims listed in Schedule D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report total of all claims listed on the schedules in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Check this box if debtor has no unsecured nonpriority claims to report on this Schedule F.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	C U D	TOTAL AMOUNT OF CLAIMS
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	
			□ □ □	

1 total continuation sheets attached

Total

UNITED STATES BANKRUPTCY COURT
Delaware

SP Newsprint Holdings LLC

Case Number: 11-13649

SPECIFIC NOTES REGARDING SCHEDULE F

Creditors Holding Unsecured Nonpriority Claims

Amounts listed herein are as of the Petition Date.

The Debtors have used reasonable efforts to list all general unsecured claims against the Debtors on Schedule F based upon the Debtors' existing books and records.

Schedule F does not include certain deferred credits, deferred charges, deferred liabilities, accruals, or general reserves. Such amounts are general estimates of liabilities and do not represent specific claims as of the Petition Date; however, such amounts are reflected on the Debtors' books and records as required in accordance with GAAP. Such accruals are general estimates of liabilities and do not represent specific claims as of the Petition Date.

Schedule F does not include certain reserves for potential unliquidated contingencies that historically were carried on the Debtors' books as of the Petition Date; such reserves were for potential liabilities only and do not represent actual liabilities as of the Petition Date.

Except in certain limited circumstances, the Debtors have not scheduled contingent and unliquidated liabilities related to guaranty obligations on Schedule F. Such guaranties are, instead, listed on Schedule G.

The claims of individual creditors for, among other things, goods, services, or taxes listed on the Debtors' books and records may not reflect credits or allowances due from such creditors. The Debtors reserve all of their rights in respect of such credits or allowances. The dollar amounts listed may be exclusive of contingent or unliquidated amounts. The Debtors expressly incorporates by reference into Schedule F all employee wage claims listed in Schedule E that are identified as nonpriority, and the Debtors reserve all of their rights to dispute the validity and amount of all such nonpriority general unsecured amounts of any employee wage claim.

UNITED STATES BANKRUPTCY COURT
Delaware

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.d., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts and/or unexpired leases to report on this Schedule G.

UNITED STATES BANKRUPTCY COURT
Delaware

SP Newsprint Holdings LLC

Case Number: 11-13649

SPECIFIC NOTES REGARDING SCHEDULE G

Unexpired Leases and Executory Contracts

Schedule G contains a listing of the Debtors' existing contracts and leases as of the Petition Date. Given, however, the complexity of the Debtors' business, inadvertent errors, omissions or the over-inclusion of contracts or leases may have occurred. Accordingly, the Debtors hereby reserve all of their rights to dispute the validity, status, enforceability or the executory nature of any contract or other agreement set forth in Schedule G and to amend or supplement Schedule G if necessary.

The contracts, agreements and leases listed on Schedule G may have expired or been modified, amended and/or supplemented from time to time by various amendments, restatements, waivers, estoppel certificates, letters, memoranda and other documents, instruments and agreements, which may not be listed therein despite the Debtors' use of reasonable efforts to identify such documents. The presence (or omission) of a contract or agreement on Schedule G does not constitute an admission by SP Newsprint that such contract or agreement is (or is not) an executory contract or unexpired lease.

In the ordinary course of its business, the Debtors may have entered into certain agreements, including confidentiality agreements, non-disclosure agreements, noncompete agreements, access agreements, service agreements and purchase orders, which may be executory contracts but are not included in Schedule G. To the extent that such agreements are executory contracts, the Debtors reserve all of their rights with respect to any of these agreements. In addition, the Debtors generally have not included any insurance policies, the premiums for which have been prepaid, on Schedule G. The Debtors reserve all of their rights to amend Schedule G to include such policies, as appropriate.

UNITED STATES BANKRUPTCY COURT

Delaware

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by the debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight-year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR

SP NEWSPRINT CO., LLC
709 PAPERMILL ROAD
DUBLIN, GA 31027

SP RECYCLING CORPORATION
709 PAPERMILL ROAD
DUBLIN, GA 31027

SEP TECHNOLOGIES, L.L.C
709 PAPERMILL ROAD
DUBLIN, GA 31027

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, the Authorized Signatory of SP Newsprint Holdings LLC, declare under penalty of perjury that I have read the foregoing summary and schedules, and that they are true and correct in all material aspects to the best of my knowledge, information and belief.

Date: January 17, 2012

Signature:  _____

Name and Title EDWARD D. SHERRICK
Senior Vice President and
Chief Financial Officer

Penalty for making a false statement: Fine of up to \$500,000, or imprisonment for up to 5 years, or both. 18 U.S.C. § 152 and 3571.