THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. THE DEBTORS MAY NOT SOLICIT ACCEPTANCES OR REJECTIONS UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE DEBTORS ARE SUBMITTING THIS DISCLOSURE STATEMENT FOR APPROVAL, BUT THE BANKRUPTCY COURT HAS NOT YET APPROVED THIS DISCLOSURE STATEMENT. THE DEBTORS MAY REVISE THIS DISCLOSURE STATEMENT TO REFLECT EVENTS THAT OCCUR AFTER THE DATE HEREOF, BUT PRIOR TO THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
VERSO CORPORATION, *et al*.,[1]	:	Case No. 16-10163 (KG)
Debtors.	:	Jointly Administered

DISCLOSURE STATEMENT FOR DEBTORS' JOINT PLAN
OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

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[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are Verso Corporation (7389); Verso Paper Finance Holdings One LLC (7854); Verso Paper Finance Holdings LLC (7395); Verso Paper Holdings LLC (7634); Verso Paper Finance Holdings Inc. (7851); Verso Paper Inc. (7640); Verso Paper LLC (7399); nexTier Solutions Corporation (1108); Verso Androscoggin LLC (7400); Verso Quinnesec REP Holding Inc. (2864); Verso Maine Energy LLC (7446); Verso Quinnesec LLC (7404); Bucksport Leasing LLC (5464); Verso Sartell LLC (7406); Verso Fiber Farm LLC (7398); NewPage Holdings Inc. (5118); NewPage Investment Company LLC (5118); NewPage Corporation (6156); NewPage Consolidated Papers Inc. (8330); Escanaba Paper Company (5598); Luke Paper Company (6265); Rumford Paper Company (0427); Wickliffe Paper Company LLC (8293); Upland Resources, Inc. (2996); NewPage Energy Services LLC (1838); Chillicothe Paper Inc. (6154); and NewPage Wisconsin System Inc. (3332). The address of the Debtors' corporate headquarters is 6775 Lenox Center Court, Suite 400, Memphis, Tennessee 38115-4436.

IMPORTANT INFORMATION FOR YOU TO READ

THE DEADLINE TO VOTE ON THE PLAN IS [_____], 2016 AT [__]:00 P.M. EASTERN TIME (THE "VOTING DEADLINE").

FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE *ACTUALLY RECEIVED* BY THE VOTING AGENT BEFORE THE VOTING DEADLINE AS DESCRIBED HEREIN.

Verso Corporation ("**Verso**") and certain of its affiliates, including NewPage Corporation ("**NewPage**"), as debtors and debtors in possession (collectively, the "**Debtors**") in the above-captioned chapter 11 cases (the "**Chapter 11 Cases**"), are providing you with the information in this Disclosure Statement because you may be a creditor entitled to vote on the Plan.[2]

The Debtors, the Informal Committee of Holders of Verso First Lien Debt and the Ad Hoc NewPage Term Lender Group believe that the Plan is in the best interests of creditors and other stakeholders. All creditors entitled to vote thereon are urged to vote in favor of the Plan. A summary of the voting instructions is set forth in Article I.B of this Disclosure Statement and in the Disclosure Statement Order (as defined below). More detailed instructions are contained on the Ballots distributed to the creditors entitled to vote on the Plan. To be counted, your ballot must be properly completed in accordance with the voting instructions on the ballot and **actually received** by the Voting Agent, via regular mail, overnight courier, or personal delivery at the appropriate address, by the Voting Deadline.

The effectiveness of the Plan is subject to material conditions precedent. See Article V.H below and Article XI of the Plan. There is no assurance that these conditions will be satisfied or waived.

This Disclosure Statement, the Plan Supplement, and any attachments, exhibits, supplements and annexes hereto are the only documents to be used in connection with the solicitation of votes on the Plan. The Debtors have not authorized any person to give any information or to make any representation in connection with the Plan or the solicitation of acceptances of the Plan other than as contained in this Disclosure Statement, the Plan Supplement, and any attachments, exhibits, supplements and annexes attached hereto or incorporated by reference or referred to herein. If given or made, such information or representation may not be relied upon as having been authorized by the Debtors. The delivery of this Disclosure Statement will not under any circumstances imply that the information herein is correct as of any time after the date hereof.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN ATTACHED AS EXHIBIT A, THE PLAN SUPPLEMENT, AND THE RISK FACTORS DESCRIBED IN ARTICLE VIII BELOW, BEFORE SUBMITTING BALLOTS IN RESPONSE TO THIS SOLICITATION.

ARTICLE XII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, WHICH ARE DISCUSSED IN ARTICLE V.G OF THIS DISCLOSURE STATEMENT. YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE IT MAY AFFECT YOUR RIGHTS.

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[2] Except as otherwise set forth herein, capitalized terms used in this Disclosure Statement but not defined herein have the meanings ascribed to them in the Plan.

The summaries of the Plan and other documents contained in this Disclosure Statement are qualified in their entirety by reference to the Plan itself, the exhibits thereto that will be included in the Plan Supplement, and documents described therein as filed prior to approval of this Disclosure Statement or subsequently as part of the Plan Supplement. In the event that any inconsistency or conflict exists between this Disclosure Statement and the Plan, or between the Plan Supplement and the Plan, the terms of the Plan will control. Except as otherwise indicated herein or in the Plan, the Debtors will file all Plan Supplement documents with the Bankruptcy Court and make them available for review at the Debtors' document website located online at *http://cases.primeclerk.com/verso* no later than 15 calendar days before the Confirmation Hearing.

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Plan. The Debtors reserve the right to modify, with the consent of the Consenting Creditor Parties (*i.e.*, the Informal Committee of Holders of Verso First Lien Debt and the Ad Hoc NewPage Term Lender Group) and the DIP Agents (in each case, not to be unreasonably withheld), the Plan consistent with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019.

The statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement, and there can be no assurance that the statements contained herein will be correct at any time after this date. The information contained in this Disclosure Statement, including the information regarding the history, businesses and operations of the Debtors, the financial information regarding the Debtors and the liquidation analyses relating to the Debtors, is included for purposes of soliciting acceptances of the Plan, but, as to contested matters and adversary proceedings, is not to be construed as an admission or stipulation, but rather as a statement made in settlement negotiations as part of the Debtors' attempt to settle and resolve claims and controversies pursuant to the Plan. This Disclosure Statement will not be admissible in any non-bankruptcy proceeding, nor will it be construed to be conclusive advice on the tax, securities, or other legal effects of the Plan as to Holders of Claims against, or Equity Interests in, either the Debtors or the Reorganized Debtors. Except where specifically noted, the financial information contained in this Disclosure Statement and in its exhibits has not been audited by a certified public accountant and has not been prepared in accordance with generally accepted accounting principles in the United States.

FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements based primarily on the current expectations of the Debtors and projections about future events and financial trends affecting the financial condition of the Debtors' businesses and assets. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "expect," and similar expressions identify these forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those described below in Article VIII. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Disclosure Statement may not occur, and actual results could differ materially from those anticipated in the forward-looking statements. The Debtors do not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

This Disclosure Statement has been prepared in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016 and not necessarily in accordance with federal or state securities laws or other non-bankruptcy laws. This Disclosure Statement has not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC"), any state securities commission or any securities exchange or association nor has the SEC, any state securities commission or any securities exchange or association passed upon the accuracy or adequacy of the statements contained herein.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan, the Plan Supplement, or any of the documents attached hereto or referenced herein, or have questions about the solicitation and voting process or the Debtors' Chapter 11 Cases generally, please contact Prime Clerk LLC, by (i) visiting the Debtors' document website at *https://cases.primeclerk.com/verso*, (ii) calling (855) 410-7359 (for U.S. callers) or (646) 795-6960 (for international callers), or (iii) sending e-mail correspondence to *versoballots@primeclerk.com*.

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I.

INTRODUCTION

Verso Corporation ("**Verso**") and its affiliated Debtors, including NewPage Corporation, submit this Disclosure Statement pursuant to section 1125 of Title 11 of the United States Code (the "**Bankruptcy Code**") in connection with the solicitation of acceptances of the Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the "**Plan**"). A copy of the Plan is attached hereto as **Exhibit A**. **Please note that to the extent any inconsistencies exist between this Disclosure Statement and the Plan, the Plan governs.**

The Plan provides for the reorganization of the Debtors under chapter 11 of the Bankruptcy Code. If the Plan is confirmed and consummated, the Debtors, as Reorganized Debtors, will emerge from bankruptcy substantially deleveraged and with a single unified capital structure.

Under the Plan, 100% of the equity of Reorganized Verso will be issued to the Debtors' existing creditors (subject to dilution by equity issued to the Reorganized Debtors' employees under the Management Incentive Plan and the Plan Warrants). Specifically, holders of Allowed Verso First Lien Claims (*i.e.*, Claims arising under the Verso 2012 First Lien Notes, Verso 2015 First Lien Notes, and the Verso Cash Flow Credit Agreement), will receive 50% of Reorganized Verso's equity (plus warrants to purchase additional equity), holders of NewPage Roll-Up DIP Claims and NewPage Term Loan Claims will receive 47% of Reorganized Verso's equity, holders of Verso Senior Debt Claims (*i.e.*, Claims arising under the Verso 1.5 Lien Notes, the Verso Second Lien Notes, and Verso Old Second Lien Notes) will receive 2.85% of Reorganized Verso's equity, and holders of Verso Subordinated Debt Claims will receive the remaining 0.15% of Reorganized Verso's equity. The Plan also provides for the payment in full in cash of claims under the Verso Debtors' debtor in possession asset-based financing facility, Claims under the NewPage Debtors' debtor in possession asset-based financing facility, Claims relating to the "new money" portion of the NewPage Debtors' debtor in possession term loan facility, and Claims entitled to administrative expense or priority status under the Bankruptcy Code.

In addition, the Plan includes certain release, injunctive, and exculpatory provisions described in greater detail below.

The Debtors are proposing the Plan following extensive arm's length, good faith discussions with certain of their key stakeholders. These discussions have resulted in significant majorities of the holders of the Debtors' funded indebtedness agreeing to support the restructuring and vote to accept the Plan pursuant to a Restructuring Support Agreement, dated January 26, 2016 (as it may be amended from time to time, the "**Restructuring Support Agreement**"), among the Debtors and the other parties thereto, including certain holders of Verso First Lien Claims, Verso Senior Debt Claims, Verso Subordinated Debt Claims, NewPage Roll-Up DIP Claims, and NewPage Term Loan Claims. A copy of the Restructuring Support Agreement is attached hereto as **Exhibit B**. In connection with negotiating the Restructuring Support Agreement, the Debtors, the Informal Committee of Holders of Verso First Lien Debt, and the Ad Hoc NewPage Term Lender Group exchanged several proposals and counter-proposals on the terms of a plan, and the parties conferred on numerous occasions in an attempt to achieve a consensus in these Chapter 11 Cases. The Plan reflects such a consensus, and the Debtors, the Informal Committee of Holders of Verso First Lien Debt, and the Ad Hoc NewPage Term Lender Group believe the Plan represents the best available option for all creditors and parties in interest.

This Disclosure Statement sets forth certain information regarding the prepetition operating and financial history of the Debtors, the events leading up to the commencement of the Chapter 11 Cases, material events that have occurred during the Chapter 11 Cases, and the anticipated organization, operations, and capital structure of the Reorganized Debtors if the Plan is confirmed and

becomes effective. This Disclosure Statement also describes terms and provisions of the Plan, including certain effects of confirmation of the Plan, certain risk factors (including those associated with securities to be issued under the Plan), the manner in which distributions will be made under the Plan, and certain alternatives to the Plan.

On [_____], 2016, the Bankruptcy Court entered an order approving this Disclosure Statement as containing "adequate information," *i.e.*, information of a kind and in sufficient detail to enable a hypothetical reasonable investor typical of the Holders of Claims or Equity Interests to make an informed judgment about the Plan. THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT CONSTITUTES NEITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN NOR AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE PLAN.

A. Material Terms of the Plan

The Plan is the product of extensive, vigorous, arm's length and good faith negotiations among the Debtors and certain of the Debtors' largest creditor constituencies. The Plan will allow the Debtors to strengthen their balance sheet by equitizing over $2.4 billion in debt as described more fully herein and will allow the Debtors to complete the integration of Verso and NewPage, realize the expected benefits of the NewPage acquisition, and unify the Verso and NewPage capital structures. The Plan, if confirmed, would also ensure that the Debtors continue to operate as a going concern, and would preserve the jobs of the Debtors' employees.

THE DEBTORS, THE INFORMAL COMMITTEE OF HOLDERS OF VERSO FIRST LIEN DEBT, AND THE AD HOC NEWPAGE TERM LENDER GROUP BELIEVE THAT THE IMPLEMENTATION OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS AND THEIR STAKEHOLDERS. FOR ALL OF THE REASONS DESCRIBED IN THIS DISCLOSURE STATEMENT, THE DEBTORS, THE INFORMAL COMMITTEE OF HOLDERS OF VERSO FIRST LIEN DEBT, AND THE AD HOC NEWPAGE TERM LENDER GROUP URGE YOU TO RETURN YOUR BALLOT ACCEPTING THE PLAN BY THE VOTING DEADLINE (I.E., THE DATE BY WHICH YOUR BALLOT MUST BE ACTUALLY RECEIVED), WHICH IS [_____], 2016, AT [_]:00 [_].M. (EASTERN STANDARD TIME).

The following table summarizes the material terms of the Plan. For a complete description of the Plan, please refer to the discussion in Articles V and VI of this Disclosure Statement, entitled "THE PLAN," "CAPITAL STRUCTURE AND CORPORATE GOVERNANCE OF REORGANIZED DEBTORS," and the Plan itself:

Treatment of Certain Claims and Interests	As further detailed in the Plan, the Plan contemplates the following treatment of Claims and Interests, among other Claims and Interests: • Administrative Expense Claims – Except to the extent that an Administrative Expense Claim has already been paid during the Chapter 11 Cases or the Holder of an Allowed Administrative Expense Claim agrees to a less favorable treatment, and except as provided in Article 2.2 of the Plan with respect to Claims for professional fees, each Holder of an Allowed Administrative Expense Claim against the Debtors shall receive, in full and complete settlement, release, and discharge of such Claim, Cash equal to the unpaid amount of such Allowed Administrative Expense Claim on the latest of (i) the Effective Date or as soon thereafter as reasonably practicable; (ii) 30 days after the date on which such Administrative

	Expense Claim becomes Allowed; (iii) the date on which such Administrative Expense Claim becomes due and payable in the ordinary course of the Debtors' business in accordance with the terms and subject to the conditions of any agreements or understandings governing, or other documents relating to, such Allowed Administrative Expense Claim; and (iv) such other date as may be agreed to by such Holder and the Debtors or Reorganized Debtors. **These Claims are unclassified under the Plan and <u>are not</u> entitled to vote.** • <u>Priority Tax Claims</u> – Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, each Holder of an Allowed Priority Tax Claim against the Debtors shall receive, in full and complete settlement, release, and discharge of such Claim, Cash equal to the unpaid amount of such Allowed Priority Tax Claim on the latest of (a) the Effective Date or as soon thereafter as reasonably practicable; (b) 30 days after the date on which such Priority Tax Claim becomes Allowed; (c) the date on which such Priority Tax Claim becomes due and payable; and (d) such other date as may be mutually agreed to by and among such Holder and the Debtors or Reorganized Debtors; *provided*, *however*, that the Reorganized Debtors shall be authorized, at their option, and in lieu of payment in full, in Cash, of an Allowed Priority Tax Claim as provided above, to make deferred Cash payments on account thereof in the manner and to the extent permitted under section 1129(a)(9)(C) of the Bankruptcy Code. **These Claims are unclassified under the Plan and <u>are not</u> entitled to vote.** • <u>Verso DIP ABL Claims</u> – On the Effective Date, except to the extent that the Holder of a Verso DIP ABL Claim agrees to less favorable treatment, in exchange for the full and complete settlement, release, and discharge of such Claim (subject to the last sentence of Article 2.3 of the Plan), each Holder of a Verso DIP ABL Claim shall receive an amount in Cash (except as otherwise expressly provided in Article 2.3 of the Plan with respect to Claims in respect of the face amount of any Verso DIP ABL Undrawn Letter of Credit) equal to the Allowed amount of such Claim and all commitments under the Verso DIP ABL Agreement shall terminate. For the avoidance of doubt, Verso DIP ABL Claims shall be Allowed in an aggregate principal amount with respect to drawn amounts under the Verso DIP ABL Drawn Letters of Credit and undrawn amounts under the Verso DIP ABL Undrawn Letters of Credit, respectively (plus any unpaid accrued interest, letter of credit fees, and unpaid fees, expenses and other obligations under the Verso DIP ABL Agreement as of the Effective Date). Any Verso DIP ABL Undrawn Letter of Credit will be (a) replaced with a new letter of credit to be issued pursuant to the Exit ABL Agreement (which replacement, with respect to any Verso DIP ABL Undrawn Letter of Credit, shall only be deemed effective to the extent such Verso DIP ABL Undrawn Letter of Credit is returned to the issuer thereof undrawn or otherwise cancelled, in any such case, in a manner reasonably satisfactory to the issuer thereof and the Verso

	DIP ABL Agent), (b) deemed a letter of credit issued under the Exit ABL Agreement in an equal stated face amount (*provided*, that (x) all provisions governing letters of credit in the Exit ABL Agreement are in form and substance satisfactory to the issuer thereof and (y) the issuer thereof shall have no obligation after such deemed issuance to renew, amend, extend or otherwise modify any such letter of credit so deemed issued unless otherwise agreed by such issuer), (c) with the consent of the issuer thereof, extended beyond the termination of the Verso DIP ABL Agreement in accordance with the terms thereof including, for the avoidance of doubt, with respect to cash collateralization, and/or (d) otherwise treated in a manner acceptable to the issuer thereof. Upon treatment of each Verso DIP ABL Undrawn Letter of Credit in accordance with the preceding sentence, any Verso DIP ABL Claim corresponding to such Verso DIP ABL Undrawn Letter of Credit shall be deemed satisfied in full (excluding fees and expenses accrued thereon in accordance with the Verso DIP ABL Agreement). Upon the indefeasible payment or satisfaction in full in Cash of the Verso DIP ABL Claims (other than any Verso DIP ABL Claims based on the Debtors' contingent obligations under the Verso DIP ABL Agreement for which no claim has been made) in accordance with the terms of the Plan, on the Effective Date all liens and security interests granted to secure such obligations shall be terminated and of no further force and effect, except that, to the extent that any letter of credit issued under the Verso DIP ABL Agreement has been cash collateralized, any lien or security interest in such cash collateral in favor of the issuer of such letter of credit shall not be terminated, released or otherwise affected. The Debtors' contingent or unliquidated obligations under the Verso DIP ABL Agreement, to the extent not indefeasibly paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner acceptable to the Verso DIP ABL Agent, any affected lender under the Verso DIP ABL Agreement, or any other Holder of a Verso DIP ABL Claim, as applicable, shall survive the Effective Date and shall not be released or discharged pursuant to the Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary. **These claims are unclassified under the Plan and <u>are not</u> entitled to vote.** • <u>NewPage DIP ABL Claims</u> - On the Effective Date, except to the extent that the Holder of a NewPage DIP ABL Claim agrees to less favorable treatment, in exchange for the full and complete settlement, release, and discharge of such Claim (subject to the last sentence of this Article 2.4), each Holder of a NewPage DIP ABL Claim shall receive an amount in Cash (except as otherwise expressly provided in this Article 2.4 with respect to Claims in respect of the face amount of any NewPage DIP ABL Undrawn Letter of Credit) equal to the Allowed amount of such Claim and all commitments under the NewPage DIP ABL Agreement shall terminate. For the avoidance of doubt, NewPage DIP ABL Claims shall be Allowed in an aggregate principal amount with respect to drawn amounts under the NewPage DIP ABL Drawn Letters of Credit and undrawn amounts under the

	NewPage DIP ABL Undrawn Letters of Credit, respectively (plus any unpaid accrued interest, letter of credit fees, and unpaid fees, expenses and other obligations under the NewPage DIP ABL Agreement as of the Effective Date). Any NewPage DIP ABL Undrawn Letter of Credit will be (a) replaced with a new letter of credit to be issued pursuant to the Exit ABL Agreement (which replacement, with respect to any NewPage DIP ABL Undrawn Letter of Credit, shall only be deemed effective to the extent such NewPage DIP ABL Undrawn Letter of Credit is returned to the issuer thereof undrawn or otherwise cancelled, in any such case, in a manner reasonably satisfactory to the issuer thereof and the NewPage DIP ABL Administrative Agent), (b) deemed a letter of credit issued under the Exit ABL Agreement in an equal stated face amount (*provided*, that (x) all provisions governing letters of credit in the Exit ABL Agreement are in form and substance satisfactory to the NewPage DIP ABL Administrative Agent and (y) the issuer thereof shall have no obligation after such deemed issuance to renew, amend, extend or otherwise modify any such letter of credit so deemed issued unless otherwise agreed by such issuer), (c) with the consent of the NewPage DIP ABL Administrative Agent, extended beyond the termination of the NewPage DIP ABL Agreement in accordance with the terms thereof, including, for the avoidance of doubt, with respect to cash collateralization, and/or (d) otherwise treated in a manner acceptable to the issuer thereof. Upon treatment of each NewPage DIP ABL Undrawn Letter of Credit in accordance with the preceding sentence, any NewPage DIP ABL Claim corresponding to such NewPage DIP ABL Undrawn Letter of Credit shall be deemed satisfied in full (excluding fees and expenses accrued thereon in accordance with the NewPage DIP ABL Agreement). Upon the indefeasible payment or satisfaction in full in Cash of the NewPage DIP ABL Claims (other than any NewPage DIP ABL Claims based on the Debtors' contingent obligations under the NewPage DIP ABL Agreement for which no claim has been made) in accordance with the terms of the Plan, on the Effective Date all liens and security interests granted to secure such obligations shall be terminated and of no further force and effect, except to the extent that any letter of credit issued under the NewPage DIP ABL Agreement has been cash collateralized, any lien or security interest in such cash collateral in favor of the issuer of such letter of credit shall not be terminated, released or otherwise affected. The Debtors' contingent or unliquidated obligations under the NewPage DIP ABL Agreement, to the extent not indefeasibly paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner acceptable to the NewPage DIP ABL Administrative Agent, any affected lender under the NewPage DIP ABL Agreement, or any other Holder of a NewPage DIP ABL Claim, as applicable, shall survive the Effective Date and shall not be released or discharged pursuant to the Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary. **These claims are unclassified under the Plan and <u>are not</u> entitled to vote.**

	• NewPage New Money DIP Term Loan Claims - On the Effective Date, except to the extent that the Holder of a NewPage New Money DIP Claim agrees to less favorable treatment, in exchange for the full and complete settlement, release, and discharge of such Claim (subject to the last sentence of this Article 2.5), each Holder of a NewPage New Money DIP Claim shall receive an amount in Cash equal to the Allowed amount of such Claim. Upon payment or satisfaction in full of the NewPage New Money DIP Claims (other than any NewPage New Money DIP Claims based on the Debtors' contingent or unliquidated obligations under the NewPage DIP Term Loan Agreement) in accordance with the terms of the Plan, on the Effective Date all liens and security interests granted to secure such obligations shall be terminated and of no further force and effect. The Debtors' contingent or unliquidated obligations under the NewPage DIP Term Agreement constituting NewPage New Money DIP Claims, to the extent not paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner reasonably acceptable to the NewPage Term DIP Agent, shall survive the Effective Date and shall not be released or discharged pursuant to the Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary. **These claims are unclassified under the Plan and are not entitled to vote.** • Other Secured Claims - Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, on the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor(s) and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; (ii) delivery of collateral securing any such Claim; (iii) reinstatement pursuant to section 1124 of the Bankruptcy Code; or (iv) other treatment rendering such Claim Unimpaired. **These Claims are Unimpaired under the Plan and are not entitled to vote.** • Priority Non-Tax Claims – Except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to a less favorable treatment, on the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Priority Non-Tax Claim shall receive, at the option of the applicable Debtor(s) and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; or (ii) other treatment rendering such Claim Unimpaired. **These Claims are Unimpaired under the Plan and are not entitled to vote.** • Verso First Lien Claims – On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Verso First Lien Claim[3]

[3] Allowed Verso First Lien Claims consist of Allowed Claims arising under the Verso Cash Flow Credit Agreement, the Verso 2012 First Lien Notes, and the Verso 2015 First Lien Notes. Under the

	shall receive on account of its Secured Claim, in full and complete settlement, release, and discharge of, and in exchange for, such Secured Claim its Pro Rata share of (i) 50% of the Plan Equity Consideration and (ii) 100% of the Plan Warrants. **These Claims are Impaired under the Plan and are entitled to vote.** • Verso Senior Debt Claims - On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Verso Senior Debt Claim[4] shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim its Pro Rata share of 2.85% of the Plan Equity Consideration. **These Claims are Impaired under the Plan and are entitled to vote.** • Verso Subordinated Debt Claims - On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Verso Subordinated Debt Claim[5] shall receive, in full and complete settlement, release and discharge of, and in exchange for, such Claim its Pro Rata share of 0.15% of the Plan Equity Consideration. **These Claims are Impaired under the Plan and are entitled to vote.** • NewPage Roll-Up DIP Term Loan Claims – On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed NewPage Roll-Up DIP Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim its Pro Rata share of the NewPage Roll-Up DIP Claim Consideration (*i.e.*, a portion of the NewPage Plan Equity Consideration (*i.e.*, 47% of the total Plan Equity Consideration) equal to the quotient of the aggregate amount of Allowed NewPage Roll-Up DIP Claims divided by 47% of the Plan Equity Value (*i.e.*, $[___]). Under the Plan, the NewPage Roll-Up DIP Term Loan Claims are Allowed in the amount of $[___]. **These Claims are Impaired under the Plan and are entitled to vote.** • NewPage Term Loan Claims - On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed NewPage Term

Plan: (a) Verso Cash Flow Claims are Allowed in the aggregate amount of $[__]; (b) Verso 2012 First Lien Notes Claims are Allowed in the aggregate amount of $[__]; and (c) Verso 2015 First Lien Notes Claims are Allowed in the aggregate amount of $[__].

[4] Allowed Verso Senior Debt Claims consist of Allowed Claims arising under the Verso 1.5 Lien Notes, Verso Second Lien Notes, and Verso Old Second Lien Notes. Under the Plan: (a) Verso 1.5 Lien Notes Claims are Allowed in the aggregate amount of $[__]; (b) Verso Second Lien Notes Claims are Allowed in the aggregate amount of $[__]; and (c) Verso Old Second Lien Notes Claims are Allowed in the aggregate amount of $[__].

[5] Allowed Verso Subordinated Debt Claims consist of Allowed Claims arising under the Verso 2016 Subordinated Unsecured Notes and the Verso 2020 Subordinated Unsecured Notes. Under the Plan: (a) Verso 2016 Subordinated Unsecured Notes Claims are Allowed in the aggregate amount of $[__]; and (b) Verso 2020 Subordinated Unsecured Notes Claims are Allowed in the aggregate amount of $[__].

	Loan Claim shall receive on account of its Secured Claim, in full and complete settlement, release, and discharge of, and in exchange for, such Secured Claim its Pro Rata share of the NewPage Term Loan Claim Consideration (*i.e.*, the NewPage Plan Equity Consideration less the NewPage Plan Equity Consideration constituting the NewPage Roll-Up DIP Claim Consideration). Under the Plan, NewPage Term Loan Claims are Allowed in the aggregate amount of $[__]. **These Claims are Impaired under the Plan and are entitled to vote.** • General Unsecured Claims Against Asset Debtors - Except to the extent that a Holder of an Allowed General Unsecured Claim Against Asset Debtors agrees to a less favorable treatment, on the Effective Date or as soon thereafter as practicable, each Holder of an Allowed General Unsecured Claim Against Asset Debtors shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim [•]. **These Claims are Impaired under the Plan and are entitled to vote.** • General Unsecured Claims Against *De Minimis* Asset Debtors - Holders of General Unsecured Claims Against *De Minimis* Asset Debtors shall not receive or retain any interest or property on account of such Claims. **These Claims are Impaired under the Plan and are not entitled to vote.** • Intercompany Claims - On the Effective Date, Allowed Intercompany Claims shall be, at the option of the Debtors, (i) reinstated and treated in the ordinary course of business; or (ii) cancelled and discharged without any distribution on account of such Claims; provided that all Claims related to the Shared Services Agreement shall be deemed cancelled, released, and discharged as set forth in Article 6.12 of the Plan. **These Claims are Unimpaired if reinstated or Impaired if cancelled under the Plan and, in either case, are not entitled to vote.** • Section 510(b) Claims - On the Effective Date, each Section 510(b) Claim (*i.e.*, a securities law claim subject to subordination under section 510(b) of the Bankruptcy Code) shall be cancelled and released without any distribution on account of such Claim. **These Claims are Impaired under the Plan and are not entitled to vote.** • Equity Interests in Verso - On the Effective Date, all Equity Interests in Verso shall be cancelled and extinguished without further notice, approval, or action. **These Equity Interests are Impaired under the Plan and are not entitled to vote.**

Good Faith Compromise	The Plan constitutes a good faith compromise and settlement of all Claims and controversies relating to any Allowed Claim or Equity Interest or any Plan Distribution to be made on account thereof or otherwise resolved under the Plan, and entry of the Confirmation Order will constitute the Bankruptcy Court's approval of such compromise under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019.
Shared Services Agreement	On the Effective Date, the Shared Services Agreement will be terminated without any further action by the parties thereto, and Claims related to the Shared Services Agreement shall be deemed cancelled, released, and discharged. The parties to the Shared Services Agreement will have no rights arising from or relating to such agreement or the termination thereof.
Exit Financing	The Plan authorizes Reorganized Verso to enter into the Exit ABL Facility and Exit Term Loan Facility, and grant all liens and security interests provided for thereunder. The Exit Credit Agreements will be on terms and conditions set forth in the Plan Supplement. The Exit Credit Agreements will provide exit financing in an amount sufficient to repay in full all Verso DIP ABL Claims, NewPage DIP ABL Claims, and NewPage New Money DIP Claims, which the Debtors estimate will be approximately $[___ million] in the aggregate.
Means of Implementation	The Plan contains standard means of implementation, including provisions authorizing the Debtors to engage in corporate restructuring transactions, provisions identifying the sources of consideration for Plan distributions, and provisions providing for the cancellation of certain liens, the cancellation of certain prepetition debt and equity instruments (including the cancellation of prepetition equity interests in Verso), the preservation of Equity Interests in Debtors other than Verso Corporation solely for administrative convenience, the authorization, issuance and delivery of the New Common Stock in Reorganized Verso and the Plan Warrants, the payment of fees and expenses required under the DIP Orders, Reorganized Verso's entry into the Registration Rights Agreement, the elimination of certain Debtor subsidiaries, the revesting of the Debtors' assets in the Reorganized Debtors, and the termination of the Shared Services Agreement.
Management Incentive Plan	Up to 10% of the common equity in Reorganized Verso, on a fully-diluted basis, outstanding immediately after the Effective Date will be reserved to implement a new equity incentive plan for management of the Reorganized Debtors. The Management Incentive Plan will be included as part of the Plan Supplement.
Corporate Governance Matters	On the Effective Date, the terms of the current members of the board of directors of each Debtor shall expire, and the initial boards of directors and officers of each of the Reorganized Debtors shall be appointed in accordance with the applicable organizational documents of the Reorganized Debtors. The identity and affiliations of the persons proposed to serve as directors or officers of the Reorganized Debtors will be identified in the Plan Supplement.

	As soon as reasonably practicable following the Effective Date, the New Common Stock shall be qualified for listing on the New York Stock Exchange and shall be registered under section 12(b) of the Exchange Act.
Employment and Benefit Arrangements	The Reorganized Debtors will honor the Debtors' written contracts, agreements, policies, programs and plans relating to their employees, other than any existing plans providing for the issuance of equity to the Debtors' employees.
Releases, Injunction and Exculpation	Articles 12.4, 12.5 and 12.6 of the Plan contain certain release, injunction and exculpation provisions that are set forth in Article V.G below. **ARTICLE 12.4(b) OF THE PLAN CONTAINS A THIRD-PARTY RELEASE**. YOU ARE DEEMED TO GRANT A THIRD-PARTY RELEASE IF YOU ARE (A) A HOLDER OF A CLAIM THAT EITHER: (I) VOTES TO ACCEPT THE PLAN; (II) IS CONCLUSIVELY DEEMED TO HAVE ACCEPTED THE PLAN; OR (III) RECEIVES A BALLOT BUT ABSTAINS FROM VOTING ON THE PLAN; (B) A HOLDER OF A CLAIM ENTITLED TO VOTE WHO VOTES TO REJECT THE PLAN AND FAILS TO "OPT OUT" OF THE PROPOSED RELEASES BY CHECKING THE APPROPRIATE BOX ON YOUR TIMELY-SUBMITTED BALLOT; OR (C) A HOLDER OF A CLAIM OR EQUITY INTEREST THAT IS DEEMED TO HAVE REJECTED THE PLAN AND FAILS TO SEND A NOTICE TO THE DEBTORS TO "OPT OUT" OF THE PROPOSED RELEASES. IN ADDITION, CERTAIN OTHER PARTIES ARE DEEMED TO GRANT THE PLAN RELEASES. SUCH PARTIES ARE IDENTIFIED IN THE DEFINITION OF "RELEASING PARTIES" IN THE PLAN. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

B. Voting on the Plan

The Disclosure Statement Order approved certain procedures governing the solicitation of votes on the Plan from holders of Claims against the Debtors, including setting the deadline for voting, which Holders of Claims are eligible to receive Ballots to vote on the Plan, and other voting procedures.

THE DISCLOSURE STATEMENT ORDER IS HEREBY INCORPORATED BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN. YOU SHOULD READ THE DISCLOSURE STATEMENT ORDER, THE CONFIRMATION HEARING NOTICE, AND THE INSTRUCTIONS ATTACHED TO YOUR BALLOT IN CONNECTION WITH THIS SECTION, AS THEY SET FORTH IN DETAIL PROCEDURES GOVERNING VOTING DEADLINES AND OBJECTION DEADLINES.

The Plan, though proposed jointly and consolidated for purposes of making distributions to Holders of Claims under the Plan, constitutes a separate Plan proposed by each Debtor. Therefore, the classifications set forth in the Plan apply separately with respect to each Plan proposed by, and the Claims against and Equity Interests in, each Debtor. Your vote will count as votes for or against, as applicable, each Plan proposed by each Debtor.

1. Parties Entitled to Vote on the Plan

Under the Bankruptcy Code, only Holders of Claims or Equity Interests in Impaired Classes are entitled to vote on the Plan (unless such Holders are deemed to have rejected the Plan because the Plan provides for no distributions to Holders of Claims or Equity Interests in such Impaired Classes). Pursuant to section 1124 of the Bankruptcy Code, a Class of Claims or Equity Interests is deemed to be Impaired under the Plan unless (a) the Plan leaves unaltered the legal, equitable, and contractual rights to which such Claim or Equity Interest entitles the Holder thereof, ascertained with regard to applicable law, including any provisions of the Bankruptcy Code that may limit the allowed amount of such Claim or Equity Interest or (b) notwithstanding any legal right to an accelerated payment of such Claim or Equity Interest, the Plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such Claim or Equity Interest as it existed before the default.

The following table sets forth (a) a simplified summary of which Classes are entitled to vote on the Plan and which are not, and (b) the estimated Allowed amount (in USD millions), the estimated recovery percentage and/or the voting status for each of the separate Classes of Claims provided for in the Plan. The Claim estimates set forth below assume a [____], 2016 Effective Date.

Class	Designation	Entitled to Vote	Estimated Amount	Estimated Recovery
1	Other Secured Claims	No (deemed to accept)	$[__]	100%
2	Priority Non-Tax Claims	No (deemed to accept)	$[__]	100%
3	Verso First Lien Claims	Yes	$[__]	[___]%
4	Verso Senior Debt Claims	Yes	$[__]	[___]%
5	Verso Subordinated Debt Claims	Yes	$[__]	[___]%
6	NewPage Roll-Up DIP Claims	Yes	$[__]	[___]%
7	NewPage Term Loan Claims	Yes	$[__]	[___]%
8	General Unsecured Claims Against Asset Debtors	Yes	$[__]	[___]%
9	General Unsecured Claims Against *De Minimis* Asset Debtors	No (deemed to reject)	$[__]	0%
10	Intercompany Claims	No (deemed to accept or reject)	N/A	N/A

Class	Designation	Entitled to Vote	Estimated Amount	Estimated Recovery
11	Section 510(b) Claims	No (deemed to reject)	$[__]	0%
12	Equity Interests in Verso	No (deemed to reject)	N/A	0%

Accordingly, only Holders of record of Claims in Classes 3, 4, 5, 6, 7 and 8, as of [_____], 2016, the Voting Record Date established by the Debtors for purposes of this solicitation, are entitled to vote on the Plan. If your Claim or Equity Interest is not in one of these Classes, you are not entitled to vote on the Plan and you will not receive a Ballot with this Disclosure Statement. If your Claim is in one of these Classes, you should read your Ballot and follow the listed instructions carefully. Please use only the Ballot that accompanies this Disclosure Statement.

If an objection has been filed with respect to your Claim, you are not entitled to vote on the Plan (unless your Claim is only disputed in part, in which case you shall be entitled to vote solely on account of the undisputed portion of your Claim) unless you obtain an order of the Bankruptcy Court either resolving the objection or temporarily allowing your claim for voting purposes. In addition, if your Claim is identified in the Schedules[6] as disputed, contingent, or unliquidated, you are not entitled to vote on the Plan unless you obtain any order of the Bankruptcy Court temporarily allowing such Claim for voting purposes (or otherwise allowing such Claim). **As set forth in the Confirmation Hearing Notice and in the Disclosure Statement Order, Holders of Claims who seek to have their claims temporarily allowed by the Bankruptcy Court for voting purposes must file on the docket and serve on parties entitled to receive service thereof a motion seeking such relief no later than [____], 2016.**

A vote on the Plan may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code. The Disclosure Statement Order also sets forth assumptions and procedures for determining the amount of Claims that each creditor is entitled to vote in these Chapter 11 Cases and how votes will be counted under various scenarios.

Your vote on the Plan is important. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan votes to accept such plan, unless the plan is being confirmed under the "cramdown" provisions of section 1129(b) of the Bankruptcy Code. Section 1129(b) permits confirmation of a plan of reorganization, notwithstanding the nonacceptance of the plan by one or more impaired classes of claims or equity interests, so long as at least one impaired class of claims or interests votes to accept a proposed plan. Under that section, a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each non-accepting class.

The Bankruptcy Code defines acceptance of a plan by a Class of Claims as acceptance by Holders of at least two-thirds (⅔) in dollar amount and more than one-half (½) in number of the Claims of that Class that cast ballots for acceptance or rejection of a plan. Thus, acceptance by a Class of Claims occurs only if at least two-thirds (⅔) in dollar amount and a majority in number of the Holders of Claims voting cast their ballots to accept the Plan.

[6] Copies of the Schedules may be obtained on the document website maintained by the Voting Agent at *http://cases.primeclerk.com/verso*.

2. Solicitation Package

The package of materials (the "**Solicitation Package**") sent to Holders of Claims entitled to vote on the Plan contains:

- a copy of the notice of the Confirmation Hearing (the "**Confirmation Hearing Notice**");
- a copy of this Disclosure Statement together with the exhibits thereto, including the Plan;
- a copy of the order entered by the Bankruptcy Court (D.I. [__]) (the "**Disclosure Statement Order**") that approved this Disclosure Statement, established the voting procedures, scheduled a Confirmation Hearing, and set the voting deadline and the deadline for objecting to Confirmation of the Plan; and
- for Holders of Claims in voting Classes (*i.e.*, Classes 3, 4, 5, 6, 7, and 8), an appropriate form of Ballot, instructions on how to complete the Ballot, and a pre-paid, pre-addressed Ballot return envelope.

In addition, the Plan, the Disclosure Statement, and, once they are filed, all exhibits to both documents (including the Plan Supplement) will be made available online at no charge at the website maintained by the Debtors' voting agent, Prime Clerk LLC (the "**Voting Agent**"), at *http://cases.primeclerk.com/verso*. The Debtors will provide parties in interest (at no charge) with hard copies of the Plan and/or Disclosure Statement, as well as any exhibits thereto, upon request to the Voting Agent by email at *versoballots@primeclerk.com* or by telephone for U.S. callers at (855) 410-7359 and for international callers at (646) 795-6960.

3. Voting Procedures, Ballots and Voting Deadline

If you are entitled to vote to accept or reject the Plan, a Ballot(s) has been enclosed in your Solicitation Package for the purpose of voting on the Plan. Please vote and return your Ballot(s) in accordance with the instructions accompanying your Ballot.

You should carefully review (1) the Plan and the Plan Supplement, (2) this Disclosure Statement, (3) the Disclosure Statement Order, (4) the Confirmation Hearing Notice, and (5) the detailed instructions accompanying your Ballot prior to voting on the Plan. In order for your vote to be counted, you must complete and return your Ballot in accordance with the instructions accompanying your Ballot on or before the Voting Deadline.

Each Ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded Ballot or Ballots sent to you with this Disclosure Statement.

If you (1) hold Claims in more than one voting Class, or (2) hold multiple Claims within one Class, including if you (a) are the beneficial owner of Verso First Lien Claims, Verso Senior Debt Claims, or Verso Subordinated Debt Claims held under the name of your broker, bank, dealer, or other agent or nominee (each, a "**Voting Nominee**") (rather than under your own name) through one or more than one Voting Nominee or (b) are the beneficial owner of Verso First Lien Claims, Verso Senior Debt Claims, or Verso Subordinated Debt Claims registered in your own name as well as the beneficial owner of Verso First Lien Claims, Verso Senior Debt Claims, or Verso Subordinated Debt Claims registered

under the name of your Voting Nominee (rather than under your own name), you may receive more than one Ballot.

If you are the beneficial owner of Verso First Lien Claims, Verso Senior Debt Claims, or Verso Subordinated Debt Claims held under the name of your Voting Nominee (rather than under your own name) through one or more than one Voting Nominee, for your votes with respect to such Verso First Lien Claims, Verso Senior Debt Claims, or Verso Subordinated Debt Claims to be counted, your Ballots must be mailed to the appropriate Voting Nominees at the addresses on the envelopes enclosed with your Ballot(s) (or otherwise delivered to the appropriate Voting Nominees in accordance with such Voting Nominees' instructions) so that such Voting Nominees have sufficient time to record the votes of such beneficial owner on a Master Ballot and return such Master Ballot so it is actually received by the Voting Agent by the Voting Deadline.

All other Ballots, in order to be counted, must be properly completed in accordance with the voting instructions on the ballot and **actually received** no later than the Voting Deadline (i.e., **[_____], 2016, at [__]:00 p.m. (Eastern Standard Time)**) by the Voting Agent via regular mail, overnight courier, or personal delivery at the appropriate address or via the Voting Agent's online balloting platform (in accordance with the instructions accompanying your Ballot). ***No Ballots may be submitted by electronic mail or any other means of electronic transmission, (except the Voting Agent's online balloting platform), and any Ballots submitted by electronic mail or other means of electronic transmission will not be accepted by the Voting Agent****; provided, however, that Voting Nominees may return Master Ballots via electronic mail to versoballots@primeclerk.com*. Again, Ballots should not be sent directly to the Debtors.

If a Holder of a Claim delivers to the Voting Agent more than one timely, properly completed Ballot with respect to such Claim prior to the Voting Deadline, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the last timely, properly completed Ballot, as determined by the Voting Agent, received last from such Holder with respect to such Claim.

If you are a Holder of a Claim who is entitled to vote on the Plan and did not receive a Ballot, received a damaged Ballot, or lost your Ballot, or if you have any questions concerning the Disclosure Statement, the Plan, the Ballot, or the procedures for voting on the Plan, please contact the Voting Agent by toll-free telephone for U.S. callers at (855) 410-7359 and for international callers at (646) 795-6960 or by e-mail at *versoballots@primeclerk.com*.

Before voting on the Plan, each Holder of a Claim in Classes 3, 4, 5, 6, 7, or 8 should read, in its entirety, this Disclosure Statement, the Plan and the Plan Supplement, the Disclosure Statement Order, the Confirmation Hearing Notice, and the instructions accompanying the Ballots. These documents contain important information concerning how Claims are classified for voting purposes and how votes will be tabulated. Holders of Claims entitled to vote are also encouraged to review the relevant provisions of the Bankruptcy Code and Bankruptcy Rules and/or consult their own attorney.

C. Confirmation Hearing and Deadline for Objections to Confirmation

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on whether the Debtors have fulfilled the confirmation requirements of section 1129 of the Bankruptcy Code. The Confirmation Hearing has been scheduled for **[_____], 2016, at [__]:00 a.m. (Eastern Standard Time)**, before the Honorable Judge Kevin Gross, United States Bankruptcy Judge for the District of Delaware, in the United States Bankruptcy Court for the District of Delaware, located at 824 North Market Street, 6th Floor, Courtroom #2, Wilmington, Delaware. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice. Any objection to

Confirmation must (1) be in writing, (2) state the name and address of the objecting party and the nature of the Claim or Interest of such party, and (3) state with particularity the basis and nature of such objection. Any such objections must be filed and served upon the persons designated in the Confirmation Hearing Notice in the manner and by the deadline described therein.

D. Advisors

The Debtors' bankruptcy legal advisors are O'Melveny & Myers LLP and Richards, Layton & Finger, P.A. The Debtors' investment banker is PJT Partners LP ("**PJT**"), and their financial advisor is Alvarez & Marsal North America, LLC. The Debtors' advisors can be contacted at:

O'Melveny and Myers LLP
Times Square Tower
7 Times Square
New York, New York 10036
Telephone: (212) 326-2000
Attn: George A. Davis, Esq.
Peter Friedman, Esq.
Andrew M. Parlen, Esq.
Diana M. Perez, Esq.

-and-

Richards, Layton & Finger, P.A.
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Attn: Mark D. Collins, Esq.
Michael J. Merchant, Esq.

PJT Partners LP
280 Park Avenue
New York, New York 10017
Phone: (212) 364-7800
Attn: Steven Zelin
Adam Pilchman

Alvarez & Marsal North America, LLC
600 Madison Avenue
New York, New York 10022
Phone: (212) 759-4433
Attn: Dennis Stogsdill

II.

GENERAL INFORMATION

A. Identity of the Debtors

The Debtors in the Chapter 11 Cases are Verso and 26 of its direct and indirect subsidiaries, including NewPage Corporation. From time to time in this Disclosure Statement and the Plan, the Debtors refer to certain Debtors as the Verso Debtors and others as the NewPage Debtors. In addition, Debtors holding material assets are referred to as Asset Debtors, while Debtors holding assets of *de minimis*, if any, value are referred to as *De Minimis* Asset Debtors. The following chart lists the Debtors in each such category:

Verso Debtors	**NewPage Debtors**
Asset Debtors	
Verso	NewPage Investment Company LLC

Verso Paper Finance Holdings One LLC	NewPage Corporation
Verso Paper Finance Holdings LLC	NewPage Consolidated Papers Inc.
Verso Paper Holdings LLC	Escanaba Paper Company
Verso Paper LLC	Luke Paper Company
Verso Quinnesec REP Holding Inc.	NewPage Wisconsin System Inc.
Verso Quinnesec LLC	Wickliffe Paper Company LLC
Verso Androscoggin LLC	
NewPage Holdings Inc.	
***De Minimis* Asset Debtors**	
Verso Paper Finance Holdings, Inc.	Chillicothe Paper Inc.
Verso Paper Inc.	Rumford Paper Company
Verso Fiber Farm LLC	NewPage Energy Services LLC
Verso Maine Energy LLC	Upland Resources Inc.
Verso Sartell LLC	Bucksport Leasing LLC
nexTier Solutions Corporation	

B. The Debtors' Businesses

The Debtors are the leading North American producer of coated papers, which are used primarily in magazines, catalogs, high-end advertising brochures and annual reports, among other media and marketing publications. The Debtors produce a wide range of products, ranging from coated freesheet and coated groundwood, to inkjet and digital paper, supercalendered papers, and uncoated freesheet. The Debtors also produce and sell market kraft pulp, which is used to manufacture printing and writing paper grades and tissue products.

The Debtors' current corporate form came into being through Verso's acquisition, through Verso Paper Holdings LLC ("**Verso Holdings**"), of NewPage Holdings Inc. and the NewPage Debtors in January 2015. Verso acquired the NewPage Debtors to establish a larger scale enterprise, positioned to compete in the challenging coated paper market. Since the acquisition of the NewPage Debtors, the Debtors have made a sustained and focused effort to integrate their operations. These efforts

have allowed the Debtors to realize certain anticipated synergies from the NewPage Debtors' acquisition for the benefit of the Debtors' stakeholders. As a result of these efforts, the Debtors operate as a fully-integrated business, with a common set of vendors and customers. While appropriate corporate formalities are observed between and among subsidiaries, the Debtors function as a unified entity.

As a combined enterprise, the Debtors own eight paper mills strategically located in Kentucky, Maine, Maryland, Michigan, Minnesota and Wisconsin. The Debtors' mills have an aggregate total annual production capacity of approximately 3,440 thousand tons of paper and 290 thousand tons of pulp. The Debtors have a client base of approximately 300 customers that reach approximately 1,700 end user accounts, through a variety of sales channels, including paper merchants and brokers, direct sales, and commercial printers.

As an integrated company, the Debtors can benefit from their larger scale and the complementary fit of their combined business. At the time of the acquisition of the NewPage Debtors, the Debtors anticipated that they could realize approximately $175 million of pre-tax cost synergies in the first 18 months following the acquisition. Among other efficiencies, the integrated platform allows the Debtors to reduce shipping rates and optimize shipping routes of the larger mill system, coordinate wood collection and storage to thereby enhance utilization of manufacturing facilities and wood sources, improve sourcing of raw materials, and eliminate duplicative headquarter functions.

C. Corporate Governance

As of the date hereof, the Debtors' current senior leadership team consists of:

Name	Position
David J. Paterson	President and Chief Executive Officer
Lyle J. Fellows	Senior Vice President – Manufacturing and Energy
Allen J. Campbell	Senior Vice President, Chief Financial Officer and Assistant Secretary
Michael A. Weinhold	Senior Vice President – Sales, Marketing and Product Development
Peter H. Kesser	Senior Vice President, General Counsel and Secretary
Kenneth D. Sawyer	Senior Vice President – Human Resources and Communications
Benjamin Hinchman, IV	Vice President and Chief Information Officer

As of the date hereof, Verso's board of directors consists of ten members, nine of whom are considered independent under the rules of the Securities and Exchange Commission and the listing standards of the New York Stock Exchange. The members of Verso's board of directors are Robert M. Amen, Michael E. Ducey, Thomas Gutierrez, Scott M. Kleinman (Chairman), David W. Oskin, David J. Paterson, Eric L. Press, L.H. Puckett, Jr., Reed B. Rayman, and David B. Sambur.

Verso Holdings has a three-person board of directors. Those three directors are Messrs. Paterson and Rayman and Richard M. Cieri. Mr. Cieri was appointed to the Verso Holdings board of directors on December 3, 2015. He had no prior affiliation with the Debtors prior to his appointment and has extensive experience in restructuring, workouts and turnarounds, including in his capacity as the former chair of the Restructuring Department of the law firm of Kirkland & Ellis LLP. Mr. Cieri serves only on the Verso Holdings board, and not the board of any other Debtors.

NewPage Corporation likewise has a three-person board of directors. Those three directors are Messrs. Paterson and Sambur and Alan J. Carr. Mr. Carr was appointed to the NewPage Corporation board of directors on December 3, 2015. He had no prior affiliation with the Debtors prior to

his appointment. Mr. Carr is the Chief Executive Officer of Drivetrain Advisors and has more than 20 years of experience advising financially distressed companies. Mr. Carr serves only on the NewPage Corporation board, and not the board of any other Debtors.

The board of directors of each Debtor other than Verso, Verso Holdings and NewPage Corporation consists of Mr. Paterson and Allen J. Campbell, the Debtors' Senior Vice President and Chief Financial Officer.

D. Corporate History

1. Pre-Acquisition History

The Verso Debtors began operations on August 1, 2006, when a subsidiary of Verso formed by affiliates of Apollo Global Management, LLC purchased the Coated and Supercalendered Papers Division of International Paper Company. Less than two years later, on May 14, 2008, Verso became a public company through an initial public offering of 14 million shares of common stock and was listed on the New York Stock Exchange.

In 2005, the NewPage Debtors acquired the printing and writing papers business of MeadWestvaco Corporation, formerly known as the West Virginia Pulp & Paper Company and, following that acquisition, owned five pulp and paper mills in Kentucky, Maine, Maryland, Michigan and Ohio, which it subsequently supplemented with acquisitions of mills in Minnesota, Wisconsin and Nova Scotia, Canada. The NewPage Debtors' Ohio operations were sold in 2006 to P.H. Glatfelter Company. The NewPage Debtors previously filed for chapter 11 in the U.S. Bankruptcy Court for the District of Delaware, and emerged from chapter 11 on December 21, 2012, pursuant to their Modified Fourth Amended Chapter 11 Plan, which was confirmed by the Bankruptcy Court on December 14, 2012.

2. The NewPage Acquisition and Divestiture of the Biron and Rumford Mills

On January 3, 2014, Verso entered into an Agreement and Plan of Merger (the "**Acquisition Agreement**") with NewPage Holdings, Inc. ("**NewPage Holdings**"), a Delaware corporation, pursuant to which the parties agreed that Verso would acquire NewPage Holdings and the NewPage Debtors. At the time, the NewPage Debtors were the largest coated paper producer in the United States and operated eight paper mills located in Kentucky, Maine, Maryland, Michigan, Minnesota and Wisconsin. Before acquiring the NewPage Debtors, the Verso Debtors operated three mills located in Maine and Michigan.

Verso's board of directors unanimously approved the Acquisition Agreement on December 28, 2013. Similarly, on January 3, 2014, NewPage Holdings' board of directors unanimously approved the Acquisition Agreement. On January 7, 2015, Verso completed the acquisition of the NewPage Debtors, approximately one year after initially entering into the Acquisition Agreement. The consummation of the acquisition of the NewPage Debtors was delayed as the Debtors worked with the United States Department of Justice ("**DOJ**") to address antitrust concerns raised by the proposed acquisition. To address the DOJ's concerns, on October 30, 2014, NewPage Corporation, NewPage Wisconsin System Inc. ("**NewPage Wisconsin**"), and Rumford Paper Company ("**Rumford Paper**"), entered into an Asset Purchase Agreement (the "**Divestiture Agreement**") with Catalyst Paper Holdings Inc. ("**Catalyst**"), under which Catalyst agreed to purchase the NewPage mill located in Biron, Wisconsin, and the NewPage mill located in Rumford, Maine, for approximately $74 million.

In addition, in connection with the NewPage acquisition, Verso, NewPage Holdings Inc. and NewPage Corporation entered into the Shared Services Agreement, as described in greater detail in Article IV.F below.

3. Employees

As of December 31, 2015, the Debtors had approximately 5,200 employees. Approximately 68% of their hourly workforce is represented by 13 local branches of the following unions: the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Services Workers International Union; the International Brotherhood of Electrical Workers; the Teamsters, Chauffeurs, Warehousemen and Helpers; the International Association of Machinists and Aerospace Workers; the Office & Professional Employees' International Union; and the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry. All represented employees are covered by the Master Labor Agreement 2012–2016, dated as of December 21, 2012, covering wages and benefits; certain represented mills also have local agreements covering general work rules.

E. Prepetition Indebtedness and Capital Structure

As of the Petition Date, the Debtors had funded debt outstanding of approximately $2.8 billion, including approximately $1.9 billion issued by Verso Holdings and guaranteed by certain of its affiliates (as described below), and approximately $930 million issued by NewPage Corporation and guaranteed by certain of its affiliates (as described below). The obligors and guarantors under Verso Holdings' funded indebtedness do not guarantee the obligations of the obligors and guarantors under NewPage Corporation's funded indebtedness (and vice versa). The following table summarizes the Debtors' prepetition indebtedness and capital structure as of the Petition Date:

($ in millions)	Maturity	Interest Rate	Par Value as of Petition Date[7]
Verso Holdings (and guarantors)			
Verso ABL Facility	5/4/2017	4.75%*	$63
Verso Cash Flow Facility	5/4/2017	7.04%*	$50
Verso 2012 First Lien Notes	1/15/2019	11.75 %	$418
Verso 2015 First Lien Notes	1/15/2019	11.75 %	$650
Verso 1.5 Lien Notes	1/15/2019	11.75 %	$272
Verso Second Lien Notes	8/1/2020	13.00 %	$181
Verso 2020 Subordinated Unsecured Notes	8/1/2020	16.00%	$65
Verso Old Second Lien Notes	2/1/2019	8.75%	$97
Verso 2016 Subordinated Unsecured Notes	8/1/2016	11.38%	$41
NewPage Corporation (and guarantors)			
NewPage Prepetition ABL Facility	2/11/2019	4.75%*	$197
NewPage Prepetition Term Loan Facility	2/11/2021	9.50%*	$731

***Rate adjusts based on applicable indices in relevant credit agreements. With respect to Verso ABL Facility, Verso Cash Flow Facility, and NewPage Prepetition ABL Facility, interest rate set forth in table reflects weighted average interest rate on all draws. With respect to the NewPage Credit Agreement, interest rate is rate in effect as of Petition Date.**

[7] Excludes, to the extent applicable, face amounts of outstanding letters of credit, accrued and unpaid interest not added to principal balance, and fees and expenses due under the applicable credit documents.

1. Verso Debtors' Prepetition Capital Structure

a. Verso Revolving Credit Facilities

In 2012, Verso Holdings entered into revolving credit facilities consisting of a $150 million asset-based loan facility (the "Verso ABL Facility") and a $50 million cash-flow facility (the "Verso Cash Flow Facility" and, together with the Verso ABL Facility, the "Verso Revolving Credit Facilities"). The indebtedness under the Verso Revolving Credit Facilities is guaranteed, jointly and severally, on a senior secured basis, by Verso Finance and each of Verso Holdings' subsidiaries (subject to certain exceptions). The indebtedness under the Verso Revolving Credit Facilities bears interest at a floating rate based on a margin over a base rate or LIBOR.

As of the Petition Date, there was approximately $63 million outstanding in borrowings, and $30 million in letters of credit issued, under the Verso ABL Facility. The indebtedness under the Verso ABL Facility and related guarantees is secured by first-priority security interests, subject to permitted liens, in substantially all the inventory and accounts receivable of Verso Holdings, Verso Finance, and the subsidiary guarantors (the "**Verso ABL Priority Collateral**") and second-priority security interests, subject to permitted liens, in substantially all the foregoing entities' other assets (the "**Notes Priority Collateral**"). As discussed below, the Verso DIP Facility approved under the Verso Final DIP Order (as defined below) provided for the repayment in full of the outstanding indebtedness under the Verso ABL Facility, and for letters of credit issued under the Verso ABL Facility to be deemed to have been issued under the Verso DIP Facility. As a result, there is currently no indebtedness outstanding under the Verso ABL Facility.

As of the Petition Date, there was $50 million outstanding, no letters of credit issued, and no availability for future borrowings under the Verso Cash Flow Facility. The indebtedness under the Verso Cash Flow Facility and related guarantees is secured, pari passu with the Verso 2012 First Lien Notes and the Verso 2015 First Lien Notes and the related guarantees, by a first-priority security interest in the Notes Priority Collateral and a second-priority security interest in the Verso ABL Priority Collateral.

b. Verso First Lien Notes

In 2012, Verso Holdings issued approximately $345 million aggregate principal amount of 11.75% Senior Secured Notes due 2019, and in 2013, Verso Holdings issued an additional $73 million aggregate principal amount of 11.75% Senior Secured Notes due 2019 to certain existing lenders of Verso Finance and Verso Paper Finance Holdings Inc. The 11.75% Senior Secured Notes due 2019, issued in 2012 and 2013, constitute one class of securities (the "**Verso 2012 First Lien Notes**").

The Verso 2012 First Lien Notes are guaranteed, jointly and severally, on a senior secured basis, by each of Verso Holdings' existing domestic subsidiaries that guarantee the Verso Revolving Credit Facilities and by each of its future domestic subsidiaries that guarantee certain of its debt or issue disqualified stock. The Verso 2012 First Lien Notes are secured, pari passu with the Verso Cash Flow Facility and Verso 2015 First Lien Notes and related guarantees, by a first-priority security interest in the Notes Priority Collateral and a second-priority security interest in the Verso ABL Priority Collateral.

On January 7, 2015, in connection with the NewPage acquisition, Verso Holdings issued approximately $650 million aggregate principal amount of 11.75% Senior Secured Notes due 2019 (the "**Verso 2015 First Lien Notes**" and, together with the Verso 2012 First Lien Notes, the "**Verso First Lien Notes**") to equity holders of NewPage as partial consideration for the acquisition. The Verso 2015 First Lien Notes are guaranteed, jointly and severally, on a senior secured basis, by each of Verso

Holdings' existing domestic subsidiaries that guarantee the Verso Revolving Credit Facilities and by each of its future domestic subsidiaries that guarantee certain of its debt or issue disqualified stock (including NewPage Holdings Inc., but not any of its subsidiaries).

The Verso 2015 First Lien Notes and the related guarantees are secured, pari passu with the Verso Cash Flow Facility and Verso 2012 First Lien Notes and related guarantees, by a first-priority security interest in the Notes Priority Collateral and a second-priority security interest in the Verso ABL Priority Collateral.

c. 11.75% Secured Notes due 2019

In 2012, Verso Holdings issued approximately $272 million aggregate principal amount of 11.75% Secured Notes due 2019 (the "**Verso 1.5 Lien Notes**"). The Verso 1.5 Lien Notes are guaranteed, jointly and severally, by each of Verso Holdings' existing domestic subsidiaries that guarantee the Verso Revolving Credit Facilities and by each of its future domestic subsidiaries that guarantee certain of its debt or issue disqualified stock.

The Verso 1.5 Lien Notes are secured by a security interest, subject to permitted liens, in substantially all of Verso Holdings' and the guarantors' tangible and intangible assets. The liens securing the Verso 1.5 Lien Notes rank junior to those securing the obligations under the Verso Revolving Credit Facilities, the Verso 2012 First Lien Notes, and the Verso 2015 First Lien Notes, and rank senior to those securing the Verso Second Lien Notes.

d. 13% Second Priority Senior Secured Notes due 2020

On July 2, 2014, Verso Holdings commenced an offer to exchange (the "**Second Lien Notes Exchange Offer**") any and all of Verso Holdings' outstanding 8.75% Second Priority Senior Secured Notes due 2019 ("**Verso Old Second Lien Notes**") for Second Priority Adjustable Senior Secured Notes ("**Verso Second Lien Notes**") and warrants issued by Verso that were mandatorily convertible on a one-for-one basis into shares of Verso's common stock immediately prior to the NewPage acquisition. On August 1, 2014, approximately $299 million aggregate principal amount of Verso Old Second Lien Notes was tendered and accepted in exchange for a like amount of Verso Second Lien Notes and approximately 9.3 million warrants.

The Verso Second Lien Notes and related guarantees are secured by liens that rank junior to those securing the obligations under the Verso Revolving Credit Facilities, the Verso 2012 First Lien Notes, the Verso 2015 First Lien Notes, and the Verso 1.5 Lien Notes.

In connection with the consummation of the NewPage acquisition, the provisions of the Verso Second Lien Notes were adjusted and, as a result, the outstanding principal amount of the Verso Second Lien Notes was reduced from approximately $299 million before January 7, 2015, to approximately $178 million thereafter. As of the Petition Date, there was approximately $181 million in principal amount of indebtedness outstanding under the Verso Second Lien Notes.

e. 8.75% Second Priority Senior Secured Notes due 2019

Following the settlement of the Second Lien Notes Exchange Offer, approximately $97 million in aggregate principal amount of the Verso Old Second Lien Notes remained outstanding. The Verso Old Second Lien Notes are guaranteed, jointly and severally, by each of Verso Holdings' existing domestic subsidiaries that guaranteed the Verso Revolving Credit Facilities, as of the Second Lien Notes Exchange Offer, subject to certain exceptions. As of August 1, 2014, the Verso Old Second Lien Notes are no longer secured by any collateral as a result of amendments to the indenture and other documents

governing the Verso Old Second Lien Notes entered into in connection with the Second Lien Notes Exchange Offer.

f. 16% Senior Subordinated Notes due 2020

On July 2, 2014, Verso Holdings commenced an offer (the "**Subordinated Notes Exchange Offer**") to exchange any and all of Verso Holdings' outstanding 11.375% Senior Subordinated Notes due 2016 ("**Verso 2016 Subordinated Unsecured Notes**") for Adjustable Senior Subordinated Notes ("**Verso 2020 Subordinated Unsecured Notes**") and warrants. On August 1, 2014, approximately $102 million aggregate principal amount of Verso 2016 Subordinated Unsecured Notes were tendered and accepted in exchange for a like amount of Verso 2020 Subordinated Unsecured Notes and approximately 5.4 million warrants.

In connection with the consummation of the NewPage acquisition, the provisions of the Verso 2020 Subordinated Unsecured Notes were adjusted and, as a result, the outstanding principal amount of the Verso 2020 Subordinated Unsecured Notes was reduced from approximately $102 million before January 7, 2015, to approximately $63 million thereafter.

g. 11.375% Senior Subordinated Notes due 2020

Following the settlement of the Subordinated Notes Exchange Offer, approximately $41 million aggregate principal amount of the Verso 2016 Subordinated Unsecured Notes remained outstanding. The Verso 2016 Subordinated Unsecured Notes are guaranteed, jointly and severally, by each of Verso Holdings' existing domestic subsidiaries that guarantee the Verso Revolving Credit Facilities, as of the Subordinated Notes Exchange Offer, subject to certain exceptions. The Verso 2016 Subordinated Unsecured Notes mature on August 1, 2016.

h. Equity Interests

Shares of Verso common equity are registered with the SEC, and Verso files periodic reports with the SEC under the Exchange Act. As of March 15, 2016, Verso had 81,857,483 outstanding shares of common stock. Before being suspended from trading on September 21, 2015, Verso's common stock was traded on the New York Stock Exchange under the symbol "VRS." Between September 21, 2015 and the Petition Date, Verso's common stock traded over the counter under the symbol "VRSZ." Verso's common stock now trades over the counter on the pink sheets under the symbol "VRSZQ."

2. NewPage's Prepetition Capital Structure

a. NewPage Prepetition ABL Facility

On February 11, 2014, NewPage Corporation entered into a $350 million senior secured asset-backed revolving credit facility (the "**NewPage Prepetition ABL Facility**"). As of the Petition Date, there was approximately $197 million in borrowings outstanding and $51 million letters of credit issued under the NewPage Prepetition ABL Facility. The NewPage Prepetition ABL Facility is secured by a first-priority lien on inventory, accounts receivable, bank accounts and certain other assets of the NewPage Debtors ("**NewPage ABL Priority Collateral**") and a second-priority lien with respect to all other NewPage assets ("**NewPage Term Loan Priority Collateral**"). The indebtedness under the NewPage Prepetition ABL Facility bears interest at a floating rate based on a margin over a base rate or Eurocurrency rate.

As discussed below, the NewPage Final DIP Order (as defined below) provided for the repayment in full of the outstanding indebtedness under NewPage Prepetition ABL Facility using

proceeds of the NewPage DIP ABL Facility and NewPage DIP Term Facility, and for letters of credit issued under the NewPage Prepetition ABL Facility to be immediately replaced or backstopped by letters of credit issued under the NewPage DIP ABL Facility. As a result, there is currently no indebtedness outstanding under the NewPage Prepetition ABL Facility.

b. NewPage Floating Rate Senior Secured Term Loan

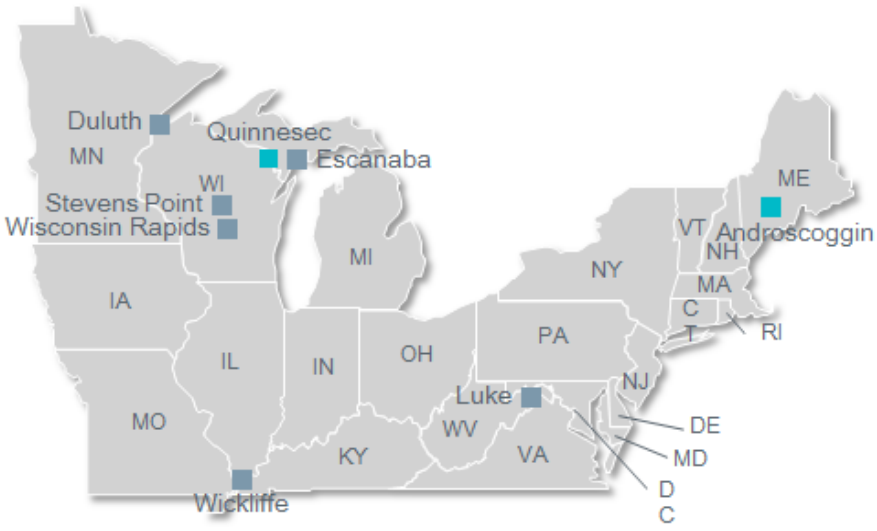
On February 11, 2014, NewPage Corporation entered into a $750 million term loan facility (the "**NewPage Prepetition Term Loan Facility**"). In connection with the acquisition of NewPage, $250 million of the NewPage Prepetition Term Loan Facility was used to pay a dividend to the equity holders of NewPage Corporation, and $500 million was used to refinance NewPage Corporation's former $500 million term loan facility.

The NewPage Prepetition Term Loan Facility is secured by a first-priority lien on the NewPage Term Loan Priority Collateral and a second-priority lien with respect to the NewPage ABL Priority Collateral. Amounts drawn under the NewPage Prepetition Term Loan Facility bear interest at either the LIBOR rate plus a margin of 8.25% per year or at a base rate plus a margin of 7.25% per year. The interest in effect for the NewPage Prepetition Term Loan Facility as of the Petition Date was 9.50%.

As discussed below, the NewPage Final DIP Order (as defined below) provided for the "roll up" into the NewPage DIP Term Facility of $175 million in principal amount of loans under the NewPage Prepetition Term Loan Facility (*i.e.*, such loans were deemed to be loans under the NewPage DIP Term Facility). After giving effect to that "roll up," the outstanding principal balance under the NewPage Prepetition Term Loan Facility is approximately $556 million.

F. Facilities

The Debtors are headquartered in Memphis, Tennessee, and also maintain a primary administrative office in Miamisburg, Ohio. The Debtors collectively own eight mills located in Kentucky, Maine, Maryland, Michigan, Minnesota and Wisconsin, as shown on the below map:



The mills are strategically located close to major publication printing customers, which affords the Debtors the ability to more quickly and cost-effectively deliver their products. The Debtors'

mills are among the most efficient and lowest cost coated paper mills in the United States, based in large part on the Debtors' vertically integrated pulp and paper capabilities.

The following chart describes each of the Debtors' mills as of the Petition Date:

Mill/Location	Number of Employees	Production Capacity	Products
Duluth, Minnesota	260	270,000	Supercalendered paper and approximately 110,000 bone-dry tons annually of recycled pulp from recovered paper.
Escanaba, Michigan	870	760,000	Coated freesheet, coated groundwood, specialty and uncoated papers used for magazines, catalogs, annual reports, textbooks, supplements, and product brochures.
Jay (Androscoggin), Maine	590	450,000	Coated groundwood, coated freesheet, uncoated freesheet, and specialty papers used primarily for label and release, flexible packaging, and technical paper applications.
Luke, Maryland	740	500,000	Coated freesheet papers used for commercial and publication printing, as well as coated-one-side papers for label applications.
Quinnesec, Michigan	430	425,000	Bleached hardwood kraft pulp and coated freesheet paper used primary in marketing applications, including magazines, catalogs, and other commercial printing products.
Stevens Point, Wisconsin	240	190,000	Coated and uncoated specialty papers used primarily for label and release liner, flexible packaging, and technical paper applications.
Wickliffe, Kentucky	130	285,000	In November 2015, the mill was indefinitely idled. When operational, the mill produced coated freesheet, specialty, and uncoated paper.
Wisconsin Rapids, Wisconsin	960	560,000	Coated freesheet used in high-end commercial printing, direct mail, publications, and digital applications.

III.

KEY EVENTS LEADING TO THE DECISION TO COMMENCE THE VOLUNTARY CHAPTER 11 CASES

The Debtors' bankruptcy filings are the result of a confluence of external factors, including a sharp decline in demand for coated paper products, a significant increase in foreign imports and decline in exports resulting from a strong U.S. dollar, the delay in consummating the NewPage acquisition, the Debtors' impending financial obligations, and the long-term unsustainability of the Debtors' balance sheet. In addition, the Debtors have commenced these cases in order to implement the restructuring transactions contemplated by the Restructuring Support Agreement, which the Debtors believe will reduce their debt load to sustainable levels, permit the Debtors and their stakeholders to fully realize the benefits of the NewPage acquisition, and pave the way for the Debtors' future success.

A. Decline in the Coated Paper Industry

The coated paper industry faces a long-term, structural decline. As society becomes increasingly dependent on digital technology products such as laptops, smartphones, and tablet computers, spending on advertising and magazine circulation have eroded, resulting in an overall decline in the demand for coated paper. From 2012 to 2015, demand for printing and writing paper in the United States fell by roughly 10%.

U.S. demand for coated freesheet—which is estimated to constitute approximately 47% of the Debtors' 2015 revenue—has declined 4% from 2012 to 2015, and nominal pricing for coated freesheet is essentially at January 1999 levels. Similarly, U.S. demand for coated groundwood—which is estimated to constitute approximately 13% of the Debtors' 2015 revenue—has declined 25% from 2012 to 2015, and nominal pricing for coated groundwood also remains at essentially January 1999 levels.

The coated paper industry endured a difficult year in 2015. During 2015, coated freesheet and coated groundwood paper volumes were down 2% and 12% respectively year-over-year, while pricing was up 1% and 3%. During 2015, uncoated freesheet and uncoated groundwood paper volumes were flat and down 12% respectively year-over-year, while pricing was down 3% and 1% respectively. The demand for coated paper is expected to continue to steadily decline in the future, with market volumes in 2016 projected to be 4% below 2015 levels.

The prolonged decline in demand for coated paper has had a significant impact on the Debtors' profitability. For example, from 2010 to 2014, prior to the acquisition of NewPage, the Verso Debtors experienced a year-over-year average revenue decline of approximately 4.9%.

B. Increased Imports and Decreased Exports

The strong U.S. dollar relative to foreign currencies has resulted in a dramatic increase in imports, particularly from Asia, Europe and Canada. In 2015, for example, coated freesheet imports (net of exports) increased 68% from 2014 levels, and coated groundwood (also referred to as coated mechanical) imports (net of exports) increased 16% from 2014 levels.

As imports rise, the Debtors face new levels of competition and increased pressure to lower prices to maintain their market share. Compounding this problem, in light of the strong U.S. dollar and the increase in imports, the Debtors have been priced out of foreign markets and forced to reduce exports. During 2015, exports industry wide were approximately 13% lower than 2014.

The decline in the Debtors' performance from the recent increase in foreign imports and reduction in exports, coupled with the overall decline in demand, has been significant: sales dropped approximately 13.5% on a pro forma basis in 2015—a much steeper drop in demand than projected for the industry, or typically experienced by the Debtors, in a single year.

C. Delay in Consummating the NewPage Acquisition

On January 7, 2015, seeking to gird itself against these industry trends, Verso completed the acquisition of the NewPage Debtors, approximately one year after initially entering into the Acquisition Agreement. As discussed above, the consummation of the NewPage acquisition was delayed as the Debtors worked with the DOJ to address antitrust concerns raised by the proposed acquisition, which ultimately resulted in the divestitures of the NewPage Debtors' Biron, Wisconsin and Rumford, Maine mills.

On December 31, 2014, the Antitrust Division of the DOJ filed a civil antitrust lawsuit in the U.S. District Court for the District of Columbia to block the proposed acquisition. At the same time, the DOJ filed a proposed settlement between the DOJ and the Company that provided that the NewPage Debtors would consummate the sales of the Biron and Rumford mills. After court approval, on January 7, 2015, the sales of the mills closed in accordance with the Divestiture Agreement, and Verso completed its acquisition of the NewPage Debtors in accordance with the terms of the Acquisition Agreement.

The Debtors' ability to achieve future projected operating results and compete long-term in the coated paper industry depends in large part on the successful integration of the NewPage Debtors, and the realization of the resulting synergies and operational cost reductions that can be captured in time. Although the current cost savings enabled by the acquisition have helped to mitigate the impact of adverse market trends, the delay in consummating the acquisition (which delayed the ability to realize these critical synergies) was detrimental to the Debtors. Moreover, the synergies that the Debtors have realized to this point have been offset by weak market conditions. Despite these challenges, the Debtors remain confident that as they continue integrating and executing on their operating strategies, results will improve and their value will increase.

D. Impending Financial Obligations/Unsustainability of Balance Sheet

The Debtors' prepetition balance sheet was unsustainable. As of the Petition Date, the Debtors' funded-debt obligations exceeded $2.8 billion. The Debtors also had a combined annual interest expense of over $270 million. Absent a restructuring of this indebtedness, the Debtors would be unable to comply with certain covenants and payment obligations under their debt facilities. Moreover, due to this significant indebtedness, the Debtors lacked sufficient cash flow to maintain their business and reinvest capital to take advantage of growth opportunities.

To address these issues, the Debtors retained restructuring professionals in the third quarter of 2015. The Debtors also evaluated steps to enhance liquidity. To this end, on January 6, 2016, non-debtor affiliate Verso Maine Power Holdings LLC sold its interest in Verso Androscoggin Power LLC, which owned four hydroelectric power generation facilities along the Androscoggin River in southwestern Maine, to Eagle Creek Renewable Energy, LLC for approximately $62 million. The proceeds of that sale provided the Debtors with the liquidity needed to bridge to an orderly chapter 11 filing.

On January 14, 2016, NewPage Corporation missed an interest payment under the NewPage Prepetition Term Loan Facility and elected to exercise the grace period thereunder. On January 15, 2016, Verso Holdings missed an interest period under the Verso 2012 First Lien Notes, Verso 2015 First Lien Notes, and the Verso 1.5 Lien Notes and elected to exercise the grace periods under those

facilities. Absent a chapter 11 filing, the Debtors would have been unable to comply with certain covenants and payment obligations under their debt facilities. Accordingly, the Debtors concluded, in their business judgment, that filing the Chapter 11 Cases and seeking to deleverage their balance sheet would be in the best interests of their stakeholders.

E. Restructuring Support Agreement

Leading up to the commencement of the Chapter 11 Cases, the Debtors attempted to reach an agreement among their major creditor constituencies on the terms of a consensual plan of reorganization. These efforts culminated with the execution of the Restructuring Support Agreement on January 26, 2015 by the Debtors and certain creditors party thereto. Since the Petition Date, additional creditors have executed the Restructuring Support Agreement, such that, as of the date of this Disclosure Statement, holders of 63% of Verso First Lien Claims, 78% of Verso Senior Debt Claims, 44% of the Verso Subordinated Debt Claims, 99% of NewPage Term Loan Claims, and 100% of NewPage Roll-Up DIP Claims are parties to the Restructuring Support Agreement and support the Plan.

The Restructuring Support Agreement generally commits the Debtors to propose and take steps necessary to achieve confirmation and consummation of the Plan, and commits the creditor parties thereto to support and vote in favor of the Plan. The Restructuring Support Agreement also conditions any creditor party's transfer of claims or interests to third parties on the execution by such third parties of a joinder to the Restructuring Support Agreement (subject to certain exceptions).

The continued effectiveness of the Restructuring Support Agreement is conditioned upon the Debtors achieving certain milestones in the Plan confirmation process, including (a) approval of this Disclosure Statement by no later than May 10, 2016, and (b) confirmation of the Plan by no later than July 4, 2016. In addition, the creditors party to the Restructuring Support Agreement have the right to terminate the Restructuring Support Agreement upon the occurrence of various other events, including, the filing by the Debtors of pleadings or other documents that are inconsistent with (or otherwise prohibited by) the Restructuring Support Agreement and the commencement of certain litigation against the creditors party thereto by the Debtors or other parties in interest. Likewise, the Debtors are entitled to terminate the Restructuring Support Agreement in certain circumstances, including where the board of directors or managers of any Debtor determines in good faith, after consultation with outside financial and legal advisors (and based on such advisors' advice), that pursuing the transactions contemplated by the Restructuring Support Agreement would be inconsistent with its fiduciary duties.

Consistent with the Restructuring Support Agreement, the Debtors are seeking confirmation of the Plan, which the Debtors believe is in the best interests of their estates and creditors. Consummation of the Plan would significantly reduce the outstanding amount of Debtors' funded indebtedness and allow the Debtors to maximize the value of their assets through their ongoing operations and their continued realization of the benefits of the NewPage acquisition. The Restructuring Support Agreement ensures that the Plan will continue to be broadly supported by key creditor constituencies, thereby obviating the need for costly, value-destructive litigation around confirmation of the Plan.

IV.

CHAPTER 11 CASES

A. Voluntary Petitions

On January 26, 2016 (the "**Petition Date**"), the Debtors commenced the Chapter 11 Cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Chapter 11 Cases have been consolidated for procedural purposes only and are being administered jointly. The

Debtors have continued, and will continue until the Effective Date, to operate their business as debtors-in-possession.

B. First Day Relief

On the Petition Date, the Debtors filed a number of "first day" motions and other pleadings. These were proposed to ensure the Debtors' orderly transition into chapter 11. The Bankruptcy Court entered orders granting all of first day motions. In certain cases, such motions were first granted on an interim basis, and later on a final basis. Certain of those orders reflected comments from the Committee, the Office of the United States Trustee, and other stakeholders. The following table describes the most significant first day motions and lists the date and docket number *(i.e.*, [D.I.]) of each related order:

Description of Relief Requested [D.I]	**Date of Interim Order [D.I]**	**Date of Final Order [D.I]**
Jointly administer Chapter 11 Cases [D.I. 2]	N/A	1/27/16 [D.I. 87]
Prohibit utilities from discontinuing service and approve adequate assurance of payment to utilities [D.I. 3]	1/27/16 [D.I. 94]	2/29/16 [D.I. 344]
Employ Prime Clerk LLC as Claims and Noticing Agent [D.I. 4]	N/A	1/27/16 [D.I. 90]
Continue customer programs, practices and policies and honor related prepetition practices [D.I. 5]	N/A	1/27/16 [D.I. 99]
Maintain and renew insurance policies and premium financing program and honor related obligations [D.I. 7]	1/27/16 [D.I. 98]	2/23/16 [D.I. 282]
Pay certain prepetition taxes [D.I. 8]	1/27/16 [D.I. 100]	2/23/16 [D.I. 287]
Establish procedures relating to transfer of Verso equity securities [D.I. 9]	1/27/16 [D.I. 96]	2/23/16 [D.I. 293]
Pay prepetition claims of critical vendors [D.I. 10]	1/27/16 [D.I. 93]	2/23/16 [D.I. 290]
Pay prepetition claims of shippers, warehousemen, and other lienholders [D.I. 11]	N/A	1/27/16 [D.I. 91]
Pay employee wages and benefits and honor	1/27/16	2/24/16

employee-related programs [D.I. 14]	[D.I. 89]	[D.I. 306]
Establish Interim SSA Protocol (described in Article IV.F below) [D.I. 38]	N/A	1/27/16 [D.I. 92]
Maintain cash management system [D.I. 39]	1/27/16 [D.I. 95]	2/23/16 [D.I. 295]
Obtain postpetition financing and use cash collateral (Verso Debtors, described in Article IV.G below) [D.I. 48]	1/27/16 [D.I. 104]	3/2/16 [D.I. 373]
Obtain postpetition financing and use cash collateral (NewPage Debtors, described in Article IV.H below) [D.I. 49]	1/27/16 [D.I. 105]	3/2/16 [D.I. 372]

C. Retention of Advisors for the Debtors

Soon after the commencement of the Chapter 11 Cases, the Debtors requested and received Bankruptcy Court approval to employ the following professional firms: (i) O'Melveny & Myers LLP as the Debtors' co-counsel; (ii) Richards, Layton & Finger, P.A. as the Debtors' Delaware co-counsel; (iii) Alvarez & Marsal North America, LLC as the Debtors' restructuring advisors; (iv) PJT Partners LP as the Debtors' investment banker; (v) Paul, Weiss, Rifkind; Wharton & Garrison LLP as the Debtors' special corporate and transactions counsel; (vi) Morgan, Lewis & Bockius LLP as the Debtors' special mergers and acquisitions counsel; (vii) Deloitte & Touche LLP as independent auditor, (viii) Deloitte Tax LLP as the Debtors' tax services provider; (ix) Latham & Watkins LLP as special conflicts counsel to the NewPage Debtors; (x) Quinn Emanuel Urquhart & Sullivan, LLP as special conflicts counsel to the Verso Debtors; (xi) Pepper Hamilton LLP as Delaware special conflicts counsel to the NewPage Debtors; (xii) Whiteford, Taylor & Preston LLC as Delaware special conflicts counsel to certain Verso Debtors; and (xii) Prime Clerk LLC as the Debtors' administrative agent.

In connection with retaining these professionals, the Debtors sought [D.I. 139] and obtained approval to establish procedures for interim monthly compensation of professionals [D.I. 297]. The Debtors also sought [D.I. 160] and obtained approval to employ certain professionals not involved in the administration of the Chapter 11 Cases in the ordinary course of business [D.I. 300].

D. The Committee

On February 5, 2016, the U.S. Trustee appointed the Committee in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code [D.I. 184]. The Committee consists of the following members: (i) Wilmington Trust, N.A., as indenture trustee for the Verso 1.5 Lien Notes; (ii) Delaware Trust Co., as indenture trustee for the Verso Old Second Lien Notes; (iii) Pension Benefit Guaranty Corporation.; (iv) United Steelworkers; (v) General Electric International, Inc.; (vi) Valmet, Inc.; and (vii) Andritz Inc.

On March 17, 2016, the Committee obtained Bankruptcy Court approval of the retention of (i) Lowenstein Sandler LLP, as co-counsel to the Committee [D.I. 415] and (ii) Zolfo Cooper, as financial advisor to the Committee [D.I. 416]. The Committee has also sought approval to retain Womble Carlyle Sandridge & Rice, LLP, as Delaware co-counsel.

E. Ad Hoc Groups

The Informal Committee of Holders of Verso First Lien Debt is represented by Milbank, Tweed, Hadley & McCloy LLP, Morris, Nichols, Arsht & Tunnell LLP, and Houlihan Lokey Capital. On February 24, 2016, Milbank and Morris Nichols filed a joint verified statement, pursuant to Bankruptcy Rule 2019 disclosing the members of the Informal Committee of Holders of Verso First Lien Debt [D.I. 316]. This verified statement disclosed that, in addition to holding Verso 2012 First Lien Notes and Verso 2015 First Lien Notes, certain members of the Informal Committee of Holders of Verso First Lien Debt also hold Verso 1.5 Lien Notes, Verso Second Lien Notes, Verso Old Second Lien Notes, Verso 2016 Subordinated Unsecured Notes, Verso 2020 Subordinated Unsecured Notes, and obligations under NewPage Term Loan Credit Agreement.

The Ad Hoc NewPage Term Lender Group is represented by Ropes & Gray LLP, Cole Schotz, P.C., and Ducera Partners. On February 24, 2016, Ropes & Gray and Cole Schotz filed a joint verified statement, pursuant to Bankruptcy Rule 2019 disclosing the members of the Ad Hoc NewPage Term Lender Group [D.I. 321]. This verified statement disclosed that, in addition to holding obligations under the NewPage Term Loan Credit Agreement, certain members of the Ad Hoc NewPage Term Lender Group also hold Verso 2012 First Lien Notes and Verso 2015 First Lien Notes.

F. The Shared Services Agreement and Interim SSA Protocol[8]

In connection with the NewPage acquisition, Verso, NewPage, and NewPage Holdings, Inc., entered into the Shared Services Agreement, pursuant to which Verso, through its direct and indirect subsidiaries, contractually agreed to provide to the NewPage Debtors certain shared services (the "**Shared Services**"), including services relating to operations and infrastructure, procurement services, manufacturing services, accounting services, human resources services, tax services, treasury and insurance services, internal legal services, security services, audit services, controller services, corporate affairs services, real estate administration services, distribution services, technology services, communications and marketing services, third-party legal services, financial analysis and planning services, business development/R&D services, intellectual property services, investor relations, administrative support, engineering services, and enterprise risk management services. NewPage employees currently provide certain Shared Services, including accounts payable, cash application, customer service, and logistics functions, as well as most of the sales force, for all of the Debtors, including the Verso Debtors, and NewPage continues to pay certain employees and third-party vendors for shared services that are provided directly to the NewPage Debtors (the "**NewPage Provided Services**").

The Shared Services Agreement requires the NewPage Debtors to make certain payments to the Verso Debtors, including:

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[8] NewPage and the Verso Debtors, respectively, have retained special conflicts counsel. In the event that a Claim Determination Notice (defined below) is sent by the applicable lenders and litigation ensues among the Debtors (in accordance with the Interim SSA Protocol) over the determination of the amount due under applicable law on account of the services provided by Verso to NewPage under the Shared Services Agreement during the Standstill Period (defined below), nothing contained in the Disclosure Statement or the Plan (including the descriptions contained within this section) shall constitute a waiver or admission by any Debtor or be held to be binding upon either the NewPage Debtors or the Verso Debtors and the Disclosure Statement may not be utilized in the context of any such litigation.

- *Shared Services Payments.* NewPage is required to pay for the Shared Services based on a formula contained in the Shared Services Agreement. Prior to the Petition Date, Verso invoiced NewPage approximately $13 million each month for the shared services, which amount reflected an estimate of NewPage's pre-acquisition total corporate costs. NewPage invoiced Verso for a refund based on NewPage's monthly total corporate costs, which refund was offset against the $13 million payable by NewPage.

- *Synergy Payments.* NewPage is required to make certain payments to Verso on account of realized synergies and related cost savings resulting from the integration of NewPage's business with Verso's business.

- *Implementation Costs*. NewPage and Verso split certain costs associated with achievement of synergies in accordance with a formula set forth in the Shared Services Agreement.

Due to liquidity constraints, NewPage was unable to pay certain invoices issued to it under the Shared Services Agreement and, as of the Petition Date, had not paid Verso $16.6 million invoiced to it. In addition, in the period leading up to the Petition Date, it became clear that the Shared Services Agreement could be at the center of complicated litigation in the Chapter 11 Cases, with Verso and NewPage creditors expressing differing views about how much NewPage Debtors should have been required to pay Verso under the Shared Services Agreement.

Recognizing that, among other things, (a) NewPage's monthly payments under the Shared Services Agreement were an important asset of the Verso Debtors' Estates, and (b) the Shared Services Agreement facilitated the continued integration of the Verso Debtors' and NewPage Debtors' businesses, to the benefit of both estates, Verso Holdings and NewPage, through their respective independent directors (Richard M. Cieri and Alan J. Carr), who were advised by Verso Holdings' and NewPage's respective conflicts counsel (Quinn Emmanuel Urquhart & Sullivan, LLP and Latham & Watkins, LLP), mutually agreed to an interim protocol (the "**Interim SSA Protocol**") that would govern the parties' rights and obligations under the Shared Services Agreement at the outset of these cases. The Interim SSA Protocol is supported by the key creditor constituencies of the Verso Debtors' and NewPage Debtors' Estates.

Importantly, the Interim SSA Protocol does not in any way modify or alter the rights of the parties to the Shared Services Agreement, and all rights of the parties are fully reserved. The key terms of the Interim SSA Protocol are as follows:

- *Term/Standstill Period*. The Interim SSA Protocol is effective for the first 90 days following the Petition Date (the "**Standstill Period**"), unless mutually extended by the parties and approved by the Bankruptcy Court. During the Standstill Period, the parties have agreed not to file or support any motion or application to assume, reject, or compel performance under the Shared Services Agreement, and not to initiate or commence any litigation to determine any rights, obligations, remedies or claims arising under the Shared Services Agreement.

- *Performance/Interim Payment*. The parties are continuing to provide Shared Services to each other. NewPage's monthly payment during the Standstill Period (and up to 90 days thereafter, assuming Verso continues to provide Shared

Services) is $3.5 million per month in cash (such monthly payments, collectively, the "**Interim Payments**").

- *Litigation Matters*. At any time after the date that is 30 days after the Petition Date (*i.e.*, February 25, 2016), a requisite majority of lenders under the NewPage Prepetition Term Loan Facility or under the Verso First Lien Notes may give notice to Verso and NewPage (a "**Claim Determination Notice**") requiring a determination of the amount due under applicable law on account of the services provided by Verso to NewPage under the Shared Services Agreement during the Standstill Period (the "**Determined Claim**"). Within 7 days thereafter, counsel for Verso, NewPage, their respective disinterested directors, the Informal Committee of Holders of Verso First Lien Debt, the Ad Hoc NewPage Term Lender Group, and the NewPage DIP ABL Agent will meet and confer in good faith to establish an expedited schedule for an adversary proceeding or contested matter before the Bankruptcy Court to obtain a judgment regarding the Determined Claim within 90 days from the date of the Claim Determination Notice.

- *Treatment of Determined Claim.* If the Determined Claim is greater or less than the sum of the Interim Payments, any amount owing from one estate to the other on account of such difference (the "**SSA True-Up Claim**") shall be an allowed superpriority administrative expense claim and secured by a priming lien (an "**SSA Lien**"), subject to the terms of the DIP Orders (described below), and certain caps on the amount of such claims entitled to such priority treatment. Specifically, (a) the amount of any SSA True-Up Claim in favor of Verso entitled to superpriority status and an SSA Lien shall not exceed the difference between (i) $36 million and (ii) the sum of Interim Payments actually received by Verso, and (b) the amount of any SSA True-Up Claim in favor of NewPage entitled to superpriority status and an SSA Lien shall not exceed the amount of the Interim Payments. To the extent the amount of any SSA True-Up Claim exceeds the caps set forth in the preceding sentence, the party holding the SSA True-Up Claim shall be entitled to an allowed administrative expense claim for such excess amount.

The Debtors filed a motion seeking approval of the Interim SSA Protocol on the Petition Date [D.I. 38], which was granted on January 27, 2016 [D.I. 92]. To date, no party has delivered a Claim Determination Notice.

In contemplation of unifying the capital structure of the Verso Debtors and NewPage Debtors, the Plan provides for the termination of the Shared Services Agreement on the Effective Date.

G. Verso DIP Facility

On the Petition Date, the Verso Debtors filed a motion (the "**Verso DIP Motion**") requesting interim and final approval of a senior-secured asset-based revolving loan facility in an aggregate principal amount of up to $100 million, including a $50 million letter of credit subfacility (the "**Verso DIP Facility**"). An interim order granting the Verso DIP Motion was entered on January 27, 2016 [D.I. 104] (the "**Verso Interim DIP Order**"), which authorized the Verso Debtors to, among other things, (i) borrow up to $100 million under the Verso DIP Facility, (ii) use the proceeds of the Verso DIP Facility and cash collateral to, among other things, repay the Verso Debtors' outstanding indebtedness under the Verso ABL Facility and (iii) use cash collateral on the terms set forth therein.

A final hearing on the Verso DIP Motion was held on February 25, 2016 and continued on March 1, 2016, after which the Bankruptcy Court entered an order granting the relief requested in the Verso DIP Motion on a final basis [D.I. 373] (the "**Verso Final DIP Order**"). The Verso Final DIP Order reflected the resolution of certain objections by the Committee to entry of the originally proposed Verso Final DIP Order.

In addition to the basic adequate protection package granted to the security interests held by the Verso Debtors' prepetition secured creditors, the Verso Final DIP Order granted certain additional adequate protection to the holders of Verso First Lien Claims in consideration of their agreement to permit the Verso Debtors to use certain cash collateral constituting identifiable proceeds of Notes Priority Collateral (the "**Notes Cash Collateral**") to fund the Verso Debtors' cases. This additional adequate protection consisted of: (a) the payment of fees and expenses of the professionals to the Informal Committee of Holders of Verso First Lien Debt and the payment of fees and expenses of the professionals to certain holders of Verso Cash Flow Claims; (b) rights of the Informal Committee of Holders of Verso First Lien Debt to direct the Verso Debtors to commence a sale process for substantially all of their assets under certain circumstances; (c) the implementation of certain monitoring procedures for affiliate transactions; (d) certain collateral monitoring rights; (e) certain consultation rights with respect to amendments to the agreements governing the Verso DIP Facility; and (f) the right of the Informal Committee of Holders of Verso First Lien Debt to terminate the rights of the Verso Debtors to use Notes Cash Collateral upon a failure of the Verso Debtors to provide the adequate protection described in (a) through (e) above (subject to a five business day notice period). The rights of the Informal Committee of Holders of Verso First Lien Debt described above will be terminated if the Informal Committee of Holders of Verso First Lien Debt (including any transferees of claims held by its members who agree to be bound by the Restructuring Support Agreement) no longer hold a majority in principal amount of the debt under the Verso 2012 First Lien Notes and Verso 2015 First Lien Notes, collectively.

The credit agreement governing the Verso DIP Facility contains milestones relating to confirmation of an Acceptable Plan of Reorganization. Failure to satisfy these milestones would result in an event of default under the Verso DIP Facility. Specifically, these milestones require: (a) an Acceptable Plan of Reorganization to be filed no later than January 25, 2017; (b) court approval of a disclosure statement relating to an Acceptable Plan of Reorganization no later than March 27, 2017; (c) confirmation of an Acceptable Plan of Reorganization no later than June 26, 2017; and (d) consummation of an Acceptable Plan or Reorganization no later than July 11, 2017.

The Plan constitutes an Acceptable Plan of Reorganization within the meaning of the credit agreement governing each Verso DIP Facility. The Verso DIP Facility has a stated maturity date of July 26, 2017.

The Verso Final DIP Order also contains certain provisions governing the investigation and pursuit of potential claims against third parties belonging to the Verso Debtors' Estates, including an investigation protocol. These provisions were heavily negotiated by the Debtors, the Committee, the DIP Lenders and other secured creditors of the Debtors, and are discussed in Article IV.J below.

H. NewPage DIP Facilities

On the Petition Date, the NewPage Debtors filed a motion (the "**NewPage DIP Motion**") requesting interim and final approval of two debtor-in-possession financing facilities: (a) a senior secured superpriority asset-based revolving loan facility in an aggregate principal amount of up to $325 million, including a $100 million letter of credit subfacility (the "**NewPage DIP ABL Facility**"); and (b) a senior secured superpriority term loan facility in an aggregate principal amount of up to $350 million (the "**NewPage DIP Term Facility**" and, together with the NewPage DIP ABL Facility, the "**NewPage DIP Facilities**"), comprised of $175 million in new money loans and $175 million in "rolled up" loans under

the NewPage Prepetition Term Loan Facility (as described below). An interim order granting the NewPage DIP Motion was entered on January 27, 2016 [D.I. 105], which authorized the NewPage Debtors to, among other things, (i) borrow up to $325 million under the NewPage DIP ABL Facility, (ii) borrow up to $125 of new money loans under the NewPage DIP Term Facility, (iii) use the proceeds of the NewPage DIP Facilities to, among other things, repay the NewPage Debtors' outstanding indebtedness under the NewPage Prepetition ABL Facility, and (iv) use cash collateral on the terms set forth therein.

A final hearing on the NewPage DIP Motion was held on February 25, 2016 and continued on March 1, 2016, after which the Bankruptcy Court entered an order granting the relief requested in the NewPage DIP Motion on a final basis [D.I. 372] (the "**NewPage Final DIP Order**"). The NewPage Final DIP Order reflected the resolution of certain objections raised by the Committee and informal objections raised by a group of holders of loans under the NewPage Prepetition Term Loan Facility related to certain aspects of the original proposed NewPage Final DIP Order (such group, the "**Informal DIP Objectors**"). The NewPage Final DIP Order authorized the NewPage Debtors to, among other things, borrow up to $175 million in new money loans under the NewPage DIP Term Facility and "roll up" $175 million in loans under the NewPage Prepetition Term Loan Facility into the NewPage DIP Term Facility. February 17, 2016 was the deadline for holders of loans under the NewPage Prepetition Term Loan Facility to commit to participating in the NewPage DIP Term Facility (and the related roll-up). The NewPage Final DIP Order includes a number of provisions designed to effect the reallocation of loans under NewPage DIP Term Facility to prepetition lenders in connection with that process. In addition, in order to effect such reallocation and the terms of their settlement with the Informal DIP Objectors, the NewPage Debtors repaid approximately $5.4 million of their initial borrowings under the NewPage DIP Term Facility and reborrowed such loans as "delayed draw" loans following entry of the NewPage Final DIP Order.

The credit agreements governing the NewPage DIP Facilities contain certain milestones relating to approval of a plan of reorganization. First, the NewPage DIP Term Facility contains certain near-term milestones that, if not satisfied, do not result in an event of default under that facility but entitle the holders of more than 50% of outstanding loans (including both rolled-up loans and new money loans) under the NewPage DIP Term Facility (the "**Required NewPage DIP Term Loan Lenders**") to direct NewPage to (a) commence a sale process with respect to one mill owned or operated by the NewPage Debtors (selected by the Required NewPage DIP Term Loan Lenders), with the sale of such mill to be consummated no later than 120 days after such direction, and/or (b) commence a process to sell substantially all of NewPage's assets within 190 days after such direction ((a) and (b), together, the "**Sale Direction Rights**"). The first of these milestones requires the Debtors to file an Acceptable Plan of Reorganization (as defined in the NewPage DIP Term Credit Agreement) no later than April 10, 2016. The milestones further require (i) court approval of a disclosure statement relating to an Acceptable Plan of Reorganization no later than May 30, 2016; (ii) confirmation of an Acceptable Plan of Reorganization no later than July 29, 2016; and (iii) consummation of the Acceptable Plan of Reorganization no later than 30 days after confirmation of the Acceptable Plan of Reorganization. The Sale Direction Rights would also be triggered upon termination of the Restructuring Support Agreement, unless a replacement restructuring support agreement supported by the Ad Hoc NewPage Term Lender Group is entered into within 14 days after the date of such termination.

Second, the credit agreement governing the NewPage DIP ABL Facility contains longer milestones relating to confirmation of an Acceptable Plan of Reorganization (as defined in the NewPage DIP ABL Credit Agreement) that, if not satisfied, would result in an event of default under that facility. These milestones require: (a) an Acceptable Plan of Reorganization to be filed no later than January 25, 2017; (b) court approval of a disclosure statement relating to an Acceptable Plan of Reorganization no

later than March 27, 2017; (c) confirmation of an Acceptable Plan of Reorganization no later than June 26, 2017; and (d) consummation of an Acceptable Plan or Reorganization no later than July 11, 2017.

The Plan constitutes an Acceptable Plan of Reorganization within the meaning of the credit agreements governing each NewPage DIP Facility. Each NewPage DIP Facility has a stated maturity date of July 26, 2017.

As described above, the NewPage Final DIP Order provided for the "roll-up" of $175 million in loans under the NewPage Prepetition Term Loan Facility held by the NewPage DIP Term Loan Lenders, on a dollar-for-dollar basis into the NewPage DIP Term Facility. The credit agreement governing the NewPage DIP Term Facility requires the rolled-up prepetition loans to be repaid in full in cash unless the holders of such loans vote, as a class under a plan of reorganization, to accept different treatment. Under the Plan, holders of these rolled up loans have been classified in Class 6, which will receive NewPage Plan Consideration in an amount equal to the amount of their NewPage Roll-Up DIP Term Loan Claims. Accordingly, Class 6 must vote, as a class, to accept the Plan or else the treatment of claims in such class will not comply with the credit agreement governing the NewPage DIP Term Facility.

The NewPage Final DIP Order also contains certain provisions governing the investigation and pursuit of potential claims against third parties belonging to the NewPage Debtors' Estates, including an investigation protocol. These provisions were heavily negotiated by the Debtors, the Committee, the DIP Agents, and secured creditors of the Debtors.

I. Claims Process and Bar Date

On February 23, 2016, the Bankruptcy Court entered an order [D.I. 268] establishing March 28, 2016 at 5:00 p.m. (prevailing Eastern Time) as the deadline by which all persons and entities were required to file requests for payment, pursuant to section 503(b)(9) of the Bankruptcy Code, for the value of any goods sold to any of the Debtors in the ordinary course of business and received by the Debtors during the twenty days before the Petition Date (*i.e.*, January 6, 2016 through January 25, 2016).

On March 18, 2016, the Debtors filed (i) their Schedules of Assets and Liabilities (as amended, modified, or supplemented, the "**Schedules**") identifying the assets and liabilities of their estates and (ii) their Statements of Financial Affairs (as amended, modified, or supplemented, "**Statements**") [D.I. 480-483].

On March 21, 2016, the Bankruptcy Court entered an order [D.I. 491] (the "**Bar Date Order**") establishing the deadlines for the filing of proofs of Claim in these Chapter 11 Cases. These dates are as follows:

- the deadline for creditors (other than governmental units and certain other parties excused from filing proofs of claim under the Bar Date Order) to file proofs of Claim against any of the Debtors is April 29, 2016, at 5:00 p.m. (EST) (the "**General Bar Date**");

- the deadline for Governmental Units to file proofs of Claim against any of the Debtors is July 25, 2016, at 5:00 p.m. (EST) (the "**Governmental Unit Bar Date**");

- a bar date for Claims amended or supplemented by an amendment to the Debtors' Schedules by the later of (a) the General Bar Date; and (b) the date that

is twenty-one (21) days after the date that notice of the applicable amendment to the Schedules is served on the claimant; and

- a bar date for any claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code by the later of (a) the General Bar Date and (b) the date that is thirty (30) days after the entry of the order authorizing the rejection of the executory contract or unexpired lease.

The Debtors have provided notice of the bar dates above as required by the Bar Date Order.

V.

THE PLAN

THE TERMS OF THE PLAN, A COPY OF WHICH IS ATTACHED AS **EXHIBIT A** TO THIS DISCLOSURE STATEMENT, ARE INCORPORATED BY REFERENCE HEREIN. THE STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT INCLUDE SUMMARIES OF THE PROVISIONS CONTAINED IN THE PLAN AND IN THE DOCUMENTS REFERRED TO THEREIN, WHICH ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN (AS WELL AS THE EXHIBITS THERETO AND DEFINITIONS THEREIN).

THE STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT DO NOT PURPORT TO BE PRECISE OR COMPLETE STATEMENTS OF ALL THE TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN, AND REFERENCE IS MADE TO THE PLAN AND TO SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENT OF SUCH TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN. HOLDERS OF CLAIMS AGAINST, AND EQUITY INTERESTS IN, THE DEBTORS AND OTHER INTERESTED PARTIES ARE URGED TO READ THE PLAN AND THE EXHIBITS THERETO IN THEIR ENTIRETY SO THAT THEY MAY MAKE AN INFORMED JUDGMENT CONCERNING THE PLAN.

A. Classification and Treatment of Claims and Equity Interests Under the Plan

One of the key concepts under the Bankruptcy Code is that "Allowed" Claims and Equity Interests may receive distributions under a chapter 11 plan. The term is used throughout the Plan and in the descriptions below. In general, an "Allowed" Claim or "Allowed" Equity Interest simply means that the Debtor agrees (or the Bankruptcy Court has ruled) that the Claim or Equity Interest, including the amount, is in fact, a valid obligation of the Debtor.

The Bankruptcy Code also requires that, for purposes of treatment and voting, the chapter 11 plan divide the different Claims against, and Equity Interests in, the Debtors into separate Classes based upon their legal nature. Claims of substantially similar legal nature are usually classified together, as are Equity Interests of a substantially similar legal nature. Because an Entity may hold multiple Claims or Equity Interests that give rise to different legal rights, the "Claims" and "Equity Interests" themselves, rather than their Holders, are classified. As a result, under the Plan, by way of example only, an Entity that holds both a Verso First Lien Claim and a General Unsecured Claim Against Asset Debtors would have its Allowed Verso First Lien Claim classified in Class 3 and its Allowed General Unsecured Claim Against Asset Debtors classified in Class 8. To the extent of the Holder's Allowed Verso First Lien Claim, the Holder would be entitled to the voting and treatment rights that the Plan provides with respect to Class 3, and to the extent of the Holder's Allowed General Unsecured Claim Against Asset Debtors,

the Holder would be entitled to the voting and treatment rights that the Plan provides with respect to Class 8.

Under a chapter 11 plan, the separate Classes of Claims and Equity Interests must be designated either as "Impaired" (affected by the Plan) or "Unimpaired" (unaffected by the Plan). If a Class of Claims or Equity Interests is "Impaired," the Bankruptcy Code affords certain rights to the Holders of such Claims or Equity Interests, such as the right to vote on the Plan (unless the Plan has deemed the Class to reject the Plan), and the right to receive under the chapter 11 plan, no less value than the Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Pursuant to section 1124 of the Bankruptcy Code, a Class of Claims or Equity Interests is "Impaired" unless the Plan (a) does not alter the legal, equitable, and contractual rights of the Holders or (b) irrespective of the Holders' acceleration rights, cures all defaults (other than those arising from the Debtors' insolvency, the commencement of the case, or non-performance of a nonmonetary obligation), reinstates the maturity of the Claims or Equity Interests in the Class, compensates the Holders for actual damages incurred as a result of their reasonable reliance upon any acceleration rights, and does not otherwise alter their legal, equitable, and contractual rights. Typically, this means the Holder of an Unimpaired Claim will receive on the later of the Effective Date and the date on which amounts owing are due and payable, payment in full, in Cash, with postpetition interest to the extent provided under the governing agreement (or if there is no agreement, under applicable non-bankruptcy law), and the remainder of the Debtors' obligations, if any, will be performed as they come due in accordance with their terms. Thus, other than the right to accelerate the Debtors' obligations, the Holder of an Unimpaired Claim will be placed in the position it would have been in had the Chapter 11 Cases not been commenced.

Consistent with these requirements, as described in Articles I.A and I.B above, the Plan divides the Allowed Claims against, and Allowed Equity Interests in, the Debtors into 12 distinct Classes. Pursuant to the Bankruptcy Code, not all Classes are entitled to vote on the Plan. Under the Plan: (a) Classes 3, 4, 5, 6, 7, and 8 are Impaired and the Holders of Claims in such Classes are entitled to vote to accept or reject the Plan; (b) Classes 1 and 2 are Unimpaired and the Holders of Claims in such Classes are conclusively presumed to have accepted the Plan and are thus not entitled to vote on the Plan; (c) Classes 9, 11, and 12 are Impaired and the Holders of Claims and Equity Interests in such Classes (i) shall receive no distributions under the Plan on account of their Claims or Equity Interests, (ii) are deemed to have rejected the Plan, and (iii) are not entitled to vote to accept or reject the Plan; and (d) Class 10 is either Unimpaired or Impaired and the Holders of Claims in such Class are conclusively presumed to have either accepted or rejected the Plan and are thus not entitled to vote on the Plan.

B. Acceptance or Rejection of the Plan; Effect of Rejection of Plan

Article V of the Plan sets forth certain rules governing the tabulation of votes under the Plan. These rules include that: (i) for purposes of voting and distribution, the Plan constitutes a separate Plan for each Debtor (Article 5.2); (ii) if no Holders of Claims eligible to vote in a particular Class actually vote to accept or reject the Plan, the Class will be deemed to accept the Plan (Article 5.3); and (iii) if there are no Holders of Claims that are eligible to vote in any particular Class, the Class shall be deemed eliminated from the Plan for purposes of determining acceptance or rejection of the Plan (Article 5.4).

In addition, Article V of the Plan sets forth the effects of rejection of the Plan by one or more Classes, and/or the failure of the Plan to be confirmed by the Bankruptcy Court. Specifically, Article 5.5 of the Plan provides that the Debtors are seeking to confirm the Plan under the "cram down" provisions of section 1129(b) of the Bankruptcy Code (described in Article IX.C.2 below) with respect to those Classes that are conclusively presumed to reject the Plan, and reserve the right, with the consent of the Consenting Creditor Groups and the DIP Agents (in each case, not to be unreasonably withheld) to

seek to confirm the Plan pursuant to the "cram down" provisions (including as the Plan may be amended or modified pursuant to Article 14.7 of the Plan) with respect to any Class that affirmatively votes to reject the Plan. Article 5.6 of the Plan provides that the Plans for each Debtor are severable, and that the failure of the Plan to be confirmed with respect to one or more Debtors will not affect confirmation of the Plan with respect to any other Debtor.

C. Plan Distributions

Article VIII of the Plan sets forth the mechanics by which Plan Distributions will be made. Article VIII provides, among other things, that: (i) Plan Distributions will be made by a Disbursing Agent, in certain cases, through certain Agents and Trustees (Article 8.1); (ii) for tax purposes, Plan Distributions will be treated as first satisfying the principal amount of recipients' Claims (rather than interest on such Claims) (Article 8.2); (iii) Holders of Claims shall generally not be entitled to postpetition interest on such Claims (except as otherwise set forth in the Plan) (Article 8.3); (iv) Plan Distributions will generally be made on the Effective Date or as soon as possible thereafter (Article 8.4); (v) Plan Distributions will be made based on the records of the Debtors, Agents, and/or Trustees (as applicable) as of the close of business on the Distribution Record Date, *i.e.*, the date of commencement of the Confirmation Hearing; *provided, however,* that no Distribution Record Date shall apply to publicly held securities (Article 8.5); (vi) the Disbursing Agent and the Agents and Trustees (as applicable) shall have certain rights and obligations (including the right to reimbursement of reasonable compensation and expenses) in connection with making Plan Distributions (Article 8.6), (vii) Plan Distributions will be made to applicable Holders at the addresses reflected in the Debtors' books and records or other written notice of changes to such addresses (including in proofs of claim) (Article 8.7), (viii) property distributable under the Plan on account of a Claim that is not claimed within a year after the Effective Date or the date such Claim becomes Allowed (whichever is later) shall revert to the Reorganized Debtors (or their successors or assigns) (Article 8.8); (ix) Plan Distributions shall be in complete settlement, satisfaction and discharge of Allowed Claims (Article 8.9); (x) Cash payments may be made by check or wire transfer or otherwise in accordance with applicable agreements or the Debtors' customary practices (Article 8.10); (xi) no Plan Distributions of Cash of less than $50.00, or fractional shares of New Common Stock (fractional shares shall be rounded up or down to the nearest whole share (with half-shares rounding down)), shall be made (Article 8.11); (xii) no holder of a Claim shall receive Plan Distributions in excess of the Allowed amount of such Claim (Article 8.12); (xiii) the Reorganized Debtors shall be entitled to exercise certain rights of setoff or recoupment with respect to Plan Distributions, and Holders of Claims or Equity Interests seeking to assert rights of recoupment or setoff shall be required to provide written notice of such rights in advance of the Confirmation Date (Article 8.13); (xiv) the Reorganized Debtors will be authorized to take any and all actions that may be necessary or appropriate to comply with tax withholding and reporting requirements, including liquidating any portion of any Plan Distribution to generate sufficient funds to pay withholding taxes and/or requiring Holders of Claims to submit appropriate tax and withholding certifications (Article 8.14); (xv) Claims will be reduced and Disallowed to the extent that Holders of such Claims have received payment (before or after the Effective Date) from a party other than the Debtors or Reorganized Debtors (Article 8.15(a)); (xvi) no Plan Distributions will be made on account of any Allowed Claim payable under the Debtors' insurance policies until the Holder of such Claim has exhausted all remedies with respect to such insurance policy (Article 8.15(b)); and (xvii) Plan Distributions will be made in accordance with the provisions of any applicable insurance policy (Article 8.15(c)).

D. Procedures for Resolving Disputed Claims and Equity Interests

Article IX of the Plan governs the resolution of Disputed Claims and Equity Interests. Pursuant to Article 9.2 of the Plan, only the Debtors or Reorganized Debtors will be entitled to object to Claims after the Effective Date, and any such objections must be filed and served within 120 days after

the Effective Date (or, if later, the date that the proof of Claim to which the Debtors or Reorganized Debtors object is asserted or amended in writing), or such later deadline as may be fixed by the Bankruptcy Court. The Reorganized Debtors may also seek to estimate any contingent or unliquidated Claims pursuant to section 502(c) of the Bankruptcy Code.

Article 9.3 of the Plan provides that no distributions shall be made on account of Disputed Claims unless and until such Disputed Claims become Allowed.

Pursuant to Article 9.4 of the Plan, the Reorganized Debtors will retain and may enforce, sue on, settle, compromise, otherwise resolve, discontinue, abandon, or dismiss all Retained Actions that the Debtors or their Estates may hold against any Entity (other than Claims, rights, Causes of Action, suits, and proceedings released pursuant to Article 12.4 of the Plan (*Releases*)), without the approval of the Bankruptcy Court, subject to the terms of Article 6.2 of the Plan (*Restructuring Transactions*), the Confirmation Order, and any contract, instrument, release, indenture, or other agreement entered into in connection with the Plan. The Retained Actions will not include any actions released pursuant to Article 12.4 of the Plan, which are described in Article V.G below.

The Plan provides that no Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Retained Action against it as any indication that the Reorganized Debtors will not, or may not, pursue any and all available Retained Actions against it. Under the Plan, the Reorganized Debtors expressly reserve all rights to prosecute any and all Retained Actions against any Entity. For the avoidance of doubt, all Claims, Causes of Action, suits, and proceedings of the Debtors that are not Retained Actions are waived as of the Effective Date.

E. Executory Contracts and Unexpired Leases

Article X of the Plan governs the treatment of the Debtors' executory contracts and unexpired leases. Article 10.1 of the Plan provides that, subject to Article 6.12 of the Plan (governing the disposition of the Shared Services Agreement), all executory contracts and unexpired leases of the Debtors that have not been previously assumed or rejected by the Debtors will be deemed assumed on the Effective Date (subject to payment of applicable Cure Amounts), except for executory contracts and leases (i) between any *De Minimis* Asset Debtor and any other Person (which shall be deemed rejected on the Confirmation Date), (ii) listed on the Schedule of Rejected Contracts and Leases to be filed as part of the Plan Supplement (which contracts shall be deemed rejected on the Effective Date), (iii) any executory contracts and unexpired leases that have previously been assumed or rejected pursuant to a Final Order of the Bankruptcy Court (which shall be treated as provided in such Final Order) and (iv) all executory contracts and unexpired leases that are the subject of a separate motion to assume or reject pending on the Effective Date (which shall be treated as provided for in any Final Order resolving such motion).

Pursuant to Article 10.2 of the Plan, Claims arising from the rejection of executory contracts or unexpired leases will be treated as General Unsecured Claims, solely to the extent evidenced by a proof of claim filed and served upon counsel for the Debtors and Reorganized Debtors within 30 days after the effective date of such rejection.

Article 10.3 of the Plan governs the establishment and payment of Cure Amounts. In general, the Debtors' proposed Cure Amounts for each executory contract or unexpired lease to be assumed will be set forth on a Cure Schedule to be filed no later than ten (10) calendar days prior to the Confirmation Hearing. The proposed Cure Amounts shall become binding on the counterparties if they fail to object to the proposed Cure Amount within ten (10) calendar days of the filing of the Cure Schedule. If a counterparty does timely object to the proposed Cure Amount or the Debtors' proposed assumption of its contract generally, the Bankruptcy Court will enter an order resolving the dispute (if not resolved consensually by the parties). If the only issue raised in any such dispute is the Cure Amount, the

Debtors will be authorized to assume the executory contract or unexpired lease that is the subject of such dispute so long as they reserve an amount of Cash sufficient to pay the counterparty's asserted Cure Amount. Cure Amounts will generally be paid in full in Cash within 30 days after the Effective Date or the date on which any dispute pertaining to the proposed assumption has been resolved (whichever is later).

Article 10.4 of the Plan provides that all insurance policies of the Debtors under which the Debtors have outstanding obligations as of the Effective Date will be treated as assumed executory contracts, and all other insurance policies of the Debtors will vest in the Reorganized Debtors. Pursuant to Article 10.6 of the Plan, all contracts and leases entered into by the Debtors after the Petition Date will survive and be unaffected by entry of the Confirmation Order.

Article 10.5 of the Plan contains certain reservations of rights by the Debtors concerning executory contracts and unexpired leases, including a reservation of the Debtors' rights to amend the Schedule of Rejected Contracts and Leases (with the consent of the Consenting Creditor Groups, not to be unreasonably withheld) until and including the Effective Date.

Article 10.6 of the Plan clarifies that rejection of any executory contract or unexpired lease under the Plan will not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases (including any continuing obligations of counterparties to provide warranties or continued maintenance obligations on goods previously purchased by the Debtors).

F. Causes of Action

As set forth in Article 6.1 of the Plan, in consideration for the Plan Distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan constitute a good faith compromise and settlement of all Claims, Equity Interests and controversies relating to Allowed Claims or Equity Interests or any Plan Distribution to be made on account thereof or otherwise resolved under the Plan, including, without limitation:

- Any challenge to the amount, validity, perfection, enforceability, priority or extent of the NewPage Term Loan Claims, the Verso First Lien Claims or the Verso Senior Debt Claims, or to any Lien securing the NewPage Term Loan Claims, the Verso First Lien Claims or the Verso Senior Debt Claims; and

- Any claim to avoid, subordinate, or disallow any NewPage Term Loan Claim, the Verso First Lien Claim or Verso Senior Debt Claim, or any Lien securing the NewPage Term Loan Claims, the Verso First Lien Claims, or the Verso Senior Debt Claims, whether under any provision of chapter 5 of the Bankruptcy Code, on any equitable theory (including, without limitation, equitable subordination, equitable disallowance, or unjust enrichment) or otherwise (the claims described in Article 6.1(b) of the Plan, "**Avoidance Claims**").

The Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Equity Interests, and controversies pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable and in the best interests of the Debtors and their Estates. All Plan Distributions made in accordance with the Plan are intended to be, and shall be, final.

An investigation into the viability of potential claims and causes of action of the Estates is ongoing as of the date hereof. The investigation of certain Avoidance Claims is being conducted in accordance with the investigation protocols attached to each of the Verso Final DIP Order and NewPage Final DIP Order. Pursuant to those protocols, the Committee is required to deliver a final report to the Debtors, containing the Committee's conclusions concerning potential Avoidance Claims, no later than April 15, 2016.

In addition, the Debtors, through the disinterested directors of NewPage and Verso Holdings and their respective advisors, are assessing the merits and viability of potential Estate causes of action in order to determine an appropriate course of action, including with respect to a chapter 11 plan, based on their reasonable business judgment. Depending on the results of this investigation and the Debtors' evaluation of potential Estate Claims, a variety of outcomes are possible. The Debtors may determine, utilizing reasonable business judgment, to pursue litigation on account of certain claims, which could, under certain circumstances, lead to a termination of the Restructuring Support Agreement. Alternatively, the Debtors may determine, utilizing reasonable business judgment, that litigation is not in the best interests of the Debtors' estates. In that event, it is possible that the Committee will seek standing to pursue certain claims on behalf of the Estates notwithstanding the Debtors' reasonable business judgment.

In addition, certain causes of action will be retained by the Reorganized Debtors, as more fully set forth in Article 9.4 of the Plan (the "**Retained Actions**"). The Plan Supplement will identify or otherwise describe certain of these Retained Actions.

G. Release, Injunctive, and Exculpatory Provisions of the Plan

Article XII of the Plan sets forth the effects and consequences of confirmation of the Plan, including the vesting of the assets of the Debtors in the Reorganized Debtors (Article 12.1), the binding effect of the Plan on Holders of Claims and Interests (Article 12.2), the discharge of Claims and Equity Interests under the Plan (Article 12.3), the preservation of injunctions or stays provided for in the Chapter 11 Cases through the Effective Date (Article 12.7), the termination of subordination rights of Holders of Claims or Equity Interests (Article 12.8), and the Debtors' reservation of rights in the event that the Effective Date does not occur (Article 12.9). **In addition, Articles 12.4, 12.5, and 12.6 of the Plan contain important releases, injunctions, and exculpatory provisions. These provisions are highlighted below.**

1. Releases

ARTICLE 12.4(b) OF THE PLAN (*RELEASES*) CONTAINS A THIRD-PARTY RELEASE. YOU ARE DEEMED TO GRANT A THIRD-PARTY RELEASE IF YOU ARE (A) A HOLDER OF A CLAIM THAT EITHER: (I) VOTES TO ACCEPT THE PLAN; (II) IS CONCLUSIVELY DEEMED TO HAVE ACCEPTED THE PLAN; OR (III) RECEIVES A BALLOT BUT ABSTAINS FROM VOTING ON THE PLAN; (B) A HOLDER OF A CLAIM ENTITLED TO VOTE WHO VOTES TO REJECT THE PLAN AND FAILS TO "OPT OUT" OF THE PROPOSED RELEASES BY CHECKING THE APPROPRIATE BOX ON YOUR TIMELY-SUBMITTED BALLOT; OR (C) A HOLDER OF A CLAIM OR EQUITY INTEREST THAT IS DEEMED TO HAVE REJECTED THE PLAN AND FAILS TO SEND A NOTICE TO THE DEBTORS TO "OPT OUT" OF THE PROPOSED RELEASES. IN ADDITION, CERTAIN OTHER PARTIES ARE DEEMED TO GRANT THE PLAN RELEASES. SUCH PARTIES ARE IDENTIFIED IN THE DEFINITION OF "RELEASING PARTIES" IN THE PLAN. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

The following definitions are essential to understanding the scope of the releases being given under the Plan. The Plan defines "**Released Parties**" to mean, collectively, and each solely in its capacity as such: (a) the Debtors, their respective non-Debtor subsidiaries and the Estates; (b) the Reorganized Debtors; (c) the DIP Agents, any of their respective sub-agents and any arranger, bookrunner, syndication agent, documentation agent or other agent in respect of any DIP Credit Agreement; (d) the DIP Secured Parties; (e) each current and former Person or Entity that is or has been a party to the Restructuring Support Agreement; (f) the NewPage Term Loan Agent and any arranger, bookrunner, syndication agent, documentation agent or other agent or sub-agent in respect of the NewPage Credit Agreement; (g) the Verso Cash Flow Agent; (h) the Verso 2012 First Lien Notes Trustee; (i) the Verso 2015 First Lien Notes Trustee; (j) the Verso 1.5 Lien Notes Trustee; (k) the Verso Second Lien Notes Trustee; (l) the Verso Old Second Lien Notes Trustee; (m) the Verso 2016 Subordinated Unsecured Notes Trustee; (n) the Verso 2020 Subordinated Unsecured Notes Trustee; (o) Apollo Global Management, LLC and investment funds and accounts, or affiliates of investment funds and accounts, it advises, manages or controls that held or hold direct or indirect interests in Verso Corporation; provided that none of the foregoing entities has objected to confirmation of the Plan; (p) the Verso Cash Flow Lenders that vote for, and do not object to, the Plan; (q) the Committee and its respective members; (r) the Prepetition NewPage ABL Secured Parties and any arranger, bookrunner, syndication agent, documentation agent or other agent or sub-agent in respect of the NewPage Asset-Based Revolving Credit Agreement; (s) the Prepetition Verso ABL Secured Parties and any arranger, bookrunner, syndication agent, documentation agent or other agent or sub-agent in respect of the Verso Asset-Based Revolving Credit Agreement; (t) the Exit Facility Parties; (u) all Persons engaged or retained by the parties listed in (a) through (t) of this definition in connection with the Chapter 11 Cases (including in connection with the preparation of any analyses relating to the Plan and the Disclosure Statement); and (v) any and all direct and indirect affiliates, officers, directors, partners, employees, members, managers, members of boards of managers, advisory board members, direct and indirect sponsors, managed accounts and funds, principals, shareholders, advisors, attorneys, actuaries, financial advisors, accountants, investment bankers, agents, arrangers, professionals, investment managers, fund advisors, and representatives of each of the foregoing Persons and Entities and their respective affiliates (whether current or former, in each case, in his, her, or its capacity as such), together with their respective successors and assigns.

The Plan defines "**Releasing Parties**" to mean, collectively, and each solely in its capacity as such: (a) each Released Party; (b) each Holder of a Claim that either (i) votes to accept the Plan, (ii) is conclusively deemed to have accepted the Plan, or (iii) receives a Ballot but abstains from voting on the Plan; (c) each Holder of a Claim entitled to vote who votes to reject the Plan and does not check the appropriate box on such Holder's timely submitted Ballot to indicate such Holder opts out of the releases set forth in Article 12.4 of the Plan; (d) each Holder of a Claim or Equity Interest deemed to have rejected the Plan but does not send a notice to the Debtors to opt out of the releases set forth in Article 12.4 of the Plan; and (e) all other Holders of Claims and Equity Interests to the extent permitted by law.

a. ***Releases by the Debtors***

Article 12.4(a) of the Plan provides that, upon the Effective Date, for good and valuable consideration, the adequacy of which is confirmed by the Plan, the Debtors, in their individual capacities and as debtors in possession, the Reorganized Debtors and the Estates shall be deemed forever to release, waive, and discharge the Released Parties from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, remedies, actions, Causes of Action, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of any Debtor, whether for tort, fraud, contract, recharacterization, subordination, violations of federal or state securities laws or laws of any other jurisdiction or otherwise, whether liquidated or

unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then-existing or thereafter arising, at law, in equity, or otherwise, based in whole or in part on any act, omission, transaction, event or other occurrence, or circumstances taking place on or before the Effective Date, in any way relating to (i) the Debtors or the Chapter 11 Cases; (ii) any investment by any Released Party in any of the Debtors or the purchase, sale, transfer, or rescission of the purchase, sale, or transfer of any security, asset, right, or interest of the Debtors or the Reorganized Debtors; (iii) any action or omission of any Released Party with respect to any indebtedness under which any Debtor is or was a borrower or guarantor, or any equity investment in the Debtors (including, without limitation, any action or omission of any Released Party with respect to the acquisition, holding, voting, or disposition of any such investment); (iv) any Released Party in any such Released Party's capacity as an officer, director, direct or indirect sponsor, affiliate, shareholder, employee, or agent of, or advisor to, any Debtor; (v) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan; (vi) the business or contractual arrangements between any Debtor and any Released Party (except for future or continuing performance obligations in connection with such business or contractual arrangement); (vii) the restructuring of Claims and Equity Interests before or during the Chapter 11 Cases, the Restructuring Transactions and the solicitation of votes with respect to the Plan; and (viii) the negotiation, formulation, preparation, entry into, or dissemination of the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, the NewPage DIP Term Loan Agreement, the Verso Cash Flow Credit Agreement, the Verso 1.5 Lien Notes Indenture, the Verso 2012 First Lien Notes Indenture, the Verso 2015 First Lien Notes Indenture, the Verso 2016 Subordinated Unsecured Notes Indenture, the Verso 2020 Subordinated Unsecured Notes Indenture, the Verso Second Lien Notes Indenture, the Verso Old Second Lien Notes Indenture, the NewPage Credit Agreement, the NewPage Asset-Based Revolving Credit Agreement, the Verso Asset-Based Revolving Credit Agreement, the Exit ABL Agreement, the Exit Term Loan Agreement, the Plan (including, for the avoidance of doubt, the Plan Supplement and all documents contained or referred to therein), the Disclosure Statement, the Restructuring Support Agreement, or related agreements, instruments, or other documents. The Reorganized Debtors shall be bound, to the same extent the Debtors are bound, by the releases and discharges set forth above. Notwithstanding anything contained in the Plan to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Exit ABL Agreement, Exit Term Loan Agreement, the New Constituent Documents, and the Plan Supplement) executed to implement the Plan.

Article 12.4(a) of the Plan further provides that entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in Article 12.4(a) of the Plan by the Debtors, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute its finding that each release described in Article 12.4(a) of the Plan is: (i) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims; (ii) in the best interests of the Debtors and all Holders of Equity Interests and Claims; (iii) fair, equitable, and reasonable; (iv) given and made after due notice and opportunity for hearing; and (v) a bar to any of the Debtors or Reorganized Debtors asserting any Claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

*b. **Releases by Holders of Claims and Other Entities***

Article 12.4(b) of the Plan provides that, upon the Effective Date, to the maximum extent permitted by applicable law, as such law may be extended or interpreted subsequent to the Effective Date, each Releasing Party, in consideration for the obligations of the Debtors and the

Reorganized Debtors under the Plan, and the Cash and other contracts, instruments, releases, agreements, or documents to be delivered in connection with the Plan, shall be deemed forever to release, waive, and discharge the Released Parties from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, remedies, actions, Causes of Action, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of any Debtor, whether for tort, fraud, contract, recharacterization, subordination, violations of federal or state securities laws or laws of any other jurisdiction or otherwise, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then-existing or thereafter arising, at law, in equity, or otherwise, based in whole or in part on any act, omission, transaction, event or other occurrence, or circumstances taking place on or before the Effective Date, in any way relating to (i) the Debtors or the Chapter 11 Cases; (ii) any investment by any Released Party in any of the Debtors or the purchase, sale, transfer, or rescission of the purchase, sale, or transfer of any security, asset, right, or interest of the Debtors or the Reorganized Debtors; (iii) any action or omission of any Released Party with respect to any indebtedness under which any Debtor is or was a borrower or guarantor, or any equity investment in the Debtors (including, without limitation, any action or omission of any Released Party with respect to the acquisition, holding, voting, or disposition of any such investment); (iv) any Released Party in any such Released Party's capacity as an officer, director, employee, or agent of, or advisor to, any Debtor; (v) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan; (vi) the business or contractual arrangements between any Debtor and any Released Party (except for future or continuing performance obligations in connection with such business or contractual arrangement); (vii) the restructuring of Claims and Equity Interests before or during the Chapter 11 Cases, the Restructuring Transactions and the solicitation of votes with respect to the Plan; and (viii) the negotiation, formulation, preparation, entry into, or dissemination of the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, the NewPage DIP Term Loan Agreement, the Verso Cash Flow Credit Agreement, the Verso 1.5 Lien Notes Indenture, the Verso 2012 First Lien Notes Indenture, the Verso 2015 First Lien Notes Indenture, the Verso 2016 Subordinated Unsecured Notes Indenture, the Verso 2020 Subordinated Unsecured Notes Indenture, the Verso Second Lien Notes Indenture, the Verso Old Second Lien Notes Indenture, the NewPage Credit Agreement, the NewPage Asset-Based Revolving Credit Agreement, the Verso Asset-Based Revolving Credit Agreement, the Exit ABL Agreement, the Exit Term Loan Agreement, the Plan (including, for the avoidance of doubt, the Plan Supplement and all documents contained or referred to therein), the Disclosure Statement, the Restructuring Support Agreement, or related agreements, instruments, or other documents. Notwithstanding anything contained in the Plan to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Exit ABL Agreement, the Exit Term Loan Agreement, the New Constituent Documents, and the Plan Supplement) executed to implement the Plan.

Article 12.4(b) of the Plan further provides that entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in Article 12.4(b) of the Plan, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute its finding that each release described in Article 12.4(b) is: (i) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims and Equity Interests; (ii) in the best interests of the Debtors and all Holders of Claims and Equity Interests; (iii) fair, equitable, and reasonable; (iv) given and made after due notice and opportunity for hearing; and (v) a bar to any of the Releasing Parties asserting any Claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

2. Exculpation and Limitation of Liability

Article 12.5 of the Plan provides that none of the Debtors or Reorganized Debtors, or the direct or indirect affiliates, managed accounts and funds, officers, directors, principals, direct or indirect sponsors, shareholders, partners, employees, members, managers, members of boards of managers, advisory board members, advisors, attorneys, financial advisors, accountants, investment bankers, agents, or other professionals (whether current or former, in each case, in his, her, or its capacity as such) of the Debtors or the Reorganized Debtors, or the Released Parties shall have or incur any liability to, or be subject to any right of action by, any Holder of a Claim or Equity Interest, or any other party in interest in the Chapter 11 Cases, or any of their respective agents, employees, representatives, financial advisors, attorneys or agents acting in such capacity, or direct or indirect affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the Restructuring Transactions, formulation, negotiation, preparation, dissemination, confirmation, solicitation, implementation, or administration of the Plan, the Plan Supplement and all documents contained or referred to therein, the Disclosure Statement, the Restructuring Support Agreement, the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, the NewPage DIP Term Loan Agreement, the Verso Cash Flow Credit Agreement, the Verso 1.5 Lien Notes Indenture, the Verso 2012 First Lien Notes Indenture, the Verso 2015 First Lien Notes Indenture, the Verso 2016 Subordinated Unsecured Notes Indenture, the Verso 2020 Subordinated Unsecured Notes Indenture, the Verso Second Lien Notes Indenture, the Verso Old Second Lien Notes Indenture, the NewPage Credit Agreement, the NewPage Asset-Based Revolving Credit Agreement, the Verso Asset-Based Revolving Credit Agreement, the Exit ABL Agreement, the Exit Term Loan Agreement, any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, the Restructuring Transactions, or any other pre- or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors or confirming or consummating the Plan (including the issuance of any securities or the distribution of any property under the Plan); *provided, however*, that the foregoing provisions of Article 12.5 of the Plan shall have no effect on the liability of any Person or Entity that results from any such act or omission that is determined by a Final Order to have constituted willful misconduct, fraud, or gross negligence and shall not impact the right of any Holder of a Claim or Equity Interest, or any other party to enforce the terms of the Plan and the contracts, instruments, releases, and other agreements or documents delivered in connection with the Plan. Without limiting the generality of the foregoing, the Debtors and the Debtors' direct or indirect affiliates, managed accounts and funds, officers, directors, principals, direct or indirect sponsors, shareholders, partners, employees, members, managers, members of boards of managers, advisory board members, advisors, attorneys, financial advisors, accountants, investment bankers, agents and other professionals (whether current or former, in each case, in his, her, or its capacity as such) shall, in all respects, be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan. The exculpated parties have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of the securities pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such exculpating parties from liability.

3. Injunction

a. ***General***

Article 12.6(a) of the Plan provides that all Persons or Entities who have held, hold, or may hold Claims or Equity Interests (other than Claims that are reinstated under the Plan), and all other parties in interest in the Chapter 11 Cases, along with their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates, are permanently enjoined, from and after the Effective Date, from, in respect of any Claim or Cause of Action released or settled under the Plan, (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative, or other forum) against the Released Parties, the Debtors, or the Reorganized Debtors, or in respect of any Claim or Cause of Action released or settled under the Plan; (ii) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means, whether directly or indirectly, of any judgment, award, decree, or order against the Released Parties, the Debtors, or the Reorganized Debtors; (iii) creating, perfecting, or enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Released Parties, the Debtors, or the Reorganized Debtors; (iv) asserting any right of setoff, subrogation, or recoupment of any kind, against any obligation due from the Released Parties, the Debtors, or the Reorganized Debtors, or against the property or interests in property of the Debtors or Reorganized Debtors, on account of such Claims or Equity Interests; or (v) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan; provided, however, that nothing contained in Article 12.6(a) of the Plan shall preclude such Entities from exercising their rights pursuant to and consistent with the terms of the Plan and the contracts, instruments, releases, and other agreements and documents delivered under or in connection with the Plan.

b. ***Injunction Against Interference With the Plan***

Article 12.6(b) of the Plan provides that upon entry of the Confirmation Order, all Holders of Claims and Equity Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan; *provided, however*, that the foregoing shall not enjoin any member of the Consenting Creditor Groups from exercising any of its rights or remedies under the Restructuring Support Agreement, in accordance with the terms thereof. Each Holder of an Allowed Claim or Allowed Equity Interest, by accepting, or being eligible to accept, distributions under or reinstatement of such Claim or Equity Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in Article 12.6 of the Plan.

H. Conditions Precedent to Confirmation and the Effective Date

Article 11.1 of the Plan sets forth the conditions precedent to confirmation of the Plan, which consist of approval of the Disclosure Statement, entry of the Confirmation Order, approval of the Exit Credit Agreements and New Constituent Documents, and the Restructuring Support Agreement not having been terminated by the Debtors, the Required Consenting Verso First Lien Creditors or the Required Consenting NewPage Creditors (each as defined in the Restructuring Support Agreement).

Article 11.2 of the Plan sets forth the conditions precedent to the Effective Date, which consist of the Confirmation Order becoming a Final Order, the documents comprising the Plan Supplement (including the Exit Credit Agreements, Registration Rights Agreement, Warrant Agreement,

and Management Incentive Plan) having been executed and delivered and the conditions to effectiveness thereof having been satisfied, all actions necessary to implement the Plan having been effected (and all documents necessary to implement the Plan having been executed and delivered and/or filed with applicable governmental units), the Restructuring Support Agreement not having been terminated by the Debtors, the Required Consenting Verso First Lien Creditors or the Required Consenting NewPage Creditors (each as defined in the Restructuring Support Agreement), receipt of necessary governmental approvals, the aggregate value of the NewPage Roll-Up DIP Claim Consideration being not less than the aggregate amount of Allowed NewPage Roll-Up DIP Claims, the filing of certain applications concerning registration and listing of the New Common Stock.

Article 11.3 of the Plan permits the Debtors, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld), to waive in writing any of the conditions precedent to confirmation of the Plan or the Effective Date. The DIP Agents' consent (not to be unreasonably withheld) is also required with respect to waivers of certain (but not all) such conditions precedent. Article 11.4 of the Plan provides that, in the event the Effective Date does not occur due to the failure of the conditions precedent set forth in Article XI of the Plan, the Confirmation Order and Plan will be of no force and effect, no distributions shall be made, parties shall be restored to the pre-confirmation *status quo ante*, and nothing in the Plan or Disclosure Statement will (i) release any Claims against or Equity Interests in the Debtors or any Claims belonging to the Debtor, (ii) prejudice in any manner the rights of the Debtors or any other Entity, or (iii) constitute an admission, acknowledgement, offer or undertaking by the Debtors.

VI.

CAPITAL STRUCTURE AND CORPORATE GOVERNANCE OF REORGANIZED DEBTORS

A. Summary of Capital Structure of Reorganized Debtors

1. Post-Emergence Capital Structure

The following table summarizes the capital structure of the Reorganized Debtors, including the post-Effective Date financing arrangements the Reorganized Debtors expect to enter into to fund their obligations under the Plan and provide for, among other things, their post-Effective Date working capital needs. This summary of the Reorganized Debtors' capital structure is qualified in its entirety by reference to the Plan (including, without limitation, Articles 6.4 through 6.7 thereof) and the Exit ABL Agreement, Exit Term Loan Agreement and the New Constituent Documents, as applicable.

Instrument	Description
Exit ABL Facility	On the Effective Date, Reorganized Verso, as borrower, and certain of the Reorganized Debtors, as guarantors, will enter into the Exit ABL Facility. The proceeds of borrowings under the Exit ABL Facility shall be used to, among other things, repay in full the Verso DIP ABL Claims and NewPage DIP ABL Claims and (and backstop or replace letters of credit issued under the Verso DIP ABL Agreement and NewPage DIP ABL Agreement).
Exit Term Loan Facility	On the Effective Date, Reorganized Verso, as borrower, and certain of the Reorganized Debtors, as guarantors, will enter into the Exit Term Loan Facility. The proceeds of the Exit Term Loan Facility shall be used to, among other things, repay in full the NewPage New Money DIP Claims.

New Common Stock	On the Effective Date, Reorganized Verso will issue the New Common Stock.
Plan Warrants	On the Effective Date, Reorganized Verso will issue the Plan Warrants.

2. Exit Credit Agreements

Article 6.4 of the Plan provides that the Reorganized Debtors will enter into the Exit ABL Facility and the Exit Term Loan Facility. Confirmation of the Plan will constitute (a) approval of the Exit ABL Facility, the Exit Term Loan Facility, and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and (b) authorization for the Reorganized Debtors to enter into and execute the Exit ABL Agreement, the Exit Term Loan Agreement, and such other documents as may be required or appropriate. On the Effective Date, the Exit ABL Facility (including any letters of credit deemed issued thereunder in accordance with Article 2.3 or 2.4 of the Plan) and the Exit Term Loan Facility, together with any new promissory notes evidencing the obligations of the Reorganized Debtors, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, will become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the Reorganized Debtors pursuant to the Exit ABL Facility (including any letters of credit deemed issued thereunder in accordance with Article 2.3 or 2.4 of the Plan), the Exit Term Loan Facility, and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Exit ABL Agreement, the Exit Term Loan Agreement, and related documents. Summaries of the material terms of the Exit Credit Agreements will be included as part of the Plan Supplement.

As described in Article VIII.D below, the Exit Credit Agreements are expected to contain restrictive covenants limiting, among other things, the Reorganized Debtors' ability to incur additional indebtedness, conduct asset sales or acquisitions, and make investments. The Reorganized Debtors' entry into the Exit Credit Agreements may also have other important consequences for the Reorganized Debtors, discussed in Article VIII.D below.

3. New Common Stock

Article 6.6 of the Plan provides that on the Effective Date, or as soon thereafter as reasonably practicable, Reorganized Verso Corporation shall issue or cause to be issued the New Common Stock for distribution in accordance with the terms of the Plan and the New Constituent Documents without the need of any further corporate or equity holder action. Copies of the New Constituent Documents will be included as part of the Plan Supplement.

As soon as reasonably practicable following the Effective Date, after the issuance of the New Common Stock in accordance with the Plan, the New Common Stock shall be qualified for listing on the New York Stock Exchange and shall be registered under section 12(b) of the Exchange Act. Distribution of the New Common Stock may be made by delivery of one or more certificates representing such shares as described in the Plan, by means of book-entry registration on the books of the transfer agent for shares of New Common Stock or by means of a mandatory exchange through the facilities of DTC in accordance with the customary practice of DTC. For the avoidance of doubt, no Distribution Record Date shall apply to New Common Stock to be distributed through DTC.

In the period following the Effective Date and pending distribution of the New Common Stock to any Holder entitled pursuant to the Plan to receive New Common Stock, any such Holder will be entitled to exercise any voting rights and receive any dividends or distributions paid with respect to such Holder's shares of New Common Stock and exercise all of the rights with respect of the New Common Stock (so that such Holder will be deemed for tax purposes to be the owner of the New Common Stock).

4. Plan Warrants

Article 6.7 of the Plan provides that on the Effective Date, or as soon thereafter as reasonably practicable, Reorganized Verso shall issue or cause to be issued the Plan Warrants to Holders of Allowed Verso First Lien Claims in accordance with the terms of the Plan and the New Constituent Documents without the need of any further corporate or equity holder action.

Distribution of the Plan Warrants may be made by delivery of one or more certificates representing such Plan Warrants as described in the Plan, by means of book-entry registration on the books of the transfer agent for shares of Plan Warrants or by means of mandatory exchange through the facilities of DTC in accordance with the customary practice of DTC. For the avoidance of doubt, no Distribution Record Date shall apply to New Common Stock to be distributed through DTC. On and as of the Effective Date, Reorganized Verso shall enter into and deliver the Warrant Agreement to each Entity that is intended to be a party thereto and such agreement shall be deemed to be valid, binding and enforceable in accordance with its terms, and each party thereto shall be bound thereby, in each case without the need for execution by any party thereto other than Reorganized Verso. The terms of the Plan Warrants will be governed by the Warrant Agreement, a copy of which will be included in the Plan Supplement.

5. Registration Matters

Article 6.8 of the Plan provides that on and as of the Effective Date, Reorganized Verso shall enter into and deliver the Registration Rights Agreement, in form and substance reasonably acceptable to the Consenting Creditor Groups, to each Entity that is intended to be a party thereto and such agreement shall be deemed to be valid, binding and enforceable in accordance with its terms, and each party thereto shall be bound thereby, in each case without the need for execution by any party thereto other than Reorganized Verso. A copy of the Registration Rights Agreement will be included in the Plan Supplement.

In reliance on section 1145(a) of the Bankruptcy Code, at the time of issuance, none of the shares of New Common Stock or Plan Warrants issued pursuant to the Plan will be registered under section 5 of the Securities Act or any state or other securities laws requiring the notification or registration of securities or a securities offering. Except for the New Common Stock and the Plan Warrants held by "affiliates" of Reorganized Verso and any Holder deemed to be an "underwriter" under the Bankruptcy Code, the shares of New Common Stock and Plan Warrants distributed pursuant to the Plan will not be "restricted securities" as that term is defined under the Securities Act.

B. Corporate Governance and Management of the Reorganized Debtors

1. Debtors' Organizational Matters

Article 7.1 of the Plan provides that, except as otherwise provided under the Plan, the Debtors will continue to exist after the Effective Date as Reorganized Debtors in accordance with the applicable laws of the respective jurisdictions in which they are incorporated or organized and pursuant to the New Constituent Documents, for the purposes of satisfying their obligations under the Plan and the

continuation of their business. After the Effective Date, the Reorganized Debtors may amend and restate their respective charters, bylaws and/or constituent documents as permitted by the applicable laws of the respective jurisdictions in which they are incorporated or organized.

2. Directors and Officers of the Reorganized Debtors

Article 7.2 of the Plan provides that, as of the Effective Date, the term of the current members of the board of directors of the applicable Debtors shall expire, and the initial boards of directors and the officers of each of the Reorganized Debtors shall be appointed in accordance with the respective New Constituent Documents. Reorganized Verso's initial board of directors shall consist of seven directors.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in the Plan Supplement the identity and affiliations of any person proposed to serve on the initial board of directors or be an officer of each of the Reorganized Debtors. To the extent any such director or officer of the Reorganized Debtors is an "insider" under the Bankruptcy Code, the Debtors also will disclose the nature of any compensation to be paid to such director or officer.

Article 7.2 of the Plan further provides, among other things, that: (i) the current directors of the Debtors will have no continuing obligations to the Debtors in their capacities as such following the Effective Date (Article 7.2(b)); (ii) the Debtors, on behalf of the Reorganized Debtors will obtain sufficient liability insurance policy coverage for a six-year period for the benefit of the Debtors' and Reorganized Debtors' current and former directors, managers, officers and employees on terms no less favorable to the director, managers, officers and employees than the Debtors existing coverage for that purpose and with an available aggregate limit of liability on the Effective Date of no less than the aggregate limit of liability under the existing policy or policies for that purpose (Article 7.2(c)); and (iii) existing indemnification provisions for the Debtors' current or former directors, officers, managers, employees, attorneys, accountants, investment bankers, direct and indirect sponsors, or other professionals of the Debtors, as applicable, shall be reinstated and remain intact and irrevocable and shall survive the Effective Date (Article 7.2(d)).

3. Management Incentive Plan; Employment and Benefit Arrangements

Article 7.3(a) of the Plan provides that on and as of the Effective Date, Reorganized Verso Corporation shall be deemed to have entered into (and its stockholders shall be deemed to have approved) the Management Incentive Plan, and the Management Incentive Plan shall be valid, binding and enforceable in accordance with its terms and binding on the parties thereto without the need for execution or further action by any party thereto.

Pursuant to the Management Incentive Plan, up to 10% of the New Common Stock of Reorganized Verso (on a fully diluted basis) will be reserved for issuance pursuant to awards granted to directors, officers, employees and other eligible service providers of the Reorganized Debtors. The Management Incentive Plan Securities shall dilute all other New Common Stock to be issued pursuant to the Plan or Plan Warrants. The award recipients, sizes of awards, and other terms and conditions of awards under the Management Incentive Plan shall, subject to any applicable limits under the Management Incentive Plan, be determined by Reorganized Verso's board of directors (or its delegate) on or after the Effective Date. For the avoidance of doubt, any awards granted under the Management Incentive Plan will be governed by such plan and will not be subject to any provisions of the contracts, agreements, policies, programs, arrangements, and plans in Article 7.3(b) of the Plan. The substantially final form of the Management Incentive Plan will be included in the Plan Supplement.

Article 7.3(b) of the Plan provides that the Reorganized Debtors shall honor the Debtors' written contracts, agreements, policies, programs, and plans relating to their employees, including the employment, confidentiality, and non-competition agreements, bonus, gainshare and incentive programs (other than awards of stock options, restricted stock, restricted stock units, and other equity awards), vacation, holiday pay, severance, retirement, supplemental retirement, executive retirement, pension, deferred compensation, medical, dental, vision, life and disability insurance, flexible spending account, and other health and welfare benefit plans, programs, and arrangements, and all other wage, compensation, employee expense reimbursement, and other benefit obligations of the Debtors; *provided*, *however*, that the Debtors' or Reorganized Debtors' performance of any employment agreement shall not entitle any Person or Entity to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. Subject to the terms of Article 7.3(b) of the Plan, to the extent such contracts, agreements, policies, programs, and plans are executory contracts within the meaning of section 365 of the Bankruptcy Code, each will be deemed assumed as of the Effective Date.

VII.

PROJECTIONS AND VALUATION ANALYSIS

A. Financial Projections

As further discussed below, the Debtors believe the Plan meets the feasibility requirement set forth in section 1129(a)(11) of the Bankruptcy Code, as Confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Reorganized Debtors.

In connection with developing the Plan, and for purposes of determining whether the Plan satisfies feasibility standards, the Debtors, with the assistance of the Debtors' investment banker, PJT, developed the financial projections annexed as **Exhibit C** to this Disclosure Statement (the "**Financial Projections**"). The Financial Projections include a pro forma balance sheet, a projected balance sheet, a projected income statement, and projected cash flow statement for the Reorganized Debtors covering the period from 2016 through 2020 (the "**Projection Period**"). Consistent with the Debtors' historical practices, and with the unification of the Debtors' capital structure under the Plan, the Financial Projections have been prepared on a consolidated basis. The preparation of separate financial projections for each of the Debtors would be a time consuming and expensive endeavor that the Debtors believe is not reasonable under the circumstances. Accordingly, the Financial Projections have been prepared on a consolidated basis in sufficient detail, as far as is reasonably practicable in light of the nature and history of the Debtors and the condition of the Debtors' books and records, and provide adequate information in accordance with section 1125 of the Bankruptcy Code.

The Financial Projections are based on a number of assumptions made by management regarding the future performance of the Debtors' operations. Although the Debtors have prepared the Financial Projections in good faith and believe the assumptions to be reasonable, it is important to note that the Debtors can provide no assurance that such Financial Projections and assumptions will be realized. As described in detail in Article VIII of this Disclosure Statement, a variety of risk factors could affect the Reorganized Debtors' actual financial results and must be considered. The Financial Projections should be reviewed in conjunction with a review of these assumptions, including the accompanying qualifications and footnotes.

The Debtors did not prepare the Financial Projections with a view toward compliance with published guidelines of the Securities and Exchange Commission guidelines established by the Financial Accounting Standards Board ("**FASB**"). In particular, the Financial Projections do not reflect

the formal implementation of reorganization accounting pursuant to FASB Accounting Standards Codification 852 Reorganizations. In addition, for comparative presentation purposes, the operations and cash flows for 2016 combine the predecessor companies (January 1, 2016 through the Effective Date) and successor company (assumed Effective Date through December 31, 2016) to allow for a full-year presentation.

B. Valuation Analysis

In conjunction with formulating the Plan, the Debtors determined that it was necessary to estimate their consolidated value on a going-concern basis (the "**Total Enterprise Value**"). Accordingly, the Debtors, with the assistance of PJT, their investment banker, have prepared the valuation analysis annexed hereto as **Exhibit D**.

The Valuation Analysis is based on the Financial Projections provided by the Debtors' management for 2016-2020. Based on these Financial Projections and solely for the purposes of the Plan, the Debtors and PJT estimate that the Total Enterprise Value of the Debtors falls within the range of approximately $[ ] to $[ ], with a mid-point estimate of $[ ].

Based on an assumed pro forma debt balance of approximately $[_____] at the Effective Date, PJT's mid-point estimate of Total Enterprise Value implies a mid-point value for the New Common Stock of Reorganized Verso of approximately [ ].

VIII.

CERTAIN RISK FACTORS TO BE CONSIDERED

HOLDERS OF CLAIMS IN VOTING CLASSES SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH OR INCORPORATED BY REFERENCE HEREIN), PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION.

THESE RISK FACTORS CONTAIN CERTAIN STATEMENTS THAT ARE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS ARE SUBJECT TO A NUMBER OF ASSUMPTIONS, RISKS, AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTORS, INCLUDING THE IMPLEMENTATION OF THE PLAN, THE CONTINUING AVAILABILITY OF SUFFICIENT BORROWING CAPACITY OR OTHER FINANCING TO FUND OPERATIONS, THE EFFECT OF THE REORGANIZATION ON CUSTOMERS, SUPPLIERS, AND VENDORS, PRICES AND OTHER COSTS, THE CONSUMPTION OF DURABLE AND NON-DURABLE GOODS, THE DEGREE AND NATURE OF COMPETITION, INCREASES IN INSURANCE COSTS, CHANGES IN GOVERNMENT REGULATIONS, CHANGES IN THE APPLICATION OR INTERPRETATION OF THOSE REGULATIONS, CHANGES IN THE SYSTEMS, PERSONNEL, TECHNOLOGIES, AND OTHER RESOURCES THE DEBTORS DEVOTE TO COMPLIANCE WITH REGULATIONS, THE DEBTORS' ABILITY TO COMPLETE ACQUISITIONS AND SUCCESSFULLY INTEGRATE THE OPERATIONS OF ACQUIRED BUSINESSES, TERRORIST ACTIONS OR ACTS OF WAR, OPERATING EFFICIENCIES, LABOR RELATIONS, PROPERTY TAX ASSESSMENTS, AND OTHER MARKET AND COMPETITIVE CONDITIONS. HOLDERS OF CLAIMS AND EQUITY INTERESTS ARE CAUTIONED THAT THE FORWARD-LOOKING STATEMENTS SPEAK AS OF THE DATE MADE AND ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ACTUAL RESULTS OR DEVELOPMENTS MAY

DIFFER MATERIALLY FROM THE EXPECTATIONS EXPRESSED OR IMPLIED IN THE FORWARD-LOOKING STATEMENTS. NO PARTY, INCLUDING, WITHOUT LIMITATION, THE DEBTORS OR THE REORGANIZED DEBTORS, UNDERTAKES AN OBLIGATION TO UPDATE ANY SUCH STATEMENTS.

A. Certain Bankruptcy Considerations

Parties-in-Interest May Object to the Debtors' Classification of Claims and Equity Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of Claims and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created twelve Classes of Claims and Equity Interests, each encompassing Claims or Equity Interests, as applicable, that are substantially similar to the other Claims and Equity Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

Risk of Non-Confirmation of the Plan.

If the Plan is not confirmed or consummated, there can be no assurance that the Chapter 11 Cases will continue rather than be converted to chapter 7 liquidation cases, or that any alternative plan of reorganization would be on terms as favorable to Holders of Claims as the terms of the Plan. Certain parties in interest may file objections to the Plan in an effort to persuade the Bankruptcy Court that the Plan has not satisfied the confirmation requirements under sections 1129(a) and (b) of the Bankruptcy Code. Even if (a) no objections are filed, (b) all impaired Classes of Claims accept or are deemed to have accepted the Plan or (c) with respect to any Class that rejects or is deemed to reject the Plan, the requirements for "cramdown" under section 1129(b) of the Bankruptcy Code are met, the Bankruptcy Court, which can exercise substantial discretion, may determine that the Plan does not meet the requirements for confirmation under sections 1129(a) and (b) of the Bankruptcy Code. Section 1129(a) of the Bankruptcy Code requires, among other things, (a) a demonstration that the Confirmation of the Plan will not be followed by liquidation or need for further financial reorganization of the Plan Debtors, except as contemplated by the Plan, and (b) that the value of distributions to parties entitled to vote on the Plan who vote to reject the Plan not be less than the value of distributions such creditors would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Although the Debtors believe that the Plan will meet the requirements for confirmation, there can be no assurance that the Bankruptcy Court will reach the same conclusion. If the Bankruptcy Court determines that the Plan violates section 1129 of the Bankruptcy Code in any manner, including, among other things, the cramdown requirements under section 1129(b) of the Bankruptcy Code, the Debtors have reserved the right to amend the Plan in such a manner so as to satisfy the requirements of section 1129 of the Bankruptcy Code.

If a liquidation or protracted reorganization were to occur, the distributions to Holders of Allowed Claims would be drastically reduced. In a liquidation under chapter 7, Holders of Allowed Claims against the Debtors could receive substantially less because of the inability in a liquidation to realize the greater going-concern value of the Debtors' assets. Administrative expenses of a liquidation or a protracted reorganization could also cause a substantial erosion of the value of the Estates. Substantial additional Claims may also arise by reason of a protracted reorganization or liquidation, including from the rejection or other breach of previously assumed unexpired leases and other executory contracts further reducing distributions to Holders of Allowed Claims.

In addition, even if the Debtors' cases are not converted to cases under chapter 7 of the Bankruptcy Code, if the Debtors are unable to timely confirm and consummate the Plan, they may be

forced to operate in bankruptcy for an extended period of time while they try to formulate a different plan of reorganization. Such a scenario could jeopardize the Debtors' relationships with key vendors and suppliers, customers and employees, which, in turn, would have an adverse effect on the Debtors' operations. A material deterioration in the Debtors' operations likely would diminish recoveries under any subsequent chapter 11 plan.

The Debtors may be unable to maintain compliance with the financial maintenance or other covenants in their DIP Facilities, which could result in an event of default under the credit agreements governing the DIP Facilities that, if not cured or waived, would have a material adverse effect on the Debtors' business, financial condition and results of operations.

The DIP Facilities provide for specific milestones that the Debtors must achieve by specific target dates and financial maintenance and restrictive covenants.

Each of the DIP Facilities contains certain milestone requirements relating to confirmation of an acceptable plan of reorganization. There can be no assurance that the Debtors will be able to satisfy such milestones. Should the Debtors fail to satisfy the milestones in any of the DIP Facilities, such failure could have significant adverse consequences for the Debtors. Specifically, in the event that the Debtors fail to satisfy the near-term milestones in the NewPage Term Loan DIP Facility, which require, among other things, that the Plan be confirmed no later than July 29, 2016 and that the Effective Date occur no later than 30 days thereafter, the lenders under that facility would have the ability to direct the NewPage Debtors to commence a sale process with respect to one, or substantially all, of their mills. In the event that such lenders were to exercise such sale direction rights, the informal committee of holders of Verso Holdings' first lien debt would have the right (in consultation with the holders of other claims against Verso Holdings) to direct a sale of substantially all of the assets of the Verso Debtors. If the lenders under the NewPage Term Loan DIP Facility and the informal committee of holders of Verso Holdings' first lien debt were to exercise their sale direction rights, it is likely that the Plan would not be confirmed, and recoveries ultimately realized by creditors of the Verso Debtors and NewPage Debtors from such sale processes could be materially less than the recoveries provided in the Plan.

The Debtors are also required to comply with a minimum EBITDA covenant tested monthly and, for the Verso DIP Facility, a minimum availability covenant tested at the close of each business day of $5 million until July 28, 2016, $7.5 million from July 28, 2016 to January 28, 2017 and $10 million thereafter, and for the NewPage DIP ABL Facility, a minimum availability covenant at any time of $15 million until January 28, 2017, increasing to $20 million thereafter. If the Debtors breach any such covenants and such breach is not cured or waived, the lenders under such credit facilities:

- would not be required to lend any additional amounts to the Debtors;
- could elect to declare all borrowings outstanding under such DIP Facility, together with accrued and unpaid interest and fees, due and payable and could demand cash collateral for all letters of credit issued thereunder; and/or
- could apply all of the Debtors' available cash that is subject to the cash sweep mechanism of such DIP Facility to repay these borrowings;

any or all of which would have a material adverse effect on our business, financial condition and results of operations.

Pursuit of litigation by the parties in interest, including litigation over the Shared Services Agreement, could disrupt the confirmation of the Plan and could have material adverse effects on our businesses and financial condition.

Certain creditors of the Verso Debtors and NewPage Debtors have the right to send the Debtors a notice requesting that Verso and NewPage Debtors commence an adversary proceeding or contested matter before the Bankruptcy Court to obtain a judgment concerning the amount due, under applicable law, from the NewPage Debtors to the Verso Debtors (or vice versa) on account of the services provided under the Shared Services Agreement, since the Petition Date. In addition, beginning on July 24, 2016, either Verso or NewPage may commence litigation regarding the assumption or rejection of the Shared Services Agreement, including but not limited to moving to assume or reject the Shared Services Agreement and/or moving to compel the other party to assume or reject the Shared Services Agreement by a date certain. Such litigation could be costly and impede the Debtors' progress toward confirmation of the Plan (which, in turn, could cause the Debtors to fail to satisfy the applicable milestones under the DIP Credit Agreements or the Restructuring Support Agreement).

In addition, the allocation of Plan Equity Consideration contained in the Plan is premised on certain creditors' assumptions regarding the Verso Debtors' and NewPage Debtors' respective entitlements under the Shared Services Agreement. There can be no assurance that any determination by the Bankruptcy Court as to the Verso Debtors' and NewPage Debtors' entitlements under the Shared Services Agreement would be consistent with those creditors' assumptions, and to the extent such determination were not consistent with such assumptions, the Debtors' ability to obtain confirmation of the Plan would be jeopardized.

There can also be no assurance that any parties in interest will not pursue any other litigation strategies to enforce claims against the Debtors. Litigation is by its nature uncertain and there can be no assurance of the ultimate resolution of such claims. Any litigation may be expensive, lengthy, and disruptive to the Debtors' normal business operations and the Plan confirmation process, and a resolution of any such strategies that is unfavorable to the Debtors could have a material adverse effect on the Plan confirmation process or their respective businesses, results of operations, financial condition, liquidity or cash flow.

Termination of Exclusivity/Proposal of Competing Plan of Reorganization.

The Debtors currently have the exclusive right to file a chapter 11 plan through and including May 25, 2016, and the exclusive right to solicit acceptances of any such plan through July 25, 2016. Such deadlines may be extended from time to time "for cause" (as permitted by section 1121(d) of the Bankruptcy Code) with the approval of the Bankruptcy Court. However, it is also possible that (a) parties in interest could seek to shorten or terminate such exclusive plan filing and solicitation periods "for cause" (as permitted by section 1121(d) of the Bankruptcy Code)) or (b) that such periods could expire without extension.

If the Debtors' exclusive plan filing and solicitation periods expire or are terminated, other parties in interest will be permitted to file alternative plans of reorganization. There can be no assurances that recoveries under any such alternative plan would be as favorable to creditors as the Plan. In addition, the proposal of competing plans of reorganization may entail significant litigation and significantly increase the expenses of administration of the Debtors' cases, which could deplete creditor recoveries under any plan.

The Plan May Not Be Consummated if the Conditions to Effectiveness of the Plan Are Not Satisfied.

Article XI of the Plan (*Conditions Precedent to Confirmation and the Effective Date*) provides for certain conditions that must be satisfied (or waived) prior to the Effective Date, including the condition that the Debtors shall have access to funding under the Exit ABL Facility and the Exit Term Loan Facility, and that the Debtors shall have received all authorizations, consents, and regulatory approvals necessary to implement the Plan. Certain of the conditions are outside of the control of the Debtors.

In the event that such conditions are not satisfied (or waived) prior to the Effective Date, there can be no assurance that the Chapter 11 Cases would not be converted to chapter 7 liquidation cases or that any new chapter 11 plan would be as favorable to Holders of Claims as the current Plan. Either outcome may materially reduce distributions to Holders of Claims. See Article V.H of this Disclosure Statement for a description of the conditions to the effectiveness of the Plan.

If the Restructuring Support Agreement is Terminated, the Ability of the Debtors to Confirm and Consummate the Plan Could Be Materially and Adversely Affected.

The Restructuring Support Agreement contains a number of termination events, upon the occurrence of which certain parties to the Restructuring Support Agreement may terminate such agreement. If the Restructuring Support Agreement is terminated, each of the parties thereto will be released from their obligations in accordance with the terms of the Restructuring Support Agreement. Such termination may result in the loss of support for the Plan by the Informal Committee of Holders of Verso First Lien Debt, the Ad Hoc NewPage Term Lender Group and/or the other creditors party to the Restructuring Support Agreement, which could adversely affect the Debtors' ability to confirm and consummate the Plan. If the Plan is not consummated, there can be no assurance that the Chapter 11 Cases would not be converted to chapter 7 liquidation cases or that any new Plan would be as favorable to Holders of Claims as the current Plan. Either outcome may materially reduce distributions to Holders of Claims.

Risk of Conversion to Cases Under Chapter 7 of the Bankruptcy Code.

If no plan can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interest of the Debtors' creditors, any of the Chapter 11 Cases may be converted to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate assets for distribution in accordance with the priorities established by the Bankruptcy Code. A liquidation under chapter 7 could result in no distributions being made to unsecured creditors and the Debtors' equity security holders and smaller distributions being made to the Debtors' secured lenders than those provided for in the Plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time, rather than the Debtors' businesses being reorganized as a going concern; (b) additional administrative expenses involved in the appointment of a trustee; and (c) additional expenses and Claims, some of which would be entitled to priority, which would be generated during the liquidation, and from the rejection of leases and other executory contracts in connection with a cessation of the Debtors' operations.

Adverse publicity in connection with the Chapter 11 Cases or otherwise could negatively affect our businesses.

Adverse publicity or news coverage relating to us, including, but not limited to, publicity or news coverage in connection with the Chapter 11 Cases, may negatively impact our efforts to establish and promote name recognition and a positive image after emergence from the Chapter 11 Cases.

Risk of Non-Occurrence of the Effective Date.

Although the Debtors believe that the Effective Date will occur shortly after the Confirmation Date, there can be no assurance as to such timing. Moreover, if the conditions precedent to the Effective Date do not occur, then (a) the Confirmation Order shall be of no further force or effect; (b) the Plan shall be null and void in all respects; (c) no distributions under the Plan shall be made; (d) no executory contracts or unexpired leases that were not previously assumed, assumed and assigned, or rejected shall be deemed assumed, assumed and assigned, or rejected by operation of the Plan; (e) the Debtors and all Holders of Claims and Equity Interests shall be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date; and (f) nothing contained in the Plan or the Disclosure Statement shall (i) be deemed to constitute a waiver or release of (x) any Claims by any creditor or any Debtor or (y) any Claims against, or Equity Interests in, the Debtors, (ii) prejudice in any manner the rights of the Debtors, or (iii) constitute an admission, acknowledgment, offer, or undertaking by the Debtors in any respect.

B. Risk Factors That May Affect Distributions Under the Plan

Debtors Cannot State with Any Degree of Certainty What Recovery Will Be Available to Holders of Allowed General Unsecured Claims Against Asset Debtors.

A number of unknown factors make certainty in creditor recoveries impossible. The Debtors cannot know with any certainty, at this time, the number or amount of General Unsecured Claims Against Asset Debtors in Class 8 that will ultimately be Allowed. In addition, the amounts of Verso 2012 First Lien Notes Deficiency Claims, Verso 2015 First Lien Notes Deficiency Claims, Verso Cash Flow Deficiency Claims, and NewPage Term Loan Deficiency Claims are likely to be significant, and will dilute recoveries to Holders of other Allowed General Unsecured Claims Against Asset Debtors.

Actual Amounts of Allowed Claims May Differ from the Estimated Claims and Adversely Affect the Percentage Recovery on Such Claims.

The Claims estimates set forth herein are based on various assumptions. The actual amounts of Allowed Claims may differ significantly from those estimates should one or more underlying assumptions prove to be incorrect. Such differences may adversely affect the percentage recovery to holders of such Allowed Claims under the Plan.

The Debtors May Object to the Amount or Classification of Your Claim.

Only holders of Allowed Claims will receive the recoveries under the Plan described in this Disclosure Statement. The Debtors reserve the right to object to the amount or classification of any Claim. Such objections may result in certain Claims becoming Disallowed, and the Holders of such Disallowed Claims receiving no recovery under the Plan. The estimates of recoveries and aggregate Allowed Claims in each Class set forth in this Disclosure Statement cannot be relied upon by any creditor whose Claim is subject to an objection.

Variances from the Financial Projections.

The Financial Projections for the Reorganized Debtors included in this Disclosure Statement are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The Financial Projections are dependent upon the successful implementation of the Reorganized Debtors' business plan and the validity of the assumptions contained therein. These projections reflect numerous assumptions, including, without limitation, confirmation and consummation

of the Plan in accordance with its terms, the Reorganized Debtors' anticipated future performance, certain assumptions with respect to the Reorganized Debtors' competitors, general business and economic conditions and other matters, many of which are beyond the control of the Reorganized Debtors. In addition, unanticipated events and circumstances occurring subsequent to the preparation of the Financial Projections may affect the Reorganized Debtors' actual financial results. Although the Reorganized Debtors believe that the Financial Projections are reasonably attainable, variations between the actual financial results and those projected may occur and be material.

Unforeseen Events.

Future performance of the Reorganized Debtors is, to a certain extent, subject to general economic, financial, competitive, legislative, regulatory, and other factors that are beyond the Reorganized Debtors' control. The Reorganized Debtors will continue in the ordinary course to explore asset sales, acquisitions and other opportunities; however, there can be no assurances any such discussions or efforts will be successful. While no assurance can be provided, based upon the current level of operations and anticipated revenues and cash flows described in this Disclosure Statement, the Debtors believe that cash flow from operations and available Cash from the Exit Facilities will be adequate to fund the Plan and meet their future liquidity needs.

C. Risks Associated with the Debtors' Businesses

The Debtors' Future Results May Materially Differ from the Valuations Presented in this Disclosure Statement.

The Debtors' future results may be materially different from those shown in the valuation models or assumptions, projections or estimates set forth in this Disclosure Statement. The Debtors may incur certain charges, costs or adjustments in connection with the restructuring contemplated by the Plan, and these charges may be higher than the Debtors have estimated depending on how costly or difficult it is to consummate the restructuring contemplated by the Plan. Furthermore, these charges may decrease the Debtors' capital that could be used for profitable, income-earning investments.

The Debtors May Not Be Able to Match Their Prior Level of Performance Following the Restructuring.

Following the restructuring contemplated by the Plan, the Debtors may be unable to match their prior performance or meet their target performance expectations. For example, some of the Debtors' customers may decide to reduce their orders or terminate their relationships with the Debtors.

The Debtors may not realize the anticipated benefits of the NewPage acquisition and the continued integration of NewPage may require additional costs and divert the attention of management from operations.

The rationale for the NewPage acquisition was, in large part, predicated on the ability to realize cost savings through the combination of the two companies. Achieving these cost savings is dependent upon a number of factors, many of which are beyond the Debtors' control. An inability to realize the full extent of, or any of, the anticipated benefits of the NewPage acquisition could have an adverse effect upon the Debtors' revenues, expenses, operating results and financial condition.

The Debtors' continued integration of NewPage may be difficult, unpredictable, and subject to delay because of possible company culture conflicts and different opinions on technical decisions and product roadmaps. The Debtors must integrate or, in some cases, replace numerous systems, including those involving management information, purchasing, accounting and finance, sales,

billing, employee benefits, payroll and regulatory compliance, many of which are dissimilar. In some instances, Verso and NewPage have served the same customers, and some customers may decide that it is desirable to have additional or different suppliers. Such difficulties associated with integration, among others, could have a material adverse effect on the Debtors' business.

The Debtors have also incurred significant costs in connection with the integration of NewPage and expect to continue to incur significant costs with our ongoing integration efforts, including legal, accounting, financial advisory and other costs. The continued integration of Verso's and NewPage's operations, products and personnel may also place a significant burden on management and other internal resources. Matters related to the continued integration may require commitments of time and resources that could otherwise have been devoted to other opportunities that might have been beneficial to the Debtors. The diversion of management's attention and any difficulties encountered in the transition and integration process could harm the Debtors' business, financial conditions and operating results.

The industry in which the Debtors operate is highly competitive.

The industry in which the Debtors operate is highly competitive. Competition is based largely on price. The Debtors compete with foreign producers, some of which are lower cost producers than the Debtors, or are subsidized by certain foreign governments. The Debtors also face competition from numerous North American coated paper manufacturers. Some of the Debtors competitors have advantages over the Debtors, including lower raw material and labor costs and are subject to fewer environmental and governmental regulations. Furthermore, some of these competitors have greater financial and other resources than the Debtors do or may be better positioned than the Debtors are to compete for certain opportunities. There is no assurance that the Debtors will be able to continue to compete effectively in the markets they serve.

Competition could cause the Debtors to lower their prices or lose sales to competitors, either of which could have a material adverse effect on the Debtors' business, financial condition, and results of operations. In addition, the following factors will affect the Debtors' ability to compete:

- product availability;
- the quality of the Debtors products;
- the Debtors breadth of product offerings;
- the Debtors' ability to maintain plant efficiencies and to achieve high operating rates;
- manufacturing costs per ton;
- customer service and the Debtors' ability to distribute their products on time; and
- the availability and/or cost of wood fiber, market pulp, chemicals, energy and other raw materials and labor.

The Debtors have limited ability to pass through increases in their costs to their customers. Increases in costs or decreases in demand and prices for printing and writing paper could have a material adverse effect on the Debtors' business, financial condition, and results of operations.

The Debtors' earnings are sensitive to price changes in coated paper. Fluctuations in paper prices (and coated paper prices in particular) historically have had a direct effect on the Debtors'

net income (loss) and Earnings Before Interest, Taxes, Depreciation and Amortization, or "EBITDA," for several reasons:

- Market prices for paper products are a function of supply and demand, factors over which the Debtors have limited control. The Debtors therefore have limited ability to control the pricing of their products. Market prices of grade No. 3, 60 lb. basis weight paper, which is an industry benchmark for coated freesheet paper pricing, have fluctuated since 2000 from a high of $1,100 per ton to a low of $705 per ton. In addition, market prices of grade No. 5, 34 lb. basis weight paper, which is an industry benchmark for coated groundwood paper pricing, have fluctuated between a high of $1,120 per ton to a low of $795 per ton over the same period. Prices are expected to remain low in 2016. Because market conditions determine the price for the Debtors' paper products, the price for the Debtors' products could fall below their cash production costs.

- Market prices for paper products typically are not directly affected by raw material costs or other costs of sales, and consequently the Debtors have limited ability to pass through increases in these raw materials and/or other sales costs to their customers absent increases in the market price. Thus, even though the Debtors' costs may increase, they may not have the ability to increase the prices for their products, or the prices for their products may decline.

- The manufacturing of coated paper is highly capital-intensive and a large portion of the Debtors operating costs are fixed. Additionally, paper machines are large, complex machines that operate more efficiently when operated continuously. Consequently, both the Debtors and their competitors typically continue to run their machines whenever marginal sales exceed the marginal costs, adversely impacting prices at times of lower demand.

Therefore, the Debtors' ability to achieve acceptable margins is principally dependent on (a) the Debtors' cost structure, (b) changes in the prices of raw materials, electricity, energy and fuel, which will represent a large component of the Debtors' operating costs and will fluctuate based upon factors beyond the Debtors' control and (c) general conditions in the paper market including the demand for paper products, the amount of foreign imports, the amount spent on advertising, the circulation of magazines and catalogs, the use of electronic readers and other devices, and postal rates. Any one or more of these economic conditions could affect the Debtors' sales and operating costs and could have a material adverse effect on the Debtors' business, financial condition, and results of operations.

The paper industry is cyclical and North American demand for certain paper products tends to decline during a weak U.S. economy. Fluctuations in supply and demand for the Debtors' products could materially adversely affect the Debtors' business, financial condition and results of operations.

The paper industry is a commodity market to a significant extent and is subject to cyclical market pressures. North American demand for coated paper products tends to decline during a weak U.S. economy. Accordingly, general economic conditions and demand for magazines and catalogs may have a material adverse impact on the demand for the Debtors' products, which may result in a material adverse effect on the Debtors' business, financial condition and results of operations. Foreign overcapacity also could result in an increase in the supply of paper products available in the North American market. An increased supply of paper available in North America could put downward pressure on prices and/or cause the Debtors to lose sales to competitors, either of which could have a material adverse effect on the Debtors' business, financial condition and results of operations.

Developments in alternative media adversely affect the demand for the Debtors' products.

Trends in advertising, electronic data transmission and storage, and the internet have had and likely will continue to have adverse effects on traditional print media, including the use of and demand for the Debtors' products and those of their customers. Neither the timing nor the extent of those trends can be predicted with certainty. The Debtors' magazine and catalog publishing customers may increasingly use (both for content and advertising), and compete with businesses that use, other forms of media and advertising and electronic data transmission and storage, particularly the internet, instead of paper made by the Debtors. As the use of these alternative media grows, the demand for the Debtors' paper products likely will decline.

Rising postal costs could weaken demand for the Debtors' paper products.

A significant portion of paper is used in periodicals, magazines, catalogs, fliers and other promotional mailings. Many of these materials are distributed through the mail. Future increases in the cost of postage could reduce the frequency of mailings, reduce the number of pages in magazine and advertising materials, and/or cause advertisers, catalog and magazine publishers to use alternate methods to distribute their materials. Any of the foregoing could decrease the demand for the Debtors' products, which could have a material adverse effect on the Debtors' business, financial condition, and results of operations.

The Debtors' depend on a small number of customers for a significant portion of their business. Furthermore, the Debtors may have credit exposure to these customers through extension of trade credits.

The Debtors' largest customer, Veritiv Corporation, accounted for approximately 20% of the Debtors' net sales in 2015. In 2015, the Debtor's ten largest customers (including Veritiv Corporation) accounted for approximately 57% of the Debtors' net sales. The loss of, or reduction in orders from, any of these customers or other customers could have a material adverse effect on the Debtors' business, financial condition, and results of operations, as could significant customer disputes regarding shipments, price, quality, or other matters.

Furthermore, the Debtors extend trade credit to certain of these customers to facilitate the purchase of the Debtors' products and the Debtors rely on these customers' creditworthiness and ability to obtain credit from lenders. Accordingly, a bankruptcy or a significant deterioration in the financial condition of any of these significant customers could have a material adverse effect on the Debtors' business, financial condition and results of operations, due to a reduction in purchases, a longer collection cycle or an inability to collect accounts receivable.

The Debtors are involved in continuous manufacturing processes with a high degree of fixed costs. Any interruption in the operations of the Debtors' manufacturing facilities may affect their operating performance.

The Debtors run their paper machines on a nearly continuous basis for maximum efficiency. Any downtime at any of the Debtors' paper mills, including as a result of or in connection with planned maintenance and capital expenditure projects, results in unabsorbed fixed costs that could negatively affect the Debtors' results of operations for the period in which they experience the downtime. Due to the extreme operating conditions inherent in some of the Debtors' manufacturing processes, the Debtors may incur unplanned business interruptions from time to time and, as a result, may not generate sufficient cash flow to satisfy the Debtors' operational needs. In addition, the geographic areas where the Debtors' production is located and where the Debtors conduct their business may be affected by natural disasters, including snow storms, forest fires, and flooding. Such natural disasters could cause the

Debtors' mills to stop running, which could have a material adverse effect on the Debtors' business, financial condition, and results of operations. Furthermore, during periods of weak demand for paper products, such as the current market, or periods of rising costs, the Debtors have experienced and may in the future experience market-related downtime, which could have a material adverse effect on the Debtors' financial condition and results of operations.

The Debtors may have insufficient liquidity to successfully operate their businesses.

The Debtors expect to incur significant costs as a result of the Chapter 11 Cases, and their business is capital intensive. The Debtors incur capital expenditures on an ongoing basis to maintain their equipment and comply with environmental laws, as well as to enhance the efficiency of their operations. The Debtors' total capital expenditures were $68 million in 2015.

The Debtors are currently financing their operations during their reorganization using cash on hand, borrowings under their DIP Facilities, and cash generated by operations which constitutes cash collateral pursuant to, and in accordance with, final cash collateral orders which were agreed to by their secured lenders and approved by the Bankruptcy Court. The Debtors may also dispose of certain of their non-core assets in order to obtain additional liquidity. In the event that the Debtors are unable to meet the requirements for borrowing under the DIP Facilities or lose their authority to use cash collateral and they do not have sufficient liquidity to fund their operations such that they need to obtain additional financing, there can be no assurance as to the Debtors' ability to obtain sufficient financing on acceptable terms or at all. The challenges of obtaining financing, if necessary, would be exacerbated by adverse conditions in the general economy and the volatility and tightness in the financial and credit markets. These conditions and the Chapter 11 Cases would make it more difficult for the Debtors to obtain financing. If the Debtors cannot maintain or upgrade their facilities and equipment as they require or as necessary to ensure environmental compliance, it could have a material adverse effect on their business, financial condition, and results of operations.

If the Debtors are unable to obtain energy or raw materials, including petroleum-based chemicals at favorable prices, or at all, it could have a material adverse effect on the Debtors' business, financial condition, and results of operations.

The Debtors purchase substantial amounts of energy, wood fiber, market pulp, chemicals and other raw materials from third parties. The Debtors may experience shortages of energy supplies or raw materials or be forced to seek alternative sources of supply. If the Debtors are forced to seek alternative sources of supply, they may not be able to do so on terms as favorable as their current terms or at all. The prices for energy and many of the Debtors' raw materials, especially petroleum-based chemicals, have recently been volatile and are expected to remain volatile for the foreseeable future. Chemical suppliers that use petroleum-based products in the manufacture of their chemicals may, due to a supply shortage and cost increase, ration the amount of chemicals available to the Debtors and/or the Debtors may not be able to obtain the chemicals they need to operate their business at favorable prices, if at all. In addition, certain specialty chemicals that the Debtors currently purchase are available only from a small number of suppliers. If any of these suppliers were to cease operations or cease doing business with the Debtors in the future, the Debtors may be unable to obtain such chemicals at favorable prices, if at all.

The supply of energy or raw materials may be adversely affected by, among other things, natural disasters or an outbreak or escalation of hostilities between the United States and any foreign power, and, in particular, events in the Middle East or weather events such as hurricanes could result in a real or perceived shortage of oil or natural gas, which could result in an increase in energy or chemical prices. In addition, wood fiber is a commodity and prices historically have been cyclical. The primary source for wood fiber is timber. Environmental litigation and regulatory developments have caused, and

may cause in the future, significant reductions in the amount of timber available for commercial harvest in Canada and the United States. In addition, future domestic or foreign legislation, litigation advanced by aboriginal groups, litigation concerning the use of timberlands, the protection of endangered species, the promotion of forest biodiversity, and the response to and prevention of wildfires and campaigns or other measures by environmental activists also could affect timber supplies. The availability of harvested timber may further be limited by factors such as fire and fire prevention, insect infestation, disease, ice and wind storms, droughts, floods, and other natural and man-made causes. Additionally, due to increased fuel costs, suppliers, distributors and freight carriers have charged fuel surcharges, which have increased the Debtors' costs. Any significant shortage or significant increase in the Debtors' energy or raw material costs in circumstances where the Debtors cannot raise the price of their products due to market conditions could have a material adverse effect on the Debtors' business, financial condition, and results of operations.

Any disruption in the supply of energy or raw materials also could affect the Debtors' ability to meet customer demand in a timely manner and could harm the Debtors' reputation. The Debtors are expected to have limited ability to pass through increases in costs to their customers absent increases in market prices for their products, material increases in the cost of their raw materials could have a material adverse effect on the Debtors' business, financial condition and results of operations. Furthermore, the Debtors' may be required to post letters of credit or other financial assurance obligations with certain of their energy and other suppliers, which could limit the Debtors' financial flexibility.

The Debtors' may not realize certain projected synergies, productivity enhancements or improvements in costs.

As part of the Debtors' business strategy, the Debtors are in the process of identifying opportunities to improve profitability by reducing costs and enhancing productivity. For example, through the Debtors' continuous process improvement program, the Debtors have implemented focused programs to optimize material and energy sourcing and usage, reduce repair costs and control overhead. The Debtors will continue to utilize the process improvement program to drive further cost reductions and operating improvements in their mill system, and have targeted additional profitability enhancements in the next twelve months. Any synergies, cost savings or productivity enhancements that the Debtors expect to realize from such efforts may differ materially from the Debtors' estimates. In addition, any synergies, cost savings or productivity enhancements that the Debtors realize may be offset, in whole or in part, by reductions in pricing or volume, or through increases in other expenses, including raw material, energy or personnel. The Debtors cannot assure you that these initiatives will be completed as anticipated or that the benefits the Debtors expect will be achieved on a timely basis or at all.

Currency fluctuations may adversely affect the Debtors' competitive position and selling prices.

The Debtors compete with producers from around the world, particularly in North America. In addition to the impact of product supply and demand, changes in the relative strength or weakness of international currencies, particularly the U.S. dollar, could also affect international trade flows in certain products. A stronger U.S. dollar, as has been recently experienced, may attract imports, thereby increasing product supply and possibly creating downward pressure on prices. On the other hand, a weaker U.S. dollar might encourage U.S. exports, thereby decreasing product supply and possibly creating upward pressure on prices.

The Debtors' business may suffer if they do not retain the Debtors' senior management.

The Debtors depend on their senior management. The loss of services of members of the Debtors' senior management team could adversely affect the Debtors' business until suitable replacements can be found. There may be a limited number of persons with the requisite skills to serve in

these positions and the Debtors may be unable to locate or employ qualified personnel on acceptable terms. In addition, future success requires the Debtors to continue to attract and retain competent personnel.

Work stoppages and slowdowns and legal action by the Debtors' unionized employees may have a material adverse effect on their business, financial condition, and results of operations.

As of December 31, 2015, approximately 68% of the Debtors' hourly workforce were represented by 16 local branches of the following unions: the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Services Workers International Union; the International Brotherhood of Electrical Workers; the Teamsters, Chauffeurs, Warehousemen and Helpers; the International Association of Machinists and Aerospace Workers; the Office & Professional Employees' International Union; and the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry. All represented employees are covered by the Master Labor Agreement 2012-2016, dated as of December 21, 2012, covering wages benefits; certain represented mills also have local agreements covering general work rules. The Debtors may become subject to material cost increases as a result of action taken by the labor unions. This could increase expenses in absolute terms and/or as a percentage of net sales. In addition, although the Debtors believe they have good relations with their employees, work stoppages or other labor disturbances may occur in the future. Any of these factors could negatively affect the Debtors' business, financial condition and results of operations.

Security breaches and other disruptions to the Debtors' information technology infrastructure could interfere with their operations, and could compromise their information and the information of their customers and suppliers, exposing them to liability which would cause their business and reputation to suffer.

In the ordinary course of business, the Debtors rely upon information technology networks and systems, some of which are managed by third parties, to process, transmit and store electronic information, and to manage or support a variety of business processes and activities, including supply chain, manufacturing, distribution, invoicing, and collection of payments from customers. The Debtors use information technology systems to record, process and summarize financial information and results of operations for internal reporting purposes and to comply with regulatory financial reporting, legal and tax requirements. Additionally, the Debtors collect and store sensitive data, including intellectual property, proprietary business information, the propriety business information of their customers and suppliers, as well as personally identifiable information of their customers and employees, in data centers and on information technology networks. The secure operation of these information technology networks, and the processing and maintenance of this information is critical to their business operations and strategy. Despite security measures and business continuity plans, their information technology networks and infrastructure may be vulnerable to damage, disruptions or shutdowns due to attacks by hackers or breaches due to employee error or malfeasance, or other disruptions during the process of upgrading or replacing computer software or hardware, power outages, computer viruses, telecommunication or utility failures or natural disasters or other catastrophic events. The occurrence of any of these events could compromise the Debtors' networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, disrupt operations, and damage the Debtors' reputation, which could adversely affect their business, financial condition and results of operations.

The Debtors depend on third parties for certain transportation services.

The Debtors rely primarily on third parties for transportation of products to customers and transportation of raw materials to the Debtors, in particular, by truck and train. If any third-party

transportation provider fails to deliver the Debtors' products in a timely manner, the Debtors may be unable to sell such products at full value. Similarly, if any transportation provider fails to deliver raw materials to the Debtors in a timely manner, the Debtors may be unable to manufacture their products on a timely basis. Shipments of products and raw materials may be delayed due to weather conditions, strikes or other events. Any failure of a third-party transportation provider to deliver raw materials or products in a timely manner could harm the Debtors' reputation, negatively impact the Debtors' customer relationships and have a material adverse effect on the Debtors' business, financial condition, and results of operations. In addition, the Debtors' ability to deliver their products on a timely basis could be adversely affected by the lack of adequate availability of transportation services, especially rail capacity, whether because of work stoppages or otherwise. Furthermore, the Debtors may experience increases in the cost of transportation services, including as a result of rising fuel costs and surcharges (primarily in diesel fuel). If the Debtors are not able to pass these increased costs through to their customers, the Debtors could have a material adverse effect on their business, financial condition, and results of operations.

The Debtors are subject to various environmental, health and safety laws and regulations that could impose substantial costs or other liabilities upon them and may have a material adverse effect on their business, financial condition, and results of operations.

The Debtors are subject to a wide range of federal, state, regional, and local general and industry-specific environmental, health and safety laws and regulations, including those relating to air emissions (including greenhouse gases and hazardous air pollutants), wastewater discharges, solid and hazardous waste management and disposal, site remediation and natural resources. Compliance with these laws and regulations, and permits issued thereunder, is a significant factor in their business and may be subject to the same or even increased scrutiny and enforcement actions by regulators. The Debtors have made, and will continue to make, significant expenditures to comply with these requirements and permits, which may impose increasingly more stringent standards over time as they are renewed or modified by the applicable governmental authorities. In addition, the Debtors handle and dispose of wastes arising from mill operations and operate a number of on-site landfills to handle such waste. The Debtors are required to maintain financial assurance (in the form of letters of credit and other similar instruments) for the projected cost of closure and post-closure care for these landfill operations. The Debtors could be subject to potentially significant fines, penalties, criminal sanctions, plant shutdowns, or interruptions in operations for any failure to comply with applicable environmental, health and safety laws, regulations and permits. Moreover, under certain environmental laws, a current or previous owner or operator of real property, and parties that generate or transport hazardous substances that are disposed of at real property, may be held liable for the full cost to investigate or clean up such real property and for related damages to natural resources. The Debtors may be subject to liability, including liability for investigation and cleanup costs, if contamination is discovered at one of their current or former paper mills, other properties or other locations where they have disposed of, or arranged for the disposal of, wastes.

A 2007 decision of the U.S. Supreme Court held that greenhouse gases are subject to regulation under the Clean Air Act. The Environmental Protection Agency, or "EPA," has subsequently issued regulations applicable to the Debtors that require monitoring of greenhouse gas emissions. The EPA has also issued regulations that require certain new and modified air emissions sources to control their greenhouse gas emissions, which may have a material effect on the Debtors' operations. The United States Congress has in the past, and may in the future, consider legislation which would also regulate greenhouse gas emissions. It is possible that the Debtors could become subject to federal, state, regional, local, or supranational legislation related to climate change, greenhouse gas emissions, cap-and-trade or other emissions.

On January 31, 2013, the EPA published its "National Emissions Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial and Institutional Boilers and Process Heaters." The standards, which are technology-based standards that require the use of Maximum Achievable Control Technology or "MACT" for major sources to comply and is referred to as the "Boiler MACT" rule, govern emissions of air toxics from boilers and process heaters at industrial facilities. Certain of the Debtors' boilers are subject to the new standards, and they may be required to limit their emissions and/or install additional pollution controls.

Litigation could be costly and harmful to the Debtors' business.

The Debtors are involved from time to time, and may currently be involved in, claims and legal proceedings relating to contractual, employment, environmental, intellectual property and other matters incidental to the conduct of the Reorganized Debtors' business. Although the Debtors do not believe that any currently pending claims or legal proceedings are likely to result in an unfavorable outcome that would have a material adverse effect on the Debtors' financial condition or results of operations, the Debtors may become involved in such claims and legal proceedings that could result in unfavorable outcomes and could have a material adverse effect on the Debtors' financial condition and results of operations.

The Debtors could pursue acquisitions, divestitures and other strategic transactions, the success of which could have a material adverse effect on the Debtors' business, financial condition and results of operations.

In the past, the Debtors have pursued acquisitions to complement or expand their business, divestures and other strategic transactions. Such future transactions are part of the Debtors' general strategic objectives and may occur. If the Debtors identify an acquisition candidate, the Debtors may not be able to successfully negotiate or finance the acquisition or integrate the acquired businesses with the Debtors' existing business and services. Future acquisitions could result in potentially dilutive issuances of equity securities and the incurrence of debt and contingent liabilities, amortization expenses and substantial goodwill. The negotiation of any transaction, its completion, and subsequent integration of any business acquired may be complex and time consuming, involve significant costs and may result in a distraction of management's attention from on-going business operations. The Debtors may be affected materially and adversely if the Debtors are unable to successfully integrate businesses that they acquire. Similarly, the Debtors may divest portions of their business, which may also have material and adverse effects.

D. Ability to Refinance Certain Indebtedness and Restrictions Imposed by Indebtedness

The Reorganized Debtors may not be able to repay or refinance their indebtedness under the Exit Credit Agreements.

Following the Effective Date, the Reorganized Debtors' working capital and liquidity needs are anticipated to be funded by existing cash on hand, operating cash flow, and proceeds of the loans extended under the Exit Credit Agreements. The Reorganized Debtors' capital structure is expected to restrict, among other things, the Reorganized Debtors' ability to enter into various transactions. It is anticipated that substantially all of the assets of the Reorganized Debtors will be pledged under the Exit Credit Agreements and related security documents (the relative priority of which will be set forth in the applicable loan documents).

The Reorganized Debtors cannot be certain that they will be able to generate sufficient cash flow from operations to enable them to repay their indebtedness under the Exit Credit Agreements at

maturity, and they may not be able to extend the maturity of or refinance this indebtedness on commercially reasonable terms or at all.

The Reorganized Debtors will require a significant amount of cash to service their indebtedness under the DIP Facilities, and upon exit of the Chapter 11 process, the Exit Credit Agreements, and make planned capital expenditures. The Reorganized Debtors' ability to generate cash or refinance their indebtedness depends on many factors beyond their control, including general economic conditions.

The Reorganized Debtors' ability to make payments on and to refinance their indebtedness, including payments under the DIP Facilities and Exit Credit Agreements, and to fund planned capital expenditures and research and development efforts will depend on their ability to generate cash flow in the future and their ability to borrow under the Newpage DIP ABL Facility and Exit ABL Facility, to the extent of available borrowings. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory, and other factors that are beyond their control. If adverse regional and national economic conditions persist, worsen, or fail to improve significantly, the Reorganized Debtors could experience decreased revenues from their operations attributable to decreases in wholesale and consumer spending levels and could fail to generate sufficient cash to fund their liquidity needs or fail to satisfy the restrictive covenants and borrowing limitations that they are subject to under their indebtedness.

Based on current and expected level of operations, the Reorganized Debtors believe cash flow from operations, available cash, and available borrowings under the DIP Facilities will be adequate to meet their liquidity needs during the Chapter 11 process.

The Reorganized Debtors cannot assure you, however, that their business will generate sufficient cash flow from operations or that future borrowings will be available to them under the Exit ABL Facility or otherwise in an amount sufficient to enable them to pay their indebtedness or to fund other liquidity needs.

The Reorganized Debtors' indebtedness could adversely affect their ability to raise additional capital to fund operations, limit their ability to react to changes in the economy or their industry, expose them to interest rate risk to the extent of variable rate debt, and prevent them from meeting their obligations under outstanding indebtedness.

The Debtors are a highly leveraged company. The Debtors currently have approximately $[___] outstanding under the DIP Facilities. On the Effective Date, the principal amount of total indebtedness of the Reorganized Debtors is expected to be approximately $[___], representing the outstanding amounts under the Exit Credit Agreements.

The Reorganized Debtors' level of indebtedness could have important consequences, including:

- increasing the Reorganized Debtors' vulnerability to general adverse economic and industry conditions;
- requiring the Reorganized Debtors to dedicate a substantial portion of their cash flow from operations to payments on their indebtedness, thereby reducing the availability of their cash flow to fund working capital, capital expenditures, research and development efforts, and other general corporate purposes;
- increasing their vulnerability to, and limiting their flexibility in planning for, or reacting to, changes in their business and the industry in which they operate;

- placing the Reorganized Debtors at a competitive disadvantage compared to their competitors that have less debt; and

- limiting their ability to borrow additional funds.

The Reorganized Debtors expect that the Exit Credit Agreements will contain restrictive covenants that limit the Reorganized Debtors' ability to engage in activities that may be in their long-term best interests. The Reorganized Debtors' failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of their debts. If, as or when required, the Reorganized Debtors' are unable to repay, refinance or restructure their indebtedness under, or amend or waive the covenants contained in, the Exit Credit Agreements, the lenders thereunder would have the right to proceed against the collateral pledged to them to secure the indebtedness.

Restrictive covenants in the Exit Credit Agreements may restrict the Reorganized Debtors' ability to pursue their business strategies.

The Reorganized Debtors expect the Exit Credit Agreements may limit the Reorganized Debtors' ability, among other things, to engage in a variety of financing transactions, asset sales or acquisitions, and other types of transactions. A breach of any of the covenants contained in the Exit Credit Agreements could result in a default under the Exit Credit Agreements. If a default occurs, the applicable lenders may elect to declare all borrowings thereunder outstanding, together with accrued interest and other fees, to be immediately due and payable. The lenders under the Exit Credit Agreements would also have the right in these circumstances to terminate any commitments they have to provide further borrowings. If the Reorganized Debtors are unable to repay their indebtedness when due or declared due, the lenders thereunder will also have the right to proceed against the collateral pledged to them to secure the indebtedness. If such indebtedness were to be accelerated, the Reorganized Debtors' assets may not be sufficient to repay in full their secured indebtedness.

Lenders under the Exit Credit Agreements may not fund their commitments.

There can be no assurance that deterioration in the credit markets or overall economy will not affect the ability of lenders to meet their funding commitments under the Exit Credit Agreements. If a lender fails to honor its commitment under the revolving credit facilities, that portion of the credit facilities will be unavailable to the extent that the lender's commitment is not replaced by a new commitment from an alternate lender.

Additionally, lenders have the ability to transfer their commitments to other institutions, and the risk that committed funds may not be available under distressed market conditions could be exacerbated if consolidation of the commitments under the revolving credit facilities or among lenders were to occur.

E. Certain Risks Relating to New Common Stock Issued Under Plan

An investment in Reorganized Verso's stock could lose value.

All of the risk factors discussed in this Disclosure Statement could affect Reorganized Verso's stock price. The timing of announcements in the public market regarding new products, product enhancements or technological advances by the Reorganized Debtors or their competitors, and any announcements by the Reorganized Debtors or their competitors of acquisitions, major transactions, or management changes could also affect Reorganized Verso's stock price. Reorganized Verso's stock price will be subject to speculation in the press and the analyst community, including with respect to changes in recommendations or earnings estimates by financial analysts, changes in investors' or analysts' valuation

measures for Reorganized Verso's stock, the Reorganized Debtors' credit ratings and market trends unrelated to the Reorganized Debtors' performance. Stock sales by Reorganized Verso's directors, officers, or other significant holders may also affect Reorganized Verso's stock price. A significant drop in Reorganized Verso's stock price could also expose Reorganized Verso to the risk of securities class actions lawsuits, which could result in substantial costs and divert management's attention and resources, which could adversely affect the Reorganized Debtors' business.

Reorganized Verso does not plan to pay dividends on its common stock for the foreseeable future.

Reorganized Verso intends to retain its earnings to support the development and expansion of its business, to repay debt and for other corporate purposes and, as a result, Reorganized Verso does not plan to pay cash dividends on its common stock in the foreseeable future. Reorganized Verso's payment of any future dividends will be at the discretion of its board of directors after taking into account various factors, including its financial condition, operating results, cash needs, growth plans and the terms of any credit facility or other restrictive debt agreements that it may be a party to at the time. Reorganized Verso's debt agreements will likely limit it from paying cash dividends or other payments or distributions with respect to its capital stock. In addition, the terms of any future facility or other restrictive debt credit agreement may contain similar restrictions on Reorganized Verso's ability to pay any dividends or make any distributions or payments with respect to its capital stock.

Furthermore, Reorganized Verso's ability to pay dividends to its stockholders is subject to the restrictions set forth under Delaware law. The Debtors cannot assure you that Reorganized Verso will meet the criteria specified under Delaware law in the future, in which case Reorganized Verso may not be able to pay dividends on its common stock even if it were to choose to do so.

Reorganized Verso may issue additional shares of its common stock or securities convertible into shares of its common stock. Sales or potential sales of Reorganized Verso's common stock by it or its significant stockholders may cause the market price of Reorganized Verso's common stock to decline.

Reorganized Verso will not be restricted from issuing additional shares of common stock, including shares issuable pursuant to securities that are convertible into or exchangeable for, or that represent the right to receive, common stock. Stock sales by Reorganized Verso's directors, officers or other significant holders may affect Reorganized Verso's stock price.

The certificate of incorporation and bylaws of Reorganized Verso and Delaware law contain provisions that could discourage another company from acquiring Reorganized Verso and may prevent attempts by its stockholders to replace or remove its current management.

Provisions of Reorganized Verso's bylaws, certificate of incorporation and Delaware law may discourage, delay or prevent a merger or acquisition that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. In addition, these provisions may frustrate or prevent any attempts by stockholders to replace or remove current management of Reorganized Verso by making it more difficult for stockholders to replace or remove the board of directors of Reorganized Verso. These provisions include:

- not providing for cumulative voting in the election of directors;
- requiring at least a supermajority vote of stockholders to amend the bylaws or certain provisions of the certificate of incorporation of Reorganized Verso;

- establishing advance notice requirements for nominations for election to the board of directors or for proposing matters that can be acted on by stockholders at stockholder meetings;

- prohibiting stockholder action by written consent; and

- authorizing the issuance of "blank check" preferred stock without any need for action by stockholders.

Further, the certificate of incorporation of Reorganized Verso provides that, subject to limited exceptions, the Court of Chancery of the State of Delaware will be, to the fullest extent permitted by law, the exclusive forum for any derivative action or proceeding brought on Reorganized Verso's behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against Reorganized Verso arising pursuant to the Delaware General Corporation Law; or any action asserting a claim against Reorganized Verso that is governed by the internal affairs doctrine. This exclusive forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with Reorganized Verso or its directors, officers or other employees and agents, which may discourage such lawsuits against Reorganized Verso and its directors, officers, employees and agents.

Together, these charter and statutory provisions could make the removal of management more difficult and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for New Common Stock. The existence of the foregoing provisions and anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of the New Common Stock. They could also deter potential acquirers of Reorganized Verso, thereby potentially reducing the likelihood that stockholders could receive a premium for their New Common Stock in an acquisition.

The price of New Common Stock is expected to fluctuate after the Effective Date.

Volatility in the market price of New Common Stock may prevent stockholders from being able to sell their common stock at or above the prices they expect to receive. The market price for New Common Stock could fluctuate significantly for various reasons, including:

- operating and financial performance and prospects of the Reorganized Debtors, including seasonal fluctuations in financial performance;

- conditions that impact demand for products of the Reorganized Debtors;

- the public's reaction to press releases, other public announcements and filings with the SEC;

- changes in earnings estimates or recommendations by securities analysts who track the New Common Stock;

- market and industry perception of the Reorganized Debtors' success, or lack thereof, in pursuing their growth strategy;

- strategic actions by the Reorganized Debtors or their competitors, such as acquisitions or restructurings;

- changes in federal and state government regulation;

- changes in accounting standards, policies, guidance, interpretations or principles;
- arrival or departure of key personnel;
- sales of New Common Stock by Reorganized Verso or members of its management team; and
- changes in general market, economic and political conditions in the United States and global economies or financial markets, including those resulting from natural disasters, terrorist attacks, acts of war and responses to such events.

In addition, if the market for stocks in the industry, or the stock market in general, experiences a loss of investor confidence, the trading price of New Common Stock could decline for reasons unrelated to the business, financial condition or results of operations of Reorganized Verso. If any of the foregoing occurs, it could cause the price of New Common Stock to fall and may expose Reorganized Verso to lawsuits that, even if unsuccessful, could be costly to defend and distracting to management.

The requirements of being a public company may strain the resources of Reorganized Verso and divert management's attention.

Reorganized Verso intends to list the New Common Stock on the New York Stock Exchange soon after the Effective Date and remain a publicly reporting company with the SEC on and after the Effective Date. As a public company, Reorganized Verso will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and other applicable securities rules and regulations. Compliance with these rules and regulations will make some activities more difficult, time-consuming or costly and increase demand on the Reorganized Debtors' systems and resources. The time and resources necessary to comply with the requirements of being a public company and contend with any action that might be brought against Reorganized Verso as a result of publicly available information could divert its resources and the attention of its management and adversely affect its business, financial condition and results of operations.

If Reorganized Verso is unable to implement and maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of its financial reports, and the market price of its common stock may be adversely affected.

As a public company, Reorganized Verso will be required to implement and maintain effective internal control over financial reporting and to disclose any material weaknesses identified in its internal controls. The management of Reorganized Verso is required to furnish an annual report regarding the effectiveness of its internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act ("Section 404"). If Reorganized Verso identifies material weaknesses in its internal control over financial reporting, if it fails to comply with the requirements of Section 404 in a timely manner or if it is unable to assert that its internal control over financial reporting is effective, investors may lose confidence in the accuracy and completeness of its financial reports and the market price of New Common Stock could be adversely affected. Reorganized Verso could also become subject to investigations by the NYSE, the SEC or other regulatory authorities, which could require additional financial and management resources.

If securities or industry analysts publish inaccurate or unfavorable research about Reorganized Verso, the price and trading volume of New Common Stock could decline.

The trading market for New Common Stock may depend in part on the research reports that securities or industry analysts publish about Reorganized Verso, its business and its industry. Assuming Reorganized Verso obtains securities or industry analyst coverage, if one or more of the analysts who cover Reorganized Verso downgrade the New Common Stock or publish inaccurate or unfavorable research about Reorganized Verso, its business or its industry, the price of New Common Stock would likely decline. If one or more of these analysts cease coverage of Reorganized Verso or fail to publish reports on Reorganized Verso regularly, demand for New Common Stock could decrease, which might cause its stock price and trading volume to decline.

IX.

CONFIRMATION OF THE PLAN

A. Voting Procedures and Solicitation of Votes

The voting procedures and the procedures governing the solicitation of votes are described above in Article I.B (*Voting on the Plan*) and in the Disclosure Statement Order, which has been sent to you with this Disclosure Statement if you are entitled to vote on the Plan.

B. Confirmation Hearing

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a plan of reorganization. As set forth in the Disclosure Statement Order, the Confirmation Hearing has been scheduled for [_____], 2016, commencing at [__]:00 [_].m. (Eastern Standard Time), before the Honorable Kevin Gross, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 6th Floor, Courtroom 3, Wilmington, Delaware 19801. The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing and filed with the Bankruptcy Court.

Objections, if any, to confirmation of the Plan must be filed and served so that they are received on or before [_____], 2016, at [_]:00 p.m. (Eastern Time). Any objection to confirmation must be made in writing and specify in detail the name and address of the objector, all grounds for the objection and the amount of the Claim or Equity Interest held by the objector. Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014. Objections must be timely served upon the following parties: (i) co-counsel to the Debtors, O'Melveny & Myers LLP, Times Square Tower, Seven Times Square, New York, New York 10036 (Attn: George A. Davis, Esq. and Andrew M. Parlen, Esq.) and Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Mark D. Collins, Esq., and Michael Merchant, Esq.); (ii) co-counsel to the Committee, Lowenstein Sandler LLP, 65 Livingston Avenue, Roseland, NJ 07068 (Attn: Kenneth A. Rosen, Esq. and Sharon L. Levine, Esq.) and Womble Carlyle Sandridge & Rice LLP, 222 Delaware Avenue, Suite 1501, Wilmington, Delaware 19801 (Attn: Thomas M. Horan, Esq. and Ericka F. Johnson, Esq.); (iii) counsel to the Ad Hoc NewPage Term Lender Group, Ropes & Gray LLP, 1211 Avenue of the Americas, New York, New York 10036 (Attn: Keith H. Wofford, Esq.); (iv) counsel to the Informal Committee of Holders of Verso First Lien Debt, Milbank, Tweed, Hadley & McCloy LLP, 28 Liberty Street, New York, New York 10005-1413 (Attn: Dennis F. Dunne, Esq., Samuel A. Khalil, Esq., and Steven Z. Szanzer, Esq.) and 601 South Figueroa Street, 30th Floor, Los Angeles, California 90017 (Attn: Gregory A. Bray, Esq. and Thomas R. Kreller, Esq.); (v) counsel to Credit Suisse AG as administrative agent and collateral agent under the Debtors' prepetition cash flow revolving facility, Sidley Austin LLP, 787

Seventh Avenue, New York, New York, 10019 (Attn: Jennifer Hagle, Esq.); (vi) counsel to Barclays Bank PLC as administrative agent and collateral agent under the NewPage DIP ABL Facility and NewPage DIP Term Facility, Skadden, Arps, Slate, Meagher & Flom LLP, Four Times Square, New York, New York 10036 (Attn: Shana A. Elberg, Esq.); (vii) counsel to Citibank, N.A. as administrative agent and collateral agent under the Debtors' postpetition secured debtor-in-possession financing, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Brian M. Resnick, Esq. and Darren S. Klein, Esq.); (viii) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, 844 North King Street, Suite 2207, Wilmington, Delaware 19801 (Attn: Jane M. Leamy, Esq.); and (ix) such other parties as the Bankruptcy Court may order.

Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014. **UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.**

C. General Requirements of Section 1129

1. Requirements of Section 1129(a) of the Bankruptcy Code

a. General Requirements

At the Confirmation Hearing, the Bankruptcy Court will determine whether the following confirmation requirements specified in section 1129 of the Bankruptcy Code have been satisfied:

- The Plan complies with the applicable provisions of the Bankruptcy Code;
- The Debtors have complied with the applicable provisions of the Bankruptcy Code;
- The Plan has been proposed in good faith and not by any means proscribed by law;
- Any payment made or promised by the Debtors or by an entity issuing securities or acquiring property under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable;
- The Debtors have disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer of the Debtors, an affiliate of the Debtors participating in a Plan with the Debtors, or a successor to the Debtors under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of creditors and equity holders and with public policy, and the Debtors have disclosed the identity of any insider that will be employed or retained by the Debtors, and the nature of any compensation for such insider;
- With respect to each Class of Claims or Equity Interests, each Holder of an Impaired Claim or Impaired Equity Interest either has accepted the Plan or will receive or retain under the Plan on account of such Holder's Claim or Equity Interest, property of a value, as of the Effective Date, that is not less than the amount such Holder would receive or retain if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. See discussion of "Best Interests Test," below;

- Except to the extent that the Plan meets the requirements of section 1129(b) of the Bankruptcy Code (discussed below), each Class of Claims or Equity Interests has either accepted the Plan or is Unimpaired under the Plan;

- Except to the extent that the Holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that Administrative Expense Claims and Priority Non-Tax Claims will be paid in full, in Cash, on the Effective Date and that Holders of Priority Tax Claims may receive on account of such Claims deferred Cash payments, over a period not exceeding five (5) years after the Petition Date, of a value as of the Effective Date, equal to the Allowed amount of such Claims with interest from the Effective Date;

- At least one Class of Impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in such Class;

- Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors or any successor of the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan. See discussion of "Feasibility," below; and

- All fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Effective Date.

b. Best Interests Test

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that each Holder of an Impaired Claim or Impaired Equity Interest either (i) accepts the Plan or (ii) receives or retains under the Plan property of a value, as of the Effective Date, that is not less than the value such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code.

The Debtors' liquidation analyses, which are attached as **Exhibit E** (the "**Liquidation Analyses**"), are estimates of the proceeds that may be generated as a result of a hypothetical chapter 7 liquidation of the assets of the Verso Debtors and NewPage Debtors, respectively, under the direction of a Bankruptcy Court-appointed trustee. Separate Liquidation Analyses have been prepared for the Verso Debtors and NewPage Debtors (for each such Debtor group, on a consolidated basis). The preparation of separate liquidation analyses for each of the Debtors within such groups would be a time consuming and expensive endeavor that the Debtors believe is not reasonable under the circumstances. Accordingly, the Liquidation Analyses have been prepared for each of the two primary Debtor groups on a consolidated basis in sufficient detail, as far as is reasonably practicable in light of the nature and history of the Debtors and the condition of the Debtors' books and records, and provides adequate information in accordance with section 1125 of the Bankruptcy Code.

The hypothetical chapter 7 liquidation used for the Liquidation Analyses assumes that the Chapter 11 Cases would be converted to cases under chapter 7 of the Bankruptcy Code, in which a trustee would be elected or appointed to consummate an orderly liquidation of the Debtors' assets (including going concern sales of the Debtors' Quinnesec, Escanaba, Stevens Point, Duluth and Wisconsin Rapids mills and related assets) for distribution in accordance with the priorities established by the Bankruptcy Code. These assumptions are speculative and likely represent the best-case scenario in any chapter 7 liquidation. Even in such a best-case scenario the value of the assets would be depressed, sale proceeds would be diminished, and costs and delay would be greater, thereby reducing recoveries to Holders of

Claims and Equity Interests relative to their recoveries under the Plan.[9] The Debtors believe that all Holders of Claims and Equity Interests will, under the Plan, on account of such Claims or Equity Interests as of the Effective Date, receive or retain property of value greater than the amounts that such Holders would receive or retain if the Debtors were liquidated under chapter 7 on such date. Accordingly, the Debtors believe that the Plan satisfies the "best interests" test as required for confirmation of the Plan.

The first step in meeting the "best interests" test is to determine the dollar amount that would be generated from the liquidation of the Debtors' assets and properties in the context of a chapter 7 liquidation case. The total amount available would be the sum of the proceeds from the disposition of the Debtors' assets and the Cash held by the Debtors. For the purpose of this analysis, the Debtors' assets, including Cash are based on the latest available balance sheet, as adjusted in certain projections prepared in connection with the DIP Credit Agreements. The next step is to reduce that total by the costs and expenses of liquidation, the amount of any Claims secured by such assets, and such additional Administrative Expense Claims and priority Claims that may result from the termination of the Debtors' businesses and the use of chapter 7 for the purposes of liquidation. Finally, that amount is allocated to creditors in strict priority in accordance with section 726 of the Bankruptcy Code (see discussion below) and can then be compared to the value of the property that is proposed to be distributed under the Plan on the Effective Date.

The Debtors' liquidation costs under chapter 7 would include the fees payable to a trustee in bankruptcy, as well as those fees that might be payable to attorneys and other professionals that a trustee may engage (such as brokers and liquidators), plus any unpaid expenses incurred by the Debtors during a Chapter 11 Case and allowed in the chapter 7 case, such as compensation for attorneys, financial advisors, appraisers, accountants, and other professionals, and costs and expenses of members of any statutory committee of unsecured creditors appointed by the United States Trustee pursuant to section 1102 of the Bankruptcy Code and any other committee so appointed. In addition, Claims would arise by reason of the breach or rejection of obligations incurred and leases and executory contracts assumed or entered into by the Debtors both prior to, and during the pendency of, the Chapter 11 Cases. The foregoing types of Claims, costs, expenses, and fees and such other Claims that may arise in a liquidation case or result from a pending Chapter 11 Case would be paid in full from the liquidation proceeds before the balance of those proceeds would be made available to pay prepetition secured, priority and unsecured Claims.

In applying the "best interests" test, it is possible that Claims and Equity Interests in the chapter 7 case may not be classified as in the Plan. In the absence of a contrary determination by the Bankruptcy Court, all prepetition unsecured Claims, which have the same rights upon liquidation, would be treated as one Class for purposes of determining the potential distribution of the liquidation proceeds resulting from the Debtors' chapter 7 cases. Moreover, by virtue of a chapter 7 case, the trustee may have to reject certain unexpired leases and executory contracts that would otherwise be assumed under a chapter 11 plan, thereby giving rise to additional unsecured claims. The distributions for the liquidation proceeds would be calculated ratably according to the amount of the Claim held by each creditor. Therefore, creditors who are or claim to be third-party beneficiaries of any contractual subordination provisions might be required to seek or enforce such contractual subordination provisions in the Bankruptcy Court or otherwise. Section 510 of the Bankruptcy Code specifies that such contractual subordination provisions are enforceable in a chapter 7 liquidation case.

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[9] The Bankruptcy Code may authorize the trustee to operate the business of the debtor for a limited period of time, if such operation is in the best interest of the estate and is consistent with the orderly liquidation of the estate. For example, it may benefit the estate to operate the business in order to convert work in process into finished goods.

The Debtors believe that the most likely outcome of liquidation proceedings under chapter 7 would be the application of the absolute priority rule for distributions. Under that rule, no junior creditor receives any distribution until all senior creditors are paid in full, with interest, and no equity Holder receives any distribution until all creditors are paid in full with interest. Consequently, the Debtors believe, based on the Liquidation Analyses, that in a liquidation there would be no distributions whatsoever on account of the following Claims (which are contemplated to receive distributions under the Plan): Verso Senior Debt Claims, Verso Subordinated Debt Claims, NewPage Term Loan Claims, Administrative Expense Claims, Priority Tax Claims, Priority Non-Tax Claims, General Unsecured Claims Against Asset Debtors. In addition, recoveries on account of NewPage Roll-Up DIP Claims and Verso First Lien Claims would be less than the recoveries provided on account of such Claims under the Plan. Accordingly, the Debtors have determined that confirmation of the Plan will provide each creditor and equity Holder with a recovery that is not less than it would receive pursuant to a liquidation of the Debtors under chapter 7 of the Bankruptcy Code.

Moreover, the Debtors believe that the value of any distributions from the liquidation proceeds to each Class of Allowed Claims in a chapter 7 case would be even less than the values reflected in the Liquidation Analyses because such distributions in chapter 7 may not occur for a substantial period of time. In the event litigation were necessary to resolve Claims asserted in the chapter 7 cases, the delay would be further prolonged.

The Debtors' Liquidation Analyses attached as Exhibit E are based upon a number of significant assumptions that are described therein. The Liquidation Analyses do not purport to be valuations of the Debtors' assets and are not necessarily indicative of the values that may be realized in an actual liquidation.

c. Feasibility of the Plan

In connection with confirmation of the Plan, section 1129(a)(11) of the Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors. This is the so-called feasibility test. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan. As part of this analysis, the Debtors have prepared the Financial Projections set forth in **Exhibit C** to this Disclosure Statement and described in Article VII.A above. Based upon such projections, the Debtors believe that they will have sufficient Cash resources to make the payments required pursuant to the Plan, repay and service debt obligations and maintain operations on a going-forward basis. Accordingly, the Debtors believe that confirmation of the Plan is not likely to be followed by liquidation nor the need for further reorganization of the Debtors, and therefore, the Plan complies with section 1129(a)(11) of the Bankruptcy Code. Please refer to Article VII.A and Exhibit C for a more detailed discussion of the Financial Projections, the related qualifications and limitations thereon, and the assumptions and methodology underlying the Financial Projections.

2. Requirements of Section 1129(b) of the Bankruptcy Code

Section 1129(b) of the Bankruptcy Code allows the Bankruptcy Court to confirm the Plan over the rejection of the Plan by an Impaired Class of Claims or Equity Interests if the Plan has been accepted by at least one Impaired Class. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding the rejection of the Plan by an Impaired Class, the Plan may be confirmed, at the Debtors' request, in a procedure commonly known as a "cramdown" so long as the Plan does not "discriminate unfairly" and is "fair and equitable" with respect to each Class of Claims or Equity Interests that is Impaired under, and has not accepted, the Plan. If any Impaired Class rejects the Plan, the Debtors

will seek to confirm the Plan utilizing the "cramdown" provision of section 1129(b) of the Bankruptcy Code.

a. No Unfair Discrimination

This test applies to classes of claims or equity interests that are of equal priority and are receiving different treatment under a plan of reorganization. The test does not require that the treatment be the same but that such treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims or equity interests of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly.

b. Fair and Equitable Test

This test applies to classes of different priority (*e.g.*, unsecured versus secured) and includes the general requirement that no class of claims or equity interests receive more than 100% of the allowed amount of the claims or equity interests in such class. As to the dissenting class, the test sets different standards, depending on the type of claims or equity interests in such class:

Secured Claims. Each holder of an impaired secured claim either (i) retains its Liens on the property (or if sold, on the proceeds thereof) to the extent of the allowed amount of its secured claim and receives deferred Cash payments having a value, as of the effective date of the plan, of at least the allowed amount of such claim or (ii) receives the "indubitable equivalent" of its allowed secured claim.

Unsecured Claims. Either (i) each holder of an impaired unsecured claim receives or retains under the plan property of a value equal to the amount of its allowed unsecured claim or (ii) the holders of claims and equity interests that are junior to the claims of the dissenting class will not receive or retain any property under the plan on account of such junior claims and equity interests.

Equity Interests. Either (i) each equity interest holder will receive or retain under the plan property of a value equal to the greater of (x) the fixed liquidation preference or redemption price, if any, of such stock and (y) the value of the stock or (ii) the holders of equity interests that are junior to the equity interests of the dissenting class will not receive or retain any property under the plan.

The Plan requests that the Bankruptcy Court confirm the Plan notwithstanding the rejection of the Plan by a Class of Claims or Equity Interests. Certain Classes of Equity Interests are recovering no property under the Plan and are deemed to reject the Plan. Thus the "cramdown" requirements will need to be satisfied with respect to such Classes. In addition, in the event that any voting Class votes to reject the Plan, the "cramdown" requirements will also need to be satisfied with respect to such Class. The Debtors believe that the Plan is structured in a way that does not "discriminate unfairly" and satisfies the "fair and equitable" requirement for "cramdown" under section 1129(b) of the Bankruptcy Code with respect to each Class of Claims and Equity Interests. The Debtors also may, with the consent of the Consenting Creditor Groups and the DIP Agents (in each case, not to be unreasonably withheld), amend the Plan in accordance with Article 14.7 of the Plan (*Modifications and Amendments*) and applicable provisions of the Bankruptcy Code in order to ensure compliance with the "cramdown" requirements.

X.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed with respect to any of the Debtors, the following alternatives are available: (i) confirmation of another chapter 11 plan; (ii) conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code; or (iii) dismissal of the Chapter 11 Cases leaving holders of Claims and Equity Interests to pursue available non-bankruptcy remedies. These alternatives to the Plan are not likely to benefit holders of Claims or Equity Interests.

If the Debtors, or any other party in interest (if the Debtors' exclusive period in which to file a plan has expired), could attempt to formulate a different plan, such a plan might involve either a reorganization and continuation of the Debtors' businesses or an orderly liquidation of the Debtors' assets under chapter 11. The Debtors have concluded that the Plan enables stakeholders to realize the most value under the circumstances. In a liquidation under chapter 11, the Debtors would still incur the expenses associated with closing or selling their facilities. The process would be carried out in a more orderly fashion over a greater period of time. Further, if a trustee were not appointed, because such appointment is not required in a chapter 11 case, the expenses for professional fees would most likely be lower than those incurred in a chapter 7 case. Although preferable to a chapter 7 liquidation, the Debtors believe that liquidation under chapter 11 is a much less attractive alternative to creditors than the Plan because of the greater return provided by the Plan.

If the Chapter 11 Cases are dismissed, Holders of Claims or Equity Interests would be free to pursue non-bankruptcy remedies in their attempts to satisfy Claims against or Equity Interests in the Debtors. However, in that event, Holders of Claims or Equity Interests would be faced with the costs and difficulties of attempting, each on its own, to recover from a non-operating entity. Accordingly, the Debtors believe that the Plan will enable all creditors to realize the greatest possible recovery on their respective Claims with the least delay.

XI.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction

The following discussion summarizes certain United States federal income tax consequences of the implementation of the Plan to the Debtors, the Reorganized Debtors, and holders of Claims that are entitled to vote on the Plan. This summary is based on the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), the U.S. Treasury Regulations promulgated thereunder (the "**Regulations**"), judicial decisions and published administrative rules and pronouncements of the Internal Revenue Service (the "**IRS**"), all as in effect on the date hereof (collectively, "**Applicable Tax Law**"). Changes in such rules or new interpretations of the rules may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below. The Debtors have not requested, and will not request, any ruling or determination from the IRS or any other taxing authority with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This summary does not apply to Holders of Claims that are not "U.S. persons" (as such phrase is defined in the Tax Code). This summary does not address foreign, state, or local tax consequences of the Plan, nor does it purport to address all aspects of U.S. federal income taxation that may be relevant to a holder in light of its individual circumstances or to a holder that may be subject to

special tax rules (such as Persons who are related to the Debtors within the meaning of the Tax Code, foreign taxpayers, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax exempt organizations, pass-through entities, beneficial owners of pass-through entities, subchapter S corporations, persons who hold Claims or who will hold the New Common Stock as part of a straddle, hedge, conversion transaction, or other integrated investment, persons using a mark-to-market method of accounting, and holders of Claims who are themselves in bankruptcy). In addition, the following summary does not address the U.S. federal income tax consequences of the Plan to Holders of Allowed Claims that are Unimpaired or otherwise not entitled to vote under the Plan. Furthermore, this summary assumes that a holder of a Claim holds only Claims in a single Class and assumes that the holder receives only the consideration provided for under the Plan. This summary also assumes that the various debt and other arrangements to which any of the Debtors are a party will be respected for U.S. federal income tax purposes in accordance with their form.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME, ESTATE, AND OTHER TAX CONSEQUENCES OF THE PLAN.

B. Certain United States Federal Income Tax Consequences to the Debtors and the Reorganized Debtors

Based on the limited information available, the tax posture of the Debtors is uncertain. Consummation of the Plan may result in recognition of income, deductions, gain or loss with respect to which the Debtors may incur regular tax and/or alternative minimum tax. Any such tax would constitute an administrative expense of the Debtors. There can be no assurance that the amounts available for distribution with respect to the Allowed Claims would not be reduced by any such federal income tax payments required to be made by the Debtors.

1. Cancellation of Debt and Reduction of Tax Attributes

In general, absent an exception, a debtor will realize and recognize cancellation of debt income ("**COD Income**") upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of consideration received by a holder of indebtedness generally would equal the amount of Cash, the fair market value of property (including stock), and/or the issue price of any new debt instrument as determined under sections 1273 or 1274 of the Tax Code.

Under section 108 of the Tax Code, a debtor is not required to include COD Income in gross income if the debtor is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes — such as net operating loss ("**NOL**") carryforwards, current year NOLs, tax credits, and tax basis in assets — by the amount of the excluded COD Income (but, in the case of tax basis in assets, the reduction shall not be in an amount greater than the excess of the aggregate tax bases of the property held by the debtor immediately after the discharge over the debtor's aggregate liabilities immediately after the discharge). The reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined.

The Debtors expect to realize COD Income as a result of the discharge of certain Allowed Claims for New Common Stock and Plan Warrants. The total amount of COD Income, and

accordingly the amount of tax attributes required to be reduced by the Debtors, will depend on the fair market value of the New Common Stock and Plan Warrants exchanged for the Allowed Claims. This value cannot be known with certainty at this time. However, as a result of confirmation of the Plan, the Debtors expect that there will be a material amount of excluded COD Income and, accordingly, elimination or reductions in certain tax attributes of the Debtors, including NOLs.

2. Limitation of NOL Carry Forwards and Other Tax Attributes

The Debtors expect that the Reorganized Debtors will succeed to the tax attributes of the Debtors remaining after any reduction attributable to COD Income or to any gain on a disposition of assets, including without limitation any remaining NOL and other loss or credit carryovers, if any.

Following the Effective Date, any NOL carryover, capital loss carryover, tax credit carryovers, and certain other tax attributes (such as losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change) of the Reorganized Debtors allocable to periods before the Effective Date (collectively, the "**Pre-Change Losses**") may be subject to limitation or elimination under sections 382 and 383 of the Tax Code as a result of an "ownership change" of the Debtors by reason of the transactions pursuant to the Plan. This limitation is independent of, and in addition to, the reduction of tax attributes described in the above sections resulting from the exclusion of COD Income and the recognition of gain on the disposition of assets.

Under sections 382 and 383 of the Tax Code, if a corporation undergoes an "ownership change," the amount of its Pre-Change Losses that may be utilized to offset future taxable income generally is subject to an annual limitation. The rules of section 382 of the Tax Code are complicated, but as a general matter, the issuance of the New Common Stock pursuant to the Plan will likely result in an "ownership change" of the Debtors for these purposes, and the Reorganized Debtors' use of the Debtors' Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the Tax Code applies.

3. General Section 382 Annual Limitation

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (a) the fair market value of the stock of the corporation immediately before the "ownership change" (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" (which is the highest of the adjusted federal long-term rates in effect for any month in the 3-calendar-month period ending with the calendar month in which the "ownership change" occurs, published as 2.53% for April 2016). Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year.

Under section 382 of the Tax Code, if a loss corporation (or consolidated group) has a net unrealized built-in gain in its assets (as determined under specified rules) at the time of an ownership change, any built-in gains recognized during the following five years (up to the amount of the original net built-in gain) generally will increase the annual limitation in the year recognized, such that the loss corporation (or consolidated group) would be permitted to use its otherwise limited pre-change losses against such built-in gain in addition to its regular annual allowance. Conversely, if the loss corporation (or consolidated group) has a net unrealized built-in loss in its assets (as determined under specified rules) at the time of an ownership change, any built-in losses recognized during the following five years (up to the amount of the original net built-in loss) generally would be treated as part of the pre-change losses that are subject to the annual limitation. A loss corporation's (or consolidated group's) net unrealized built-in gain or net unrealized built-in loss generally will be deemed to be zero unless it is greater than the lesser of (x) $10 million or (y) 15% of the fair market value of its assets (with certain adjustments) before

the ownership change. The Debtors expect that they will be in a net unrealized built-in gain position on the Effective Date, but do not expect such position to have a material impact on the use of the Debtors' tax attributes.

4. Special Bankruptcy Exceptions

An exception to the foregoing annual limitation rules generally applies when so-called "qualified creditors" of a debtor corporation in chapter 11 receive, in respect of their claims, at least 50% of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also in chapter 11) pursuant to a confirmed chapter 11 plan (the "**382(l)(5) Exception**"). Under the 382(l)(5) Exception, a debtor's Pre-Change Losses are not limited on an annual basis, but, instead, such losses will be reduced by the amount of any interest deductions claimed during the three taxable years preceding the effective date of the plan of reorganization, and during the part of the taxable year prior to and including the effective date of the plan of reorganization, in respect of all debt converted into stock in the reorganization.

If the 382(l)(5) Exception applies and the Reorganized Debtors undergo another "ownership change" within two years after the Effective Date, then the Debtors' ability to use Pre-Change Losses after that second "ownership change" would be eliminated prospectively.

Where the 382(l)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor does not qualify for it or the debtor otherwise elects not to utilize the 382(l)(5) Exception), a second special rule will generally apply (the "**382(l)(6) Exception**"). Under the 382(l)(6) Exception, the annual limitation will be calculated by reference to the lesser of the value of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of the stock of a losscorporation that undergoes an "ownership change" to be determined immediately before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that under it the debtor corporation is not required to reduce its Pre-Change Losses by the amount of interest deductions claimed within the prior three-year period, and the debtor may undergo another change of ownership within two years without triggering the elimination of its Pre-Change Losses.

The determination of the application of section 382(l)(5) of the Tax Code is highly fact specific. The Debtors have not yet determined whether, if they qualify for the Section 382(l)(5) Exception, they would rely on the Section 382(l)(5) Exception or the Section 382(l)(6) Exception. Any election to rely on the Section 382(l)(6) Exception rather than the Section 382(l)(5) Exception would have to be made in the Reorganized Verso's consolidated U.S. federal income tax return for the taxable year in which the ownership change occurs.

C. Certain U.S. Federal Income Tax Consequences to Certain Holders of Claims

1. Consequences to Holders of Class 3, 4, and 5 Claims

Pursuant to the Plan, each holder of an Allowed Verso First Lien Claim, an Allowed Verso Senior Debt Claim and an Allowed Verso Subordinated Debt Claim (each a "**Class 3-5 Claim**") will receive its Pro Rata share of the Plan Equity Consideration allocated to the applicable Class under the Plan and with respect to an Allowed Verso First Lien Claim, the Plan Warrants. A holder will recognize gain or loss in full upon the exchange of a Class 3-5 Claim for New Common Stock unless such exchange qualifies as a "recapitalization".

In order for an exchange of a Class 3-5 Claim for New Common Stock to qualify as a recapitalization, the Class 3-5 Claim must each be treated as a "security" under the relevant provisions of the Code. Neither the Code nor the Regulations define the term "security" and it has not been clearly defined by judicial decisions. Whether a debt instrument is a security is based on all of the facts and circumstances. Factors evaluated include whether the holder of such debt instrument is subject to a material level of entrepreneurial risk. Most authorities have held that the term to maturity of the debt instrument is one of the most significant factors. In this regard, debt instruments with a term of ten years or more generally have qualified as securities, whereas debt instruments with a term of less than five years generally have not qualified as securities.

Because the Verso 2016 Subordinated Unsecured Notes have a term of ten years, such notes will likely qualify as securities and therefore the exchange of the Verso 2016 Subordinated Unsecured Notes Claims in Class 5 for the New Common Stock will likely be a recapitalization.

The Verso 2015 First Lien Notes have a term of less than five years and therefore may not qualify as securities. Because the Class 3-5 Claims, other than the Verso 2015 First Lien Notes Claims and the Verso 2016 Subordinated Unsecured Notes Claims, have a term of more than five years but less than ten years, it is unclear whether they will qualify as securities. The Debtors intend to take the position that the Class 3-5 Claims other than the Verso 2015 First Lien Notes Claims and the Verso 2016 Subordinated Unsecured Notes Claims will not be treated as securities, and that the exchange of the Class 3-5 Claims other than the Verso 2015 First Lien Notes Claims and the Verso 2016 Subordinated Unsecured Notes Claims for New Common Stock should not be treated as a recapitalization.

Subject to the discussion below under "Accrued Interest," if the exchange of a Class 3-5 Claim for New Common Stock were treated as a recapitalization, a holder should not recognize gain or loss with respect to the exchange. A holder who is subject to this treatment will take a tax basis in the New Common Stock equal to the holder's tax basis of the surrendered Claim. A holder's holding period for the New Common Stock received should include the holding period for the obligation constituting the surrendered Allowed Claim exchanged for such property.

If the exchange of any Class 3-5 Claims for New Common Stock and Plan Warrants, as applicable, does not qualify as a recapitalization, any holder of such Class 3-5 Claims will recognize gain or loss equal to the difference between the amount realized on the exchange and the holder's adjusted tax basis in the Class 3-5 Claims on the date of the exchange. The amount realized on the exchange of a Class 3-5 Claim will equal the fair market value of the New Common Stock and Plan Warrants, as applicable, received in exchange for such Class 3-5 Claim (other than any amount treated as paid with respect to accrued interest). A holder's adjusted tax basis in the Class 3-5 Claim exchanged will be equal to the amount paid for the applicable notes, increased by any accrued OID previously included in such holder's income and any market discount previously taken into income and reduced by any amortizable bond premium previously taken into account and any payment on such notes other than any payment of qualified stated interest. The character of such gain or loss as capital gain or loss or as ordinary income or loss would be determined by a number of factors, including the tax status of the holder, the nature of the Claim in such holder's hands, whether the Claim constitutes a capital asset in the hands of the Holder, whether the Claim was purchased at a discount and whether and to what extent the holder has previously claimed a bad debt deduction with respect to its Claim. See the discussions of "Accrued Interest" and "Market Discount" below. The holder's tax basis in the New Common Stock and Plan Warrants, as applicable, would be their fair market values as of the Effective Date and its holding period for the New Common Stock and Plan Warrants, as applicable, would begin on the day after the Effective Date. See discussion of "Ownership of New Common Stock" for further information.

2. Consequences to Holders of Class 6 and 7 Claims

The tax treatment of an exchange of a NewPage Roll-Up DIP Claim or a NewPage Term Loan Claim (the "**NewPage Exchange Claims**") for New Common Stock is unclear. The Debtors intend to take the position that the New Common Stock shall be deemed to be transferred, directly or indirectly, by Reorganized Verso to NewPage, and such New Common Stock shall be deemed to be then transferred by NewPage to the Holders of NewPage Exchange Claims in satisfaction of their Claims. On this basis, such holders may take the position under applicable tax authority that the exchange is a taxable transaction to the holders. A taxable exchange of a NewPage Exchange Claims for New Common Stock would be treated in the same manner as a taxable exchange of a Class 3-5 Claim as described above.

However, it is possible that the holders of NewPage Exchange Claims could be treated as exchanging their Claims for New Common Stock in a transaction governed by Section 351 of the Tax Code. In that event, Holders receiving only New Common Stock generally would not recognize any income, gain, or loss on the exchange except as described in the discussion of "Accrued Interest" and "Market Discount" below. A holder's tax basis in its New Common Stock received would generally equal its tax basis in the Claim surrendered by such holder, increased by the amount of any gain recognized upon the exchange, and its holding period for the New Common Stock received should generally include the holder's holding period in the Claims surrendered therefor.

There can be no assurance that the IRS will agree with the assumptions or the tax consequences to the holders of Allowed Claims as set forth herein. Given the uncertainties described above, each holder of Allowed Claims is urged to consult its own tax advisors regarding the tax treatment of the receipt of New Common Stock and Plan Warrants in satisfaction of its Claim.

3. Accrued Interest

To the extent that any amount received by a holder of a Claim is attributable to accrued but unpaid interest on the debt instruments constituting the surrendered Claim, the receipt of such amount should be taxable to the holder as ordinary interest income (to the extent not already taken into income by the holder). Conversely, a holder of a Claim may be able to recognize a deductible loss (or, possibly, a write off against a reserve for worthless debts) to the extent that any accrued interest was previously included in the holder's gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair value of the consideration is not sufficient to fully satisfy all principal and interest on a holder's Allowed Claims, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration to be distributed to holders of Allowed Claims in each Class will be allocated first to the principal amount of Allowed Claims, with any excess allocated to unpaid interest that accrued on such Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, while certain Regulations treat payments as allocated first to any accrued but unpaid interest. The IRS could take the position that the consideration received by the holder should be allocated in some way other than as provided in the Plan. Holders of Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.

4. Market Discount

Under the "market discount" provisions of the Tax Code, some or all of any gain realized by a holder of a Claim who exchanges the Claim for an amount on the Effective Date may be recognized

as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on the debt instruments constituting the exchanged Claim. These provisions apply to taxable dispositions as well as certain otherwise non-taxable dispositions of Claims, such as those pursuant to Section 351 of the Tax Code. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if its holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with original issue discount, its revised issue price, by at least an amount equal to 0.25% of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity.

Any gain recognized by a holder on the taxable disposition (and certain otherwise tax-free dispositions) of a Claim that had been acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such Claim was considered to be held by the holder (unless the holder elected to include market discount in income as it accrued). To the extent that the Allowed Claims that were acquired with market discount are exchanged in a nonrecognition transaction for other property (other than a transaction governed by Section 351 of the Code), any market discount that accrued on the Allowed Claims (*i.e.*, up to the time of the exchange) but was not recognized by the holder prior to, or at the time of the exchange, is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption or other disposition of such property is treated as ordinary income to the extent of such accrued, but not recognized, market discount. Holders of Claims should consult their own tax advisors regarding the application of the market discount rules to the disposition, taxable or otherwise, of their Claims.

5. Limitation on Use of Capital Losses

A holder of a Claim or Equity Interest who recognizes capital losses as a result of the disposition thereof under the Plan will be subject to limits on the use of such capital losses. For a non-corporate holder, capital losses may be used to offset any capital gains (without regard to holding periods), and also ordinary income to the extent of the lesser of (a) $3,000 annually ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. A non-corporate holder may carry over unused capital losses and apply them against future capital gains and a portion of their ordinary income for an unlimited number of years. For corporate holders, capital losses may only be used to offset capital gains. A corporate holder that has more capital losses than may be used in a tax year may carry back unused capital losses to the three years preceding the capital loss year or may carry over unused capital losses for the five years following the capital loss year.

6. Ownership of New Common Stock

Reorganized Verso will be a corporation for U.S. federal income tax purposes. Any distributions received by a holder with respect to the New Common Stock will be taxed as a dividend to the extent made out of Reorganized Verso's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Any distribution not constituting a dividend will be treated first as reducing the adjusted basis in the holder's New Common Stock and, to the extent such distribution exceeds such basis, will be treated as capital gain from the sale or exchange of such New Common Stock. Upon the sale or other disposition of New Common Stock a holder will generally recognize capital gain or loss equal to the difference between the amount realized and such holder's adjusted tax basis in the New Common Stock. Such capital gain or loss will generally be long-term capital gain or loss if the holder's holding period in respect of the New Common Stock is more than one year.

7. Information Reporting and Backup Withholding

All distributions to holders of Allowed Claims under the Plan are subject to any applicable withholding requirements. The Reorganized Debtors may be required to withhold and sell on behalf of a holder an amount of New Common Stock sufficient to satisfy the withholding requirements applicable to such holder, unless such holder makes other arrangements (such as remitting to Reorganized Debtors directly the amount of taxes owed).

In general, information reporting requirements may apply to distributions or payments under the Plan. Furthermore, interest, dividends and other reportable payments may, under certain circumstances, be subject to backup withholding at the then-applicable rate (currently 28%). Backup withholding generally applies if the holder (i) fails to furnish its social security number or other taxpayer identification number ("**TIN**"), (ii) furnishes an incorrect TIN, (iii) under certain circumstances, is notified by the IRS of a failure to report interest or dividends properly, or (iv) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is correct and that the holder is a United States person that is not subject to backup withholding. Backup withholding is not an additional tax. The amount of backup withholding imposed on a payment to a holder may be refunded by the IRS or allowed as a credit against the holder's U.S. federal income tax liability, provided that the required information is properly furnished to the IRS. Certain persons are exempt from backup withholding, including, under certain circumstances, corporations and financial institutions. Holders of Allowed Claims are urged to consult their own tax advisors regarding their qualification for exemption from backup withholding and information reporting and the procedures for obtaining such an exemption.

In addition, Treasury regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including certain transactions that result in the taxpayer's claiming a loss in excess of certain thresholds. Holders of Claims and Equity Interests are urged to consult their own tax advisors regarding whether the exchanges contemplated by the Plan would be subject to these regulations and require disclosure on the applicable holder's tax returns.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, PROVINCIAL, OR FOREIGN TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

CONCLUSION

The Debtors, with the support of the Informal Committee of Holders of Verso First Lien Debt and the Ad Hoc NewPage Term Lender Group, believe the Plan is in the best interests of all creditors and urge the Holders of all Claims entitled to vote on the Plan to vote to accept the Plan, and to evidence such acceptance by returning their signed ballots so that they will be received by the Voting Agent no later than [__]:00 p.m. (Eastern Standard Time) on [_____], 2016.

Dated: March 26, 2016

Respectfully Submitted,

VERSO CORPORATION,

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER FINANCE HOLDINGS ONE LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER FINANCE HOLDINGS LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER FINANCE HOLDINGS INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER HOLDINGS LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEXTIER SOLUTIONS CORPORATION

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO ANDROSCOGGIN LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO QUINNESEC REP HOLDING INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO MAINE ENERGY LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

BUCKSPORT LEASING LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO QUINNESEC LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO SARTELL LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO FIBER FARM LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE HOLDINGS INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE INVESTMENT COMPANY LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE CORPORATION

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE CONSOLIDATED PAPERS INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

ESCANABA PAPER COMPANY

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

LUKE PAPER COMPANY

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

RUMFORD PAPER COMPANY

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

WICKLIFFE PAPER COMPANY LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE WISCONSIN SYSTEM INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

CHILLICOTHE PAPER INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE ENERGY SERVICES LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

UPLAND RESOURCES, INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

Exhibit A

Joint Plan of Reorganization

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	Chapter 11
VERSO CORPORATION, *et al.*,[1]	:	Case No. 16-10163 (KG)
Debtors.	:	Jointly Administered

DEBTORS' JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

O'MELVENY & MYERS LLP
Co-Attorneys for Debtors and
Debtors in Possession
Times Square Tower
7 Times Square
New York, New York 10036

RICHARDS, LAYTON & FINGER, P.A.
Co-Attorneys for Debtors and
Debtors in Possession
One Rodney Square
920 North King Street
Wilmington, Delaware 19801

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are Verso Corporation (7389); Verso Paper Finance Holdings One LLC (7854); Verso Paper Finance Holdings LLC (7395); Verso Paper Holdings LLC (7634); Verso Paper Finance Holdings Inc. (7851); Verso Paper Inc. (7640); Verso Paper LLC (7399); nexTier Solutions Corporation (1108); Verso Androscoggin LLC (7400); Verso Quinnesec REP Holding Inc. (2864); Verso Maine Energy LLC (7446); Verso Quinnesec LLC (7404); Bucksport Leasing LLC (5464); Verso Sartell LLC (7406); Verso Fiber Farm LLC (7398); NewPage Holdings Inc. (5118); NewPage Investment Company LLC (5118); NewPage Corporation (6156); NewPage Consolidated Papers Inc. (8330); Escanaba Paper Company (5598); Luke Paper Company (6265); Rumford Paper Company (0427); Wickliffe Paper Company LLC (8293); Upland Resources, Inc. (2996); NewPage Energy Services LLC (1838); Chillicothe Paper Inc. (6154); and NewPage Wisconsin System Inc. (3332). The address of the Debtors' corporate headquarters is 6775 Lenox Center Court, Suite 400, Memphis, Tennessee 38115-4436.

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INTRODUCTION

Verso Corporation and its affiliated debtors and debtors in possession, including NewPage Corporation, jointly propose, and are the proponents of, this chapter 11 plan of reorganization. The Plan provides for the reorganization of the Debtors under chapter 11 of the Bankruptcy Code. If the Plan is confirmed and consummated, the Debtors, as Reorganized Debtors, will emerge from bankruptcy substantially deleveraged and with a single unified capital structure.

As set forth below and described in the Disclosure Statement, under the Plan:

- Holders of Allowed Administrative Expense Claims, Priority Tax Claims, and Priority Non-Tax Claims are paid in full;
- Holders of Allowed Claims based on funded indebtedness receive 100% of the New Common Stock of Reorganized Verso Corporation, with such stock distributed 50% to Holders of Verso First Lien Claims, 47% to Holders of NewPage Roll-Up DIP Claims and NewPage Term Loan Claims, 2.85% to Holders of Verso Senior Debt Claims, and 0.15% to Holders of Verso Subordinated Debt Claims, in each case subject to dilution caused by the Plan Warrants and the Management Incentive Plan;
- Holders of Allowed General Unsecured Claims receive [TBD];
- the Shared Services Agreement is terminated; and
- the Debtors and certain Persons and Entities (the Releasing Parties) release certain Persons and Entities (the Released Parties).

Holders of Claims and Equity Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, business, assets, financial information, events during the Chapter 11 Cases, and projections of future operations, as well as a summary and description of the Plan. Before voting to accept or reject the Plan, Holders of Claims entitled to vote on the Plan are encouraged to read carefully the Plan, the Disclosure Statement, and their respective exhibits and schedules in their entirety. These are the only materials approved for use in soliciting acceptances or rejections of the Plan.

ARTICLE I
DEFINITIONS AND INTERPRETATION

1.1. *Definitions.*

As used in this Plan, capitalized terms have the meanings set forth in this Article I (such meanings applicable to the singular and plural):

1. ***Ad Hoc NewPage Term Lender Group*** means the informal committee consisting of certain Holders of NewPage Term Loan Claims that are signatories to the Restructuring Support Agreement and represented by Ropes & Gray LLP, Cole Schotz P.C., and Ducera Partners LLC.

2. ***Administrative Expense Claim*** means a Claim for a cost or expense of administration of any Estate under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including (a) any actual and necessary cost and expense of preserving the Estates or operating the Debtors' business incurred after the Petition Date and through the Effective Date; (b) any indebtedness or obligations incurred or assumed by the Debtors after the Petition Date and through the Effective Date; (c) any Allowed compensation for professional services rendered, and Allowed reimbursement of expenses incurred, by a Professional retained by order of the Bankruptcy Court or otherwise Allowed pursuant to section 503(b) of the Bankruptcy Code; and (d) all fees due and payable pursuant to section 1930 of title 28 of the U.S. Code.

3. ***Administrative Expense Claim Bar Date*** means the first Business Day that is 30 days after the Effective Date.

4. ***Agents and Trustees*** has the meaning set forth in Article 6.9 of this Plan.

5. ***Allowed*** means, with respect to any Claim or Equity Interest, such Claim or Equity Interest or portion thereof against or in any Debtor: (a) that has been listed by such Debtor in the Schedules as liquidated in amount and not disputed or contingent and for which no contrary proof of claim has been filed; (b) as to which the deadline for objecting or seeking estimation has passed, and no objection or request for estimation has been filed; (c) as to which any objection or request for estimation that has been filed has been settled, waived, withdrawn, or denied by a Final Order; or (d) that is allowed pursuant to the terms of (i) a Final Order (including the DIP Orders), (ii) an agreement by and among the Holder of such Claim or Equity Interest and the Debtors or the Reorganized Debtors, as applicable, or (iii) the Plan.

6. ***Asset Debtors*** means, collectively, the Debtors other than the *De Minimis* Asset Debtors.

7. ***Ballot*** means the form distributed to each Holder of an Impaired Claim that is entitled to vote to accept or reject the Plan, on which such Holder shall indicate acceptance or rejection of the Plan.

8. ***Bankruptcy Code*** means title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

9. ***Bankruptcy Court*** means the United States Bankruptcy Court for the District of Delaware, or such other court having jurisdiction over the Chapter 11 Cases or any proceeding within, or appeal of an order entered in, the Chapter 11 Cases.

10. ***Bankruptcy Rules*** means the Federal Rules of Bankruptcy Procedure, the Official Bankruptcy Forms, or the local rules of the Bankruptcy Court.

11. ***Business Day*** means any day, other than a Saturday, Sunday, or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

12. ***Cash*** means legal tender of the United States of America and equivalents thereof.

13. ***Causes of Action*** means any action, claim, cause of action, controversy, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, whether known or unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law, or in equity or pursuant to any other theory of law. For the avoidance of doubt, "Cause of Action" includes: (a) any right of setoff, counterclaim, or recoupment and any claim for breach of contract or for breach of duties imposed by law or in equity; (b) the right to object to Claims or Equity Interests; (c) any Claim pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any equitable remedy, including, without limitation, any claim for equitable subordination, equitable disallowance, or unjust enrichment; (e) any claim or defense including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (f) any cause of action or claim arising under any state or foreign fraudulent transfer law.

14. ***Chapter 11 Cases*** means the jointly administered cases under chapter 11 of the Bankruptcy Code commenced by the Debtors in the Bankruptcy Court.

15. ***Claim*** means a claim, as defined in section 101(5) of the Bankruptcy Code, against any Debtor.

16. ***Class*** means a category of Claims or Equity Interests established under Article III of the Plan pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code.

17. ***Committee*** means the official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code.

18. ***Confirmation Date*** means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases.

19. ***Confirmation Hearing*** means the hearing to be held by the Bankruptcy Court to consider confirmation of the Plan under section 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

20. ***Confirmation Order*** means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, and granting other related relief, in form and substance reasonably satisfactory to the Consenting Creditor Groups, the Debtors, and the DIP Agents.

21. ***Consenting Creditor Groups*** means, collectively, the Informal Committee of Holders of Verso First Lien Debt and the Ad Hoc NewPage Term Lender Group; *provided that* where consent, waiver, or satisfaction of the Consenting Creditor Groups is required under the Plan, Consenting Creditor Groups shall mean (i) members of the Informal Committee of Holders of Verso First Lien Debt holding in the aggregate at least 66 2/3% in principal amount of the aggregate Verso First Lien Claims held by all members of the Informal Committee of Holders of Verso First Lien Debt, and (ii) members of the Ad Hoc NewPage Term Lender Group holding in the aggregate at least 66 2/3% in principal amount of the aggregate principal amount of NewPage Roll-Up DIP Claims and NewPage Term Loan Claims held by all members of the Ad Hoc NewPage Term Lender Group.

22. ***Cure Amount*** has the meaning set forth in Article 10.3(a) of this Plan.

23. ***Cure Dispute*** has the meaning set forth in Article 10.3(c) of this Plan.

24. ***Cure Schedule*** has the meaning set forth in Article 10.3(b) of this Plan.

25. ***De Minimis Asset Debtors*** means, collectively, Bucksport Leasing LLC, Chillicothe Paper Inc., NewPage Energy Services LLC, nexTier Solutions Corporation, Rumford Paper Company, Upland Resources Inc., Verso Fiber Farm LLC, Verso Maine Energy LLC, Verso Paper Financing Holdings Inc., Verso Paper Inc., and Verso Sartell LLC.

26. ***Debtors*** means, collectively, the NewPage Debtors and the Verso Debtors.

27. ***DIP Agents*** means, collectively, the NewPage DIP ABL Agents, the NewPage DIP Term Loan Agent, and the Verso DIP ABL Agent, or any successor agent appointed in accordance with the applicable DIP Credit Agreement; *provided that* where consent, waiver, or satisfaction of the DIP Agents is required under the Plan it includes the Verso DIP ABL Agent, NewPage DIP Term Loan Agent , and the NewPage DIP ABL Administrative Agent.

28. ***DIP Credit Agreements*** means, collectively, the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, and the NewPage DIP Term Loan Agreement.

29. ***DIP Orders*** means, collectively, the Verso DIP Orders and NewPage DIP Orders.

30. ***DIP Secured Parties*** means, collectively, (i) the lenders and, as applicable, letter of credit issuers party to the DIP Credit Agreements from time to time, (ii) the DIP Agents, (iii) the other "Secured Parties" as defined in each DIP Credit Agreement, as applicable.

31. ***Disallowed*** means, with respect to any Claim or Equity Interest, a Claim or Equity Interest or any portion thereof that is not Allowed and (a) has been disallowed by a Final Order, (b) is listed in the Schedules as zero or as contingent, disputed, or unliquidated and as to which no proof of claim or request for payment of an Administrative Expense Claim has been timely filed or deemed timely filed with the Bankruptcy Court, (c) is not listed in the Schedules and as to which no proof of claim or request for payment of an Administrative Claim has been timely filed or deemed timely filed with the Bankruptcy Court, (d) has been withdrawn by agreement of the applicable Debtor and the Holder thereof, or (e) has been withdrawn by the Holder thereof.

32. ***Disbursing Agent*** means the Entity or Entities, which may be a Reorganized Debtor or any Entity designated by the Debtors or the Reorganized Debtors, and who agrees to serve in such role, to distribute all or any portion of the Plan Distributions.

33. ***Disclosure Statement*** means that certain disclosure statement relating to the Plan, including, without limitation, all exhibits and schedules thereto, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, and as amended, modified, or supplemented from time to time, in form and substance reasonably satisfactory to the Consenting Creditor Groups, the Debtors, and the DIP Agents.

34. ***Disputed Claim*** means a Claim that is not yet Allowed.

35. ***Distribution Record Date*** means the record date for purposes of making distributions under the Plan on account of Allowed Claims, which date shall be the date of the commencement of the Confirmation Hearing; *provided*, *however*, that no Distribution Record Date shall apply to publicly held securities.

36. ***DTC*** means the Depository Trust Company.

37. ***Effective Date*** means, with respect to the Plan, the Business Day selected by the Debtors on which (a) no stay of the Confirmation Order is in effect, (b) the conditions to the effectiveness of the Plan specified in Article 11.2 have been satisfied or waived (in accordance with Article 11.3), and (c) the Debtors declare the Plan effective.

38. ***Entity*** has the meaning set forth in section 101(15) of the Bankruptcy Code.

39. ***Equity Interest*** means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor and any other outstanding ownership interest in any Debtor, including any interest evidenced by common or preferred stock, membership interest, option, or other right to purchase or otherwise receive any ownership interest in any Debtor, or any right to payment or compensation based upon any such interest, whether or not such interest is owned by the Holder of such right to payment or compensation.

40. ***Estates*** means the estates of the Debtors created pursuant to section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

41. ***Exchange Act*** means the Securities Exchange Act of 1934.

42. ***Exit ABL Agreement*** means that certain credit agreement with respect to the Exit ABL Facility to be entered into on the Effective Date by and among the Reorganized Debtors and the agent(s), lenders, and letter of credit issuers party thereto.

43. ***Exit ABL Facility*** means that certain asset-based revolving lending facility with aggregate commitments of $[•] provided in connection with the Exit ABL Agreement.

44. ***Exit Credit Agreements*** means, collectively, the Exit ABL Agreement and the Exit Term Loan Agreement.

45. ***Exit Facility Parties*** means, collectively, (a) any administrative agent, collateral agent, arranger, bookrunner, syndication agent, documentation agent, or other agent or sub-agent in respect of any Exit Credit Agreement and (b) any letter of credit issuer or lender party to any Exit Credit Agreement.

46. ***Exit Term Loan Agreement*** means that certain credit agreement with respect to the Exit Term Loan Facility to be entered into on the Effective Date by and among the Reorganized Debtors and the agent(s) and lenders party thereto.

47. ***Exit Term Loan Facility*** means that certain term loan facility in the original aggregate principal amount of $[•] provided in connection with the Exit Term Loan Agreement.

48. ***Final Order*** means an order or judgment entered by the Bankruptcy Court or other court of competent jurisdiction: (a) that has not been reversed, stayed, modified, amended, or revoked, and as to which (i) any right to appeal or seek leave to appeal, certiorari, review, reargument, stay, or rehearing has been waived or (ii) the time to appeal or seek leave to appeal, certiorari, review, reargument, stay, or rehearing has expired and no appeal, motion for leave to appeal, or petition for certiorari, review, reargument, stay, or rehearing is pending or (b) as to which an appeal has been taken, a motion for leave to appeal, or petition for certiorari, review, reargument, stay, or rehearing has been filed and (i) such appeal, motion for leave to appeal or petition for certiorari, review, reargument, stay, or rehearing has been resolved by the highest court to which the order or judgment was appealed or from which leave to appeal, certiorari, review, reargument, stay, or rehearing was sought and (ii) the time to appeal (in the event leave is granted), appeal further or seek leave to appeal, certiorari, further review, reargument, stay, or rehearing has expired and no such appeal, motion for leave to appeal, or petition for certiorari, further review, reargument, stay, or rehearing is pending; *provided*, *however*, that no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion pursuant to sections 502(j) or 1144 of the Bankruptcy Code, rules 59 or 60 of the Federal Rules of Civil Procedure, or Bankruptcy Rules 9023 and 9024 may be filed with respect to such order or judgment.

49. ***General Unsecured Claims*** means any Claim against any of the Debtors that is (a) not an Administrative Expense Claim, Priority Tax Claim, Verso DIP ABL Claim, NewPage DIP ABL Claim, NewPage DIP Term Loan Claim, Other Secured Claim, Priority Non-Tax Claim, Verso First Lien Claim, Verso Senior Debt Claim, Verso Subordinated Debt Claim, NewPage Roll-Up DIP Claim, NewPage Term Loan Claim, Section 510(b) Claim, or Intercompany Claim; (b) a Verso 2012 First Lien Notes Deficiency Claim, Verso 2015 First Lien Notes Deficiency Claim, Verso Cash Flow Deficiency Claim, or NewPage Term Loan Deficiency Claim; or (c) otherwise determined by the Bankruptcy Court to be a General Unsecured Claim.

50. ***Holder*** means the beneficial holder of any Claim or Equity Interest.

51. ***Impaired*** means, with respect to a Class of Claims or Equity Interests, a Class of Claims or Equity Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

52. ***Informal Committee of Holders of Verso First Lien Debt*** means the informal committee consisting of certain Holders of Verso First Lien Claims, Verso Senior Debt Claims, and Verso Subordinated Debt Claims, that are signatories to the Restructuring Support Agreement and represented by Milbank, Tweed, Hadley & McCloy LLP, Morris, Nichols, Arsht & Tunnel LLP, and Houlihan Lokey Capital, Inc.

53. ***Intercompany Claim*** means any Claim against a Debtor held by (a) another Debtor or (b) a non-Debtor direct or indirect subsidiary of a Debtor.

54. ***Lien*** means a lien as defined in section 101(37) of the Bankruptcy Code.

55. ***Management Incentive Plan*** means the equity incentive plan to be adopted by Reorganized Verso Corporation pursuant to which up to ten percent (10%) of the New Common Stock, on a fully diluted basis, in Reorganized Verso Corporation outstanding immediately after the Effective Date shall be reserved for issuance pursuant to awards granted to directors, officers, employees, and other eligible service providers of the Reorganized Debtors.

56. ***Management Incentive Plan Securities*** means the New Common Stock or any options, warrants, or other securities convertible into New Common Stock, issued pursuant to the Management Incentive Plan.

57. ***New Common Stock*** means, collectively, the [•] shares of authorized common stock of Reorganized Verso Corporation, par value of $0.01 per share, authorized to be issued by Reorganized Verso Corporation pursuant to the Plan.

58. ***New Constituent Documents*** means, with respect to each Reorganized Debtor, the certificate of incorporation, formation, registration (including, if applicable, certificate of name change), articles of incorporation or association, memorandum of association, memorandum of continuance, charter, by-laws, limited liability company agreements, or one or more similar agreements, instruments or documents constituting the organization or formation of such Reorganized Debtor, as amended and restated as of the Effective Date, in each case, amended and restated to, among other things, (a) prohibit the issuance of non-voting equity securities by such Reorganized Debtor to the extent required under section 1123(a)(6) of the Bankruptcy Code and (b) otherwise give effect to the provisions of the Plan.

59. ***NewPage Asset-Based Revolving Credit Agreement*** means that certain Asset-Based Revolving Credit Agreement, dated as of February 11, 2014, by and among NewPage Corporation as borrower, NewPage Investment Company LLC and certain other NewPage Debtors party thereto as guarantors, the lenders from time to time party thereto, Barclays Bank PLC, as administrative agent and collateral agent, BMO Harris, N.A., as co-collateral agent, and certain other parties, together with all other agreements entered into and documents delivered in connection therewith, including, without limitation, any "Loan Documents" as defined in such agreement, as any of the foregoing may be amended, modified, or supplemented from time to time.

60. ***NewPage Credit Agreement*** means that certain First Lien Credit Agreement, dated as of February 11, 2014, by and among NewPage Corporation as borrower, NewPage Investment Company LLC and certain other NewPage Debtors party thereto as guarantors, the lenders from time to time party thereto, the NewPage Term Loan Agent and certain other parties together with all other agreements entered into and documents delivered in connection therewith, including, without limitation, all "Loan Documents" as defined in such agreement, as any of the foregoing may be amended, modified, or supplemented from time to time.

61. ***NewPage Debtors*** means Chillicothe Paper Inc., Escanaba Paper Company, Luke Paper Company, NewPage Consolidated Papers Inc., NewPage Corporation, NewPage Energy Services LLC, NewPage Investment Company LLC, NewPage Wisconsin System Inc., Rumford Paper Company, Upland Resources, Inc., and Wickliffe Paper Company LLC.

62. ***NewPage DIP ABL Administrative Agent*** means Barclays Bank PLC, as administrative agent and co-collateral agent, or any successor agent appointed in accordance with the NewPage DIP ABL Agreement.

63. ***NewPage DIP ABL Agents*** means Barclays Bank PLC, as administrative agent and co-collateral agent, and BMO Harris Bank N.A., as co-collateral agent under the NewPage DIP ABL Agreement, or any successor agent appointed in accordance with the NewPage DIP ABL Agreement.

64. ***NewPage DIP ABL Agreement*** means that certain Superpriority Senior Debtor-in-Possession Asset-Based Revolving Credit Agreement, dated as of January 26, 2016, among NewPage Corporation as borrower, certain other NewPage Debtors party thereto as guarantors, the lenders and letter of credit issuers party thereto from time to time, the NewPage DIP ABL Agents, together with all other agreements entered into and documents delivered in connection therewith, including, without limitation, any "Loan Documents" as defined in such agreement, as any of the foregoing may be amended, modified, or supplemented from time to time.

65. ***NewPage DIP ABL Claims*** means any and all Claims of the applicable DIP Secured Parties under the NewPage DIP ABL Agreement, in their capacity as such, arising under, derived from, or based on the NewPage DIP ABL Agreement and/or the DIP Orders.

66. ***NewPage DIP ABL Drawn Letters of Credit*** means, collectively, and as of any date of determination, the outstanding indebtedness equal to the drawn amounts as of such date of determination of any letters of credit issued or deemed issued under the NewPage DIP ABL Agreement.

67. ***NewPage DIP ABL Undrawn Letters of Credit*** means, collectively, and as of any date of determination, the undrawn portion as of such date of determination of any outstanding letters of credit issued or deemed issued under the NewPage DIP ABL Agreement (which undrawn portion includes any automatic increases in the stated amount of such letters of credit, whether or not such increase in the stated amount is in effect at such time).

68. ***NewPage DIP Orders*** means, collectively, the *Final Order (I) Authorizing NewPage Debtors (A) To Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2),364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. § 363 and (II) Granting Adequate Protection to Prepetition Secured Parties Pursuant to 11 U.S.C. §§ 361, 362, 363, 364 and 507(b)* [D.I. 372] and the *Interim Order (I) Authorizing NewPage Debtors (A) To Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2),364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. § 363 and (II) Granting Adequate Protection to Prepetition Secured Parties Pursuant to 11 U.S.C. §§ 361, 362, 363, 364 and 507(b) and (III) Scheduling Final Hearing Pursuant to Bankruptcy Rules 4001(b) and (c)* [D.I. 105].

69. ***NewPage DIP Term Loan Agent*** means Barclays Bank PLC, as administrative agent and collateral agent under the NewPage DIP Term Loan Agreement, or any successor agent appointed in accordance with the NewPage DIP Term Loan Agreement.

70. ***NewPage DIP Term Loan Agreement*** means that Superpriority Senior Debtor-in-Possession Term Loan Agreement, dated as of January 26, 2016, among NewPage Corporation, certain other NewPage Debtors party thereto as guarantors, the lenders party thereto from time to time, and the

NewPage DIP Term Loan Agent, together with all other agreements entered into and documents delivered in connection therewith, including, without limitation, any "Loan Documents" as defined in such Term Loan Agreement, as any of the foregoing may be amended, modified, or supplemented from time to time.

71. ***NewPage DIP Term Loan Claims*** means, collectively, the NewPage New Money DIP Claims and the NewPage Roll-Up DIP Claims.

72. ***NewPage New Money DIP Claim*** means any and all Claims of the applicable DIP Secured Parties under the NewPage DIP Term Loan Agreement, in their capacity as such, arising under, derived from, or based on the NewPage DIP Term Loan Agreement and/or the DIP Orders, other than the NewPage Roll-Up DIP Claims.

73. ***NewPage Plan Equity Consideration*** means 47% of the Plan Equity Consideration.

74. ***NewPage Roll-Up DIP Claim*** means any and all Claims of the applicable DIP Secured Parties under the NewPage DIP Term Loan Agreement, in their capacity as such, arising under, derived from, or based on the "Roll-Up Loan Obligations" (as defined in the NewPage DIP Term Loan Agreement) under the NewPage DIP Term Loan Agreement and/or the DIP Orders.

75. ***NewPage Roll-Up DIP Claim Consideration*** means a portion of the NewPage Plan Equity Consideration equal to the quotient of the aggregate amount of Allowed NewPage Roll-Up DIP Claims divided by 47% of the Plan Equity Value.

76. ***NewPage Term Loan Agent*** means Wilmington Trust, N.A., as successor administrative agent and collateral agent under the NewPage Credit Agreement.

77. ***NewPage Term Loan Claim Consideration*** means the NewPage Plan Equity Consideration less the NewPage Plan Equity Consideration constituting the NewPage Roll-Up DIP Claim Consideration.

78. ***NewPage Term Loan Claims*** means any and all Claims arising under, derived from, or based on the NewPage Credit Agreement.

79. ***NewPage Term Loan Deficiency Claims*** means the unsecured portion of the NewPage Term Loan Claims, as determined pursuant to section 506(a) of the Bankruptcy Code.

80. ***Other Secured Claims*** means any Secured Claim against the Debtors that is not a Verso DIP ABL Claim, NewPage DIP ABL Claim, NewPage DIP Term Loan Claim, Verso First Lien Claim, Verso 1.5 Lien Claim, Verso Second Lien Claim, or NewPage Term Loan Claim.

81. ***Person*** means person as defined in section 101(41) of the Bankruptcy Code.

82. ***Petition Date*** means January 26, 2016.

83. ***Plan*** means this joint plan of reorganization under chapter 11 of the Bankruptcy Code, including the exhibits and schedules hereto and the Plan Supplement, as may be amended, supplemented, or modified from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the terms hereof.

84. ***Plan Distribution*** means a payment or distribution under the Plan to Holders of Allowed Claims or other eligible Entities.

85. ***Plan Equity Consideration*** means 100% of the New Common Stock in Reorganized Verso Corporation distributed as of the Effective Date before giving effect to any dilution caused by the Plan Warrants and the Management Incentive Plan.

86. ***Plan Equity Value*** means $[•].

87. ***Plan Supplement*** means the compilation of documents (or forms or summary of material terms thereof), schedules, and exhibits to the Plan (in each case, (i) in form and substance satisfactory to the Consenting Creditor Groups and the Debtors and, solely with respect to the Exit Credit Agreements, reasonably satisfactory to the DIP Agents, and (ii) as may be altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and the Bankruptcy Rules) to be filed no later than 15 days before the Confirmation Hearing or such later date as the Bankruptcy Court may approve, including: (a) executed commitment letters, engagement letters, highly confident letters, or form and/or definitive agreements, and related documents with respect to the Exit Credit Agreements; (b) the New Constituent Documents; (c) the Registration Rights Agreement; (d) the Schedule of Rejected Contracts and Leases; (e) the Warrant Agreement; and (f) the Management Incentive Plan.

88. ***Plan Warrants*** means warrants for 5% of the New Common Stock of Reorganized Verso Corporation, subject to dilution by the Management Incentive Plan, on the terms set forth in the Warrant Agreement.

89. ***Prepetition NewPage ABL Secured Parties*** means the Prepetition ABL Secured Parties as defined in the NewPage DIP Orders.

90. ***Prepetition NewPage Term Secured Parties*** means the Prepetition Term Secured Parties as defined in the NewPage DIP Orders.

91. ***Prepetition Verso ABL Secured Parties*** means the Prepetition ABL Secured Parties as defined in the Verso DIP Orders.

92. ***Priority Non-Tax Claim*** means any Claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code that is not an Administrative Expense Claim or a Priority Tax Claim.

93. ***Priority Tax Claim*** means any Claim entitled to priority in payment as specified in section 507(a)(8) of the Bankruptcy Code.

94. ***Pro Rata*** means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class, or the proportion that Allowed Claims in a particular Class bear to the aggregate amount of Allowed Claims in a particular Class and other Classes entitled to share in the same recovery as such Allowed Claim under the Plan.

95. ***Professional*** means an Entity (a) employed in the Chapter 11 Cases pursuant to sections 327, 328, 363, or 1103 of the Bankruptcy Code or otherwise, or (b) seeking or awarded compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

96. ***Registration Rights Agreement*** means the registration rights agreement to be entered into on the Effective Date among Reorganized Verso Corporation and certain of its affiliates.

97. ***Released Parties*** means, collectively, and each solely in its capacity as such: (a) the Debtors, their respective non-Debtor subsidiaries and the Estates; (b) the Reorganized Debtors; (c) the DIP Agents, any of their respective sub-agents and any arranger, bookrunner, syndication agent, documentation agent or other agent in respect of any DIP Credit Agreement; (d) the DIP Secured Parties; (e) each current and former Person or Entity that is or has been a party to the Restructuring Support Agreement; (f) the NewPage Term Loan Agent and any arranger, bookrunner, syndication agent, documentation agent or other agent or sub-agent in respect of the NewPage Credit Agreement; (g) the Verso Cash Flow Agent; (h) the Verso 2012 First Lien Notes Trustee; (i) the Verso 2015 First Lien Notes Trustee; (j) the Verso 1.5 Lien Notes Trustee; (k) the Verso Second Lien Notes Trustee; (l) the Verso Old Second Lien Notes Trustee; (m) the Verso 2016 Subordinated Unsecured Notes Trustee; (n) the Verso 2020 Subordinated Unsecured Notes Trustee; (o) Apollo Global Management, LLC and investment funds and accounts, or affiliates of investment funds and accounts, it advises, manages or controls that held or hold direct or indirect interests in Verso Corporation; provided that none of the foregoing entities has objected to confirmation of the Plan; (p) the Verso Cash Flow Lenders that vote for, and do not object to, the Plan; (q) the Committee and its respective members; (r) the Prepetition NewPage ABL Secured Parties and any arranger, bookrunner, syndication agent, documentation agent or other agent or sub-agent in respect of the NewPage Asset-Based Revolving Credit Agreement; (s) the Prepetition Verso ABL Secured Parties and any arranger, bookrunner, syndication agent, documentation agent or other agent or sub-agent in respect of the Verso Asset-Based Revolving Credit Agreement; (t) the Exit Facility Parties; (u) all Persons engaged or retained by the parties listed in (a) through (t) of this definition in connection with the Chapter 11 Cases (including in connection with the preparation of any analyses relating to the Plan and the Disclosure Statement); and (v) any and all direct and indirect affiliates, officers, directors, partners, employees, members, managers, members of boards of managers, advisory board members, direct and indirect sponsors, managed accounts and funds, principals, shareholders, advisors, attorneys, actuaries, financial advisors, accountants, investment bankers, agents, arrangers, professionals, investment managers, fund advisors, and representatives of each of the foregoing Persons and Entities and their respective affiliates (whether current or former, in each case, in his, her, or its capacity as such), together with their respective successors and assigns.

98. ***Releasing Parties*** means, collectively, and each solely in its capacity as such: (a) each Released Party; (b) each Holder of a Claim that either (i) votes to accept the Plan, (ii) is conclusively deemed to have accepted the Plan, or (iii) receives a Ballot but abstains from voting on the Plan; (c) each Holder of a Claim entitled to vote who votes to reject the Plan and does not check the appropriate box on such Holder's timely submitted Ballot to indicate such Holder opts out of the releases set forth in Article 12.4 of the Plan; (d) each Holder of a Claim or Equity Interest deemed to have rejected the Plan but does not send a notice to the Debtors to opt out of the releases set forth in Article 12.4 of the Plan; and (e) all other Holders of Claims and Equity Interests to the extent permitted by law.

99. ***Reorganized Debtor*** means a Debtor as reorganized under the Plan, and any successor thereto by merger, consolidation, or otherwise, on or after the Effective Date.

100. ***Reorganized Verso Corporation*** means Verso Corporation as reorganized under the Plan, and any successor thereto by merger, consolidation, or otherwise, on or after the Effective Date.

101. ***Restructuring Support Agreement*** means that certain agreement, dated as of January 26, 2016, inclusive of all exhibits thereto, by and among the Debtors, certain members of the Ad Hoc NewPage Term Lender Group, the Informal Committee of Holders of Verso First Lien Debt, and any other Person that may become a party to such agreement pursuant to its terms. A copy of the Restructuring Support Agreement is attached to the Disclosure Statement as Exhibit [•].

102. ***Restructuring Transactions*** means those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, or other corporate transactions that the Debtors reasonably determine to be necessary or desirable to implement the Plan, including, among other things, the issuance of the New Common Stock and Plan Warrants.

103. ***Retained Actions*** has the meaning set forth in Article 9.4 of this Plan.

104. ***Schedule of Rejected Contracts and Leases*** means a schedule of the executory contracts and unexpired leases to be rejected pursuant to section 365 of the Bankruptcy Code and Article 10.1 hereof.

105. ***Schedules*** means the schedules of assets and liabilities filed by each of the Debtors on March [•], 2016 as required by section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, including any supplements or amendments thereto through the Confirmation Date.

106. ***Secured Claim*** means a Claim against any Debtor that is secured by a valid, perfected, and enforceable Lien on, or security interest in, property of such Debtor, or that has the benefit of rights of setoff under section 553 of the Bankruptcy Code, but only to the extent of the value of the Holder's interest in such Debtor's interest in such property, or to the extent of the amount subject to setoff, the value of which shall be determined as provided in section 506 of the Bankruptcy Code.

107. ***Section 510(b) Claim*** means any Claim arising from the rescission of a purchase or sale of a security of the Debtors or an affiliate of the Debtors, for damages arising from the purchase or sale of such security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such Claim.

108. ***Securities Act*** means the Securities Act of 1933, and all rules and regulations promulgated thereunder.

109. ***Shared Services Agreement*** means that Shared Services Agreement, dated as of January 7, 2015, among Verso Corporation, NewPage Holdings Inc., and NewPage Corporation.

110. ***Unimpaired*** means, with respect to any Claim or Equity Interest, or a Class of Claims or Equity Interests, that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

111. ***Verso 1.5 Lien Notes*** means the 11.75% senior secured notes due 2019 issued pursuant to the Verso 1.5 Lien Notes Indenture.

112. ***Verso 1.5 Lien Notes Claims*** means any Claim arising under, derived from, or based on the Verso 1.5 Lien Notes Indenture.

113. ***Verso 1.5 Lien Notes Indenture*** means that certain indenture, dated as of May 11, 2012, by and among Verso Paper Holdings LLC and Verso Paper Inc., as issuers, and the Verso 1.5 Lien Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

114. ***Verso 1.5 Lien Notes Trustee*** means Wilmington Trust N.A., as trustee under the Verso 1.5 Lien Notes Indenture.

115. ***Verso 2012 First Lien Notes*** means the 11.75% senior secured notes due 2019 issued pursuant to the Verso 2012 First Lien Notes Indenture.

116. ***Verso 2012 First Lien Notes Claims*** means any Claim arising under, derived from, or based on the Verso 2012 First Lien Notes Indenture.

117. ***Verso 2012 First Lien Notes Deficiency Claims*** means the unsecured portion of the Verso 2012 First Lien Notes Claims, as determined pursuant to section 506(a) of the Bankruptcy Code.

118. ***Verso 2012 First Lien Notes Indenture*** means that certain indenture, dated as of March 21, 2012, by and among Verso Paper Holdings LLC and Verso Paper Inc. as issuers, and the Verso 2012 First Lien Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

119. ***Verso 2012 First Lien Notes Trustee*** means U.S. Bank, N.A., as successor trustee under the Verso 2012 First Lien Notes Indenture.

120. ***Verso 2015 First Lien Notes*** means the 11.75% senior secured notes due 2019 issued pursuant to the Verso 2015 First Lien Notes Indenture.

121. ***Verso 2015 First Lien Notes Claims*** means any Claim arising under, derived from, or based on the Verso 2015 First Lien Notes Indenture.

122. ***Verso 2015 First Lien Notes Deficiency Claims*** means the unsecured portion of the Verso 2015 First Lien Notes Claims, as determined pursuant to section 506(a) of the Bankruptcy Code.

123. ***Verso 2015 First Lien Notes Indenture*** means that certain indenture, dated as of January 7, 2015, by and among Verso Paper Holdings LLC and Verso Paper Inc. as issuers, and the Verso 2015 First Lien Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

124. ***Verso 2015 First Lien Notes Trustee*** means U.S. Bank, N.A., as successor trustee under the Verso 2015 First Lien Notes Indenture.

125. ***Verso 2016 Subordinated Unsecured Notes*** means the 11.375% senior subordinated notes due 2016 issued pursuant to the Verso 2016 Subordinated Unsecured Notes Indenture.

126. ***Verso 2016 Subordinated Unsecured Notes Claims*** means any Claim arising under, derived from, or based on the 2016 Subordinated Unsecured Notes Indenture.

127. ***Verso 2016 Subordinated Unsecured Notes Indenture*** means that certain indenture, dated as of August 1, 2006, by and among Verso Paper Holdings LLC and Verso Paper Inc., as issuers, and the Verso 2016 Subordinated Unsecured Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

128. ***Verso 2016 Subordinated Unsecured Notes Trustee*** means Wilmington Savings Fund Society, as successor trustee under the Verso 2016 Subordinated Unsecured Notes Indenture.

129. ***Verso 2020 Subordinated Unsecured Notes*** means the adjustable rate senior subordinated notes due 2020 issued pursuant to the Verso 2020 Subordinated Unsecured Notes Indenture.

130. ***Verso 2020 Subordinated Unsecured Notes Claims*** means any Claim arising under, derived from, or based on the Verso 2020 Subordinated Unsecured Notes Indenture.

131. ***Verso 2020 Subordinated Unsecured Notes Indenture*** means that certain indenture, dated as of August 1, 2014, by and among Verso Paper Holdings LLC and Verso Paper Inc., as issuers, and the Verso 2020 Subordinated Unsecured Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

132. ***Verso 2020 Subordinated Unsecured Notes Trustee*** means Wilmington Savings Fund Society, as successor trustee under the Verso 2020 Subordinated Unsecured Notes Indenture.

133. ***Verso Asset-Based Revolving Credit Agreement*** means that certain Asset-Based Revolving Credit Agreement, dated as of May 4, 2012, by and among Verso Paper Finance Holdings LLC, Verso Paper Holdings LLC, and certain other Verso Debtors party thereto as guarantors, the lenders from time to time party thereto, Citibank, N.A., as administrative agent, and certain other parties, together with all other agreements entered into and documents delivered in connection therewith, including, without limitation, any "Loan Documents" as defined in such agreement, as any of the foregoing may be amended, modified, or supplemented from time to time.

134. ***Verso Cash Flow Agent*** means Credit Suisse AG, Cayman Islands Branch, as administrative agent under the Verso Cash Flow Credit Agreement.

135. ***Verso Cash Flow Claims*** means any Claim arising under, derived from, or based on the Verso Cash Flow Credit Agreement.

136. ***Verso Cash Flow Credit Agreement*** means that certain Credit Agreement, dated as of May 4, 2012, by and among Verso Paper Finance Holdings LLC, Verso Paper Holdings LLC, the lenders party thereto, and the Verso Cash Flow Agent, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

137. ***Verso Cash Flow Deficiency Claims*** means the unsecured portion of the Verso Cash Flow Claims, as determined pursuant to section 506(a) of the Bankruptcy Code.

138. ***Verso Cash Flow Lenders*** means the lenders under the Verso Cash Flow Credit Agreement.

139. ***Verso Debtors*** means Bucksport Leasing LLC, NewPage Holdings Inc., nexTier Solutions Corporation, Verso Androscoggin LLC, Verso Corporation, Verso Fiber Farm LLC, Verso Maine Energy LLC, Verso Paper Finance Holdings LLC, Verso Paper Finance Holdings One LLC, Verso Paper Financing Holdings Inc., Verso Paper Holdings LLC, Verso Paper Inc., Verso Paper LLC, Verso Quinnesec LLC, Verso Quinnesec REP Holding Inc., and Verso Sartell LLC.

140. ***Verso DIP ABL Agent*** means Citibank, N.A. as the administrative agent and collateral agent under the Verso DIP ABL Agreement.

141. ***Verso DIP ABL Agreement*** means the Superpriority Secured Debtor-in-Possession Credit Agreement, dated as of January 26, 2016, by and among Verso Paper Holdings LLC, Verso Paper Finance Holdings LLC, the other Verso Debtors party thereto as guarantors, the lenders thereto from time to time, and the Verso DIP ABL Agent, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

142. ***Verso DIP ABL Claims*** means any and all Claims of the of the applicable DIP Secured Parties under the Verso DIP ABL Agreement, in their capacity as such, arising under, derived from, or based on the Verso DIP ABL Agreement.

143. ***Verso DIP ABL Drawn Letters of Credit*** means, collectively, and as of any date of determination, the outstanding indebtedness equal to the drawn amounts as of such date of determination of any letters of credit issued or deemed issued under the Verso DIP ABL Agreement.

144. ***Verso DIP ABL Undrawn Letters of Credit*** means, collectively, and as of any date of determination, the undrawn portion as of such date of determination of any outstanding letters of credit issued or deemed issued under the Verso DIP ABL Agreement (which undrawn portion includes any automatic increases in the stated amount of such letters of credit, whether or not such increase in the stated amount is in effect at such time).

145. ***Verso DIP Orders*** means, collectively, the *Final Order (I) Authorizing Verso Debtors (A) to Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. §363 and (II) Granting Adequate Protection to Prepetition Secured Parties Pursuant to §§ 361, 362, 363, 364 and 507(b)* [D.I. 373] and the *Interim Order (I) Authorizing Verso Debtors (A) to Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. §363 (II) Granting Adequate Protection to Prepetition Secured Parties Pursuant to §§ 361, 362, 363, 364 and 507(b) and (III) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001(b) and (c)* [D.I. 104].

146. ***Verso First Lien Claims*** means, collectively, the Verso Cash Flow Claims, the Verso 2012 First Lien Notes Claims, and the Verso 2015 First Lien Notes Claims.

147. ***Verso Old Second Lien Notes*** means the 8.75% second priority senior secured notes due 2019 issued pursuant to the Verso Old Second Lien Notes Indenture.

148. ***Verso Old Second Lien Notes Claims*** means any Claim arising under, derived from, or based on the Verso Old Second Lien Notes Indenture.

149. ***Verso Old Second Lien Notes Indenture*** means that certain indenture, dated January 26, 2011, by and among Verso Paper Holdings LLC and Verso Paper Inc., as issuers, and the Verso Old Second Lien Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

150. ***Verso Old Second Lien Notes Trustee*** means Delaware Trust, N.A., as successor trustee under the Verso Old Second Lien Notes Indenture.

151. ***Verso Second Lien Notes*** means the adjustable rate second priority senior secured notes due 2020, issued pursuant to the Verso Second Lien Notes Indenture.

152. ***Verso Second Lien Notes Claims*** means any Claim arising under, derived from, or based on the Verso Second Lien Notes Indenture.

153. ***Verso Second Lien Notes Indenture*** means that certain indenture, dated as of August 1, 2014, by and among Verso Paper Holdings LLC and Verso Paper Inc., as issuers, and the Verso Second Lien Notes Trustee, as amended, modified, or supplemented from time to time, together with all other agreements entered into and documents delivered in connection therewith.

154. ***Verso Second Lien Notes Trustee*** means Wilmington Trust, N.A., as trustee under the Verso Second Lien Notes Indenture.

155. ***Verso Senior Debt Claims*** means, collectively, the Verso 1.5 Lien Notes Claims, Verso Second Lien Notes Claims, and Verso Old Second Lien Notes Claims.

156. ***Verso Subordinated Debt Claims*** means, collectively, the Verso 2016 Subordinated Unsecured Notes Claims and the Verso 2020 Subordinated Unsecured Notes Claims.

157. ***Voting Agent*** means Prime Clerk LLC.

158. ***Voting Deadline*** means 4:00 p.m. (Eastern Daylight Time) on June [•], 2016.

159. ***Warrant Agreement*** means the warrant agreement relating to the Plan Warrants to be entered into on the Effective Date by Reorganized Verso Corporation.

1.2. ***Interpretation, Application of Definitions, and Rules of Construction.***

(a) For purposes of the Plan and unless otherwise specified herein (i) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (ii) any term that it not defined herein, but that is used in the Bankruptcy Code or Bankruptcy Rules, shall have the meaning given to the term in the Bankruptcy Code or Bankruptcy Rules, as applicable; (iii) any reference in the Plan to an existing document, schedule, or exhibit, whether or not filed with the Bankruptcy Court, shall mean such document, schedule, or exhibit, as it may have been or may be amended, modified, or supplemented; (iv) any reference to an Entity as a Holder of a Claim or Equity Interest includes that Entity's permitted successors and assigns; and (v) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, as applicable to the Chapter 11 Cases, unless otherwise stated.

(b) In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

(c) All references in the Plan to monetary figures refer to currency of the United States of America.

ARTICLE II
UNCLASSIFIED CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims, Priority Tax Claims, Verso DIP ABL Claims, NewPage DIP ABL Claims, and NewPage New Money DIP Claims have not been classified for purposes of voting or receiving distributions. Rather, all such Claims are treated separately as unclassified Claims as set forth in this Article II, and the Holders thereof are not entitled to vote on the Plan.

2.1 ***Administrative Expense Claims.***

(a) Filing Administrative Expense Claims. The Holder of an Administrative Expense Claim, other than (i) a Claim covered by Article 2.2, (ii) a liability incurred and payable in the ordinary course of business by a Debtor after the Petition Date, (iii) an Administrative Expense Claim that has been Allowed on or before the Administrative Expense Claim Bar Date, or (iv) a NewPage DIP ABL Claim, a NewPage DIP Term Loan Claim, or a Verso DIP ABL Claim, must file and serve on the Reorganized Debtors a request for payment of such Administrative Expense Claim so that it is received no later than the Administrative Expense Claim Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of the Effective Date. **Holders required to file and serve, who fail to file and serve, a request for payment of Administrative Expense Claims by the Administrative Expense Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such**

Administrative Expense Claims against the Debtors or Reorganized Debtors and their property, and such Administrative Expense Claims shall be deemed discharged as of the Effective Date. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article 12.6 hereof. Notwithstanding the foregoing, pursuant to section 503(b)(1)(D) of the Bankruptcy Code, no governmental unit shall be required to file a request for payment of any Administrative Expense Claim of a type described in sections 503(b)(1)(B) or 503(b)(1)(C) of the Bankruptcy Code as a condition to such Claim being Allowed.

(b) Allowance of Administrative Expense Claims. An Administrative Expense Claim, with respect to which a request for payment has been properly and timely filed pursuant to Article 2.1(a) shall become an Allowed Administrative Expense Claim if no objection to such request is filed with the Bankruptcy Court and served on the Debtors and the requesting party on or before the 120th day after the Effective Date, as the same may be modified or extended by order of the Bankruptcy Court. If an objection is timely filed, the Administrative Expense Claim shall become an Allowed Administrative Expense Claim only to the extent allowed by Final Order or as such Claim is settled, compromised, or otherwise resolved pursuant to Article 9.4.

(c) Payment of Allowed Administrative Expense Claims. Except to the extent that an Administrative Expense Claim has already been paid during the Chapter 11 Cases or the Holder of an Allowed Administrative Expense Claim agrees to a less favorable treatment, and except as provided in Article 2.2, each Holder of an Allowed Administrative Expense Claim against the Debtors shall receive, in full and complete settlement, release, and discharge of such Claim, Cash equal to the unpaid amount of such Allowed Administrative Expense Claim on the latest of (i) the Effective Date or as soon thereafter as reasonably practicable; (ii) 30 days after the date on which such Administrative Expense Claim becomes Allowed; (iii) the date on which such Administrative Expense Claim becomes due and payable in the ordinary course of the Debtors' business in accordance with the terms and subject to the conditions of any agreements or understandings governing, or other documents relating to, such Allowed Administrative Expense Claim; and (iv) such other date as may be agreed to by such Holder and the Debtors or Reorganized Debtors.

2.2 ***Professional Fees.***

(a) Final Fee Applications. Each Professional requesting compensation pursuant to sections 327, 328, 330, 331, 363, 503(b), or 1103 of the Bankruptcy Code for services rendered in connection with the Chapter 11 Cases before the Effective Date shall (i) file with the Bankruptcy Court, and serve on the Reorganized Debtors, an application for allowance of final compensation and reimbursement of expenses in the Chapter 11 Cases on or before the forty-fifth (45th) day following the Effective Date, and (ii) after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and Bankruptcy Rules and any prior orders of the Bankruptcy Court in the Chapter 11 Cases, be paid in full, in Cash, in such amounts as are Allowed.

(b) Ordinary Course Professional Fees and Expenses. The immediately preceding paragraph shall not affect any professional-service Entity that is permitted to receive, and the Debtors are permitted to pay without seeking further authority from the Bankruptcy Court, compensation for services and reimbursement of professional fees and expenses in the ordinary course of business (and in accordance with any relevant prior order of the Bankruptcy Court), the payments for which may continue notwithstanding the occurrence of confirmation of the Plan.

(c) Post-Effective Date Fees and Expenses. From and after the Effective Date, the Reorganized Debtors may, upon submission of appropriate documentation and in the ordinary course of business, pay the post-Effective Date charges incurred by the Reorganized Debtors for any Professional's

fees, disbursements, expenses, or related support services without application to or approval from the Bankruptcy Court. On the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors may employ and pay any Professional for fees and charges incurred from and after the Effective Date in the ordinary course of business without any notice to or approval of the Bankruptcy Court.

2.3 ***Verso DIP ABL Claims.***

On the Effective Date, except to the extent that the Holder of a Verso DIP ABL Claim agrees to less favorable treatment, in exchange for the full and complete settlement, release, and discharge of such Claim (subject to the last sentence of this Article 2.3), each Holder of a Verso DIP ABL Claim shall receive an amount in Cash (except as otherwise expressly provided in this Article 2.3 with respect to Claims in respect of the face amount of any Verso DIP ABL Undrawn Letter of Credit) equal to the Allowed amount of such Claim and all commitments under the Verso DIP ABL Agreement shall terminate. For the avoidance of doubt, Verso DIP ABL Claims shall be Allowed in an aggregate principal amount with respect to drawn amounts under the Verso DIP ABL Drawn Letters of Credit and undrawn amounts under the Verso DIP ABL Undrawn Letters of Credit, respectively (plus any unpaid accrued interest, letter of credit fees, and unpaid fees, expenses and other obligations under the Verso DIP ABL Agreement as of the Effective Date). Any Verso DIP ABL Undrawn Letter of Credit will be (a) replaced with a new letter of credit to be issued pursuant to the Exit ABL Agreement (which replacement, with respect to any Verso DIP ABL Undrawn Letter of Credit, shall only be deemed effective to the extent such Verso DIP ABL Undrawn Letter of Credit is returned to the issuer thereof undrawn or otherwise cancelled, in any such case, in a manner reasonably satisfactory to the issuer thereof and the Verso DIP ABL Agent), (b) deemed a letter of credit issued under the Exit ABL Agreement in an equal stated face amount (*provided*, that (x) all provisions governing letters of credit in the Exit ABL Agreement are in form and substance satisfactory to the issuer thereof and (y) the issuer thereof shall have no obligation after such deemed issuance to renew, amend, extend or otherwise modify any such letter of credit so deemed issued unless otherwise agreed by such issuer), (c) with the consent of the issuer thereof, extended beyond the termination of the Verso DIP ABL Agreement in accordance with the terms thereof including, for the avoidance of doubt, with respect to cash collateralization and/or (d) otherwise treated in a manner acceptable to the issuer thereof. Upon treatment of each Verso DIP ABL Undrawn Letter of Credit in accordance with the preceding sentence, any Verso DIP ABL Claim corresponding to such Verso DIP ABL Undrawn Letter of Credit shall be deemed satisfied in full (excluding fees and expenses accrued thereon in accordance with the Verso DIP ABL Agreement). Upon the indefeasible payment or satisfaction in full in Cash of the Verso DIP ABL Claims (other than any Verso DIP ABL Claims based on the Debtors' contingent obligations under the Verso DIP ABL Agreement for which no claim has been made) in accordance with the terms of this Plan, on the Effective Date all liens and security interests granted to secure such obligations shall be terminated and of no further force and effect, except that, to the extent that any letter of credit issued under the Verso DIP ABL Agreement has been cash collateralized, any lien or security interest in such cash collateral in favor of the issuer of such letter of credit shall not be terminated, released or otherwise affected. The Debtors' contingent or unliquidated obligations under the Verso DIP ABL Agreement, to the extent not indefeasibly paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner acceptable to the Verso DIP ABL Agent, any affected lender under the Verso DIP ABL Agreement or any other Holder of a Verso DIP ABL Claim, as applicable, shall survive the Effective Date and shall not be released or discharged pursuant to the Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary.

2.4 ***NewPage DIP ABL Claims.***

On the Effective Date, except to the extent that the Holder of a NewPage DIP ABL Claim agrees to less favorable treatment, in exchange for the full and complete settlement, release, and discharge of such Claim (subject to the last sentence of this Article 2.4), each Holder of a NewPage DIP ABL Claim shall receive an amount in Cash (except as otherwise expressly provided in this Article 2.4 with respect to Claims in respect of the face amount of any NewPage DIP ABL Undrawn Letter of Credit) equal to the Allowed amount of such Claim and all commitments under the NewPage DIP ABL Agreement shall terminate. For the avoidance of doubt, NewPage DIP ABL Claims shall be Allowed in an aggregate principal amount with respect to drawn amounts under the NewPage DIP ABL Drawn Letters of Credit and undrawn amounts under the NewPage DIP ABL Undrawn Letters of Credit, respectively (plus any unpaid accrued interest, letter of credit fees, and unpaid fees, expenses and other obligations under the NewPage DIP ABL Agreement as of the Effective Date). Any NewPage DIP ABL Undrawn Letter of Credit will be (a) replaced with a new letter of credit to be issued pursuant to the Exit ABL Agreement (which replacement, with respect to any NewPage DIP ABL Undrawn Letter of Credit, shall only be deemed effective to the extent such NewPage DIP ABL Undrawn Letter of Credit is returned to the issuer thereof undrawn or otherwise cancelled, in any such case, in a manner reasonably satisfactory to the issuer thereof and the NewPage DIP ABL Administrative Agent), (b) deemed a letter of credit issued under the Exit ABL Agreement in an equal stated face amount (*provided*, that (x) all provisions governing letters of credit in the Exit ABL Agreement are in form and substance satisfactory to the NewPage DIP ABL Administrative Agent and (y) the issuer thereof shall have no obligation after such deemed issuance to renew, amend, extend or otherwise modify any such letter of credit so deemed issued unless otherwise agreed by such issuer), (c) with the consent of the NewPage DIP ABL Administrative Agent, extended beyond the termination of the NewPage DIP ABL Agreement in accordance with the terms thereof including, for the avoidance of doubt, with respect to cash collateralization and/or (d) otherwise treated in a manner acceptable to the NewPage DIP ABL Administrative Agent. Upon treatment of each NewPage DIP ABL Undrawn Letter of Credit in accordance with the preceding sentence, any NewPage DIP ABL Claim corresponding to such NewPage DIP ABL Undrawn Letter of Credit shall be deemed satisfied in full (excluding fees and expenses accrued thereon in accordance with the NewPage DIP ABL Agreement). Upon the indefeasible payment or satisfaction in full in Cash of the NewPage DIP ABL Claims (other than any NewPage DIP ABL Claims based on the Debtors' contingent obligations under the NewPage DIP ABL Agreement for which no claim has been made) in accordance with the terms of this Plan, on the Effective Date all liens and security interests granted to secure such obligations shall be terminated and of no further force and effect, except that, to the extent that any letter of credit issued under the NewPage DIP ABL Agreement has been cash collateralized, any lien or security interest in such cash collateral in favor of the issuer of such letter of credit shall not be terminated, released or otherwise affected. The Debtors' contingent or unliquidated obligations under the NewPage DIP ABL Agreement, to the extent not indefeasibly paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner acceptable to the NewPage DIP ABL Administrative Agent, any affected lender under the NewPage DIP ABL Agreement or any other Holder of a NewPage DIP ABL Claim, as applicable, shall survive the Effective Date and shall not be released or discharged pursuant to the Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary.

2.5 ***NewPage New Money DIP Claims.***

On the Effective Date, except to the extent that the Holder of a NewPage New Money DIP Claim agrees to less favorable treatment, in exchange for the full and complete settlement, release, and discharge of such Claim (subject to the last sentence of this Article 2.5), each Holder of a NewPage New Money DIP Claim shall receive an amount in Cash equal to the Allowed amount of such Claim. Upon payment or satisfaction in full of the NewPage New Money DIP Claims (other than any NewPage New Money DIP Claims based on the Debtors' contingent or unliquidated obligations under the NewPage

DIP Term Loan Agreement) in accordance with the terms of this Plan, on the Effective Date all liens and security interests granted to secure such obligations shall be terminated and of no further force and effect. The Debtors' contingent or unliquidated obligations under the NewPage DIP Term Loan Agreement constituting NewPage New Money DIP Claims, to the extent not paid in full in Cash on the Effective Date or otherwise satisfied by the Debtors in a manner reasonably acceptable to the NewPage Term DIP Agent, shall survive the Effective Date and shall not be released or discharged pursuant to the Plan or Confirmation Order, notwithstanding any provision hereof or thereof to the contrary.

2.6 ***Priority Tax Claims.***

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, each Holder of an Allowed Priority Tax Claim against the Debtors shall receive, in full and complete settlement, release, and discharge of such Claim, Cash equal to the unpaid amount of such Allowed Priority Tax Claim on the latest of (a) the Effective Date or as soon thereafter as reasonably practicable; (b) 30 days after the date on which such Priority Tax Claim becomes Allowed; (c) the date on which such Priority Tax Claim becomes due and payable; and (d) such other date as may be mutually agreed to by and among such Holder and the Debtors or Reorganized Debtors; *provided*, *however*, that the Reorganized Debtors shall be authorized, at their option, and in lieu of payment in full, in Cash, of an Allowed Priority Tax Claim as provided above, to make deferred Cash payments on account thereof in the manner and to the extent permitted under section 1129(a)(9)(C) of the Bankruptcy Code.

ARTICLE III
CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS

The following tables designate the Classes of Claims against, and Equity Interests in, each of the Debtors, and specify which Classes are (a) Impaired or Unimpaired; (b) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code; and (c) deemed to accept or reject the Plan. A Claim or portion thereof is classified in a particular Class only to the extent that such Claim or portion thereof qualifies within the description of such Class and is classified in a different Class to the extent that the portion of such Claim qualifies within the description of such different Class.

3.1 ***Class Identification.***

The Plan constitutes a separate Plan proposed by each Debtor. Therefore, the classifications set forth below apply separately to each applicable Debtor. To the extent that a Class contains Claims or Equity Interests only with respect to one or more particular Debtor(s), such Class applies only to such Debtor(s), and to the extent that a specified Class does not include any Allowed Claims or Allowed Equity Interests with respect to one or more particular Debtor, then such Class shall be deemed not to exist as to such Debtor.

Claims against and Equity Interests in each Debtor are classified as follows:

Class	Description	Impairment	Entitled to Vote
1	Other Secured Claims	Unimpaired	No (deemed to accept)
2	Priority Non-Tax Claim	Unimpaired	No (deemed to accept)
3	Verso First Lien Claims	Impaired	Yes
4	Verso Senior Debt Claims	Impaired	Yes

Class	Description	Impairment	Entitled to Vote
5	Verso Subordinated Debt Claims	Impaired	Yes
6	NewPage Roll-Up DIP Claims	Impaired	Yes
7	NewPage Term Loan Claims	Impaired	Yes
8	General Unsecured Claims Against Asset Debtors	Impaired	Yes
9	General Unsecured Claims Against *De Minimis* Asset Debtors	Impaired	No (deemed to reject)
10	Intercompany Claims	Unimpaired/ Impaired	No (deemed to accept or reject)
11	Section 510(b) Claims	Impaired	No (deemed to reject)
12	Equity Interests in Verso Corporation	Impaired	No (deemed to reject)

ARTICLE IV
TREATMENT OF CLAIMS AND EQUITY INTERESTS

4.1 ***Other Secured Claims (Class 1).***

(a) Classification. Class 1 consists of all Other Secured Claims.

(b) Treatment. Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor(s) and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; (ii) delivery of collateral securing any such Claim; (iii) reinstatement pursuant to section 1124 of the Bankruptcy Code; or (iv) other treatment rendering such Claim Unimpaired.

(c) Impairment and Voting. Class 1 is Unimpaired. Holders of Claims in Class 1 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, and accordingly, are not entitled to vote to accept or reject the Plan.

4.2 ***Priority Non-Tax Claims (Class 2).***

(a) Classification. Class 2 consists of all Priority Non-Tax Claims.

(b) Treatment. Except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, on the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Priority Non-Tax Claim shall receive, at the option of the applicable Debtor(s) and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; or (ii) other treatment rendering such Claim Unimpaired.

(c) Impairment and Voting. Class 2 is Unimpaired. Holders of Claims in Class 2 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, and accordingly, are not entitled to vote to accept or reject the Plan.

4.3 ***Verso First Lien Claims (Class 3).***

(a) Classification. Class 3 consists of all Verso Cash Flow Claims, Verso 2012 First Lien Notes Claims, and Verso 2015 First Lien Notes Claims.

(b) Allowance.

(i) The Verso Cash Flow Claims are Allowed in the aggregate amount of $[•].

(ii) The Verso 2012 First Lien Notes Claims are Allowed in the aggregate amount of $[•].

(iii) The Verso 2015 First Lien Notes Claims are Allowed in the aggregate amount of $[•].

(c) Treatment. On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Verso First Lien Claim shall receive on account of its Secured Claim, in full and complete settlement, release, and discharge of, and in exchange for, such Secured Claim, its Pro Rata share of (i) 50% of the Plan Equity Consideration and (ii) 100% of the Plan Warrants.

(d) Impairment and Voting. Class 3 is Impaired. Holders of Claims in Class 3 are entitled to vote to accept or reject the Plan.

4.4 ***Verso Senior Debt Claims (Class 4).***

(a) Classification. Class 4 consists of all Verso 1.5 Lien Notes Claims, Verso Second Lien Notes Claims, and Verso Old Second Lien Notes Claims.

(b) Allowance.

(i) The Verso 1.5 Lien Notes Claims are Allowed in the aggregate amount of $[•].

(ii) The Verso Second Lien Notes Claims are Allowed in the aggregate amount of $[•].

(iii) The Verso Old Second Lien Notes Claims are Allowed in the aggregate amount of $[•].

(c) Treatment. On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Verso Senior Debt Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim, its Pro Rata share of 2.85% of the Plan Equity Consideration.

(d) Impairment and Voting. Class 4 is Impaired. Holders of Claims in Class 4 are entitled to vote to accept or reject the Plan.

4.5 ***Verso Subordinated Debt Claims (Class 5).***

(a) Classification. Class 5 consists of all Verso 2016 Subordinated Unsecured Notes Claims and Verso 2020 Subordinated Unsecured Notes Claims.

(b) Allowance.

(i) The Verso 2016 Subordinated Unsecured Notes Claims are Allowed in the aggregate amount of $[•].

(ii) The Verso 2020 Subordinated Unsecured Notes Claims are Allowed in the aggregate amount of $[•].

(c) Treatment. On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Verso Subordinated Debt Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim, its Pro Rata share of 0.15% of the Plan Equity Consideration.

(d) Impairment and Voting. Class 5 is Impaired. Holders of Claims in Class 5 are entitled to vote to accept or reject the Plan.

4.6 ***NewPage Roll-Up DIP Claims (Class 6).***

(a) Classification. Class 6 consists of all NewPage Roll-Up DIP Claims.

(b) Allowance. The NewPage Roll-Up DIP Claims are Allowed in the aggregate amount of $[•].

(c) Treatment. On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed NewPage Roll-Up DIP Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim, its Pro Rata share of the NewPage Roll-Up DIP Claim Consideration.

(d) Impairment and Voting. Class 6 is Impaired. Holders of Claims in Class 6 are entitled to vote to accept or reject the Plan.

4.7 ***NewPage Term Loan Claims (Class 7).***

(a) Classification. Class 7 consists of all NewPage Term Loan Claims.

(b) Allowance. The NewPage Term Loan Claims are Allowed in the aggregate amount of $[•].

(c) Treatment. On the Effective Date or as soon thereafter as practicable, each Holder of an Allowed NewPage Term Loan Claim shall receive on account of its Secured Claim, in full and complete settlement, release, and discharge of, and in exchange for, such Secured Claim, its Pro Rata share of the NewPage Term Loan Claim Consideration.

(d) Impairment and Voting. Class 7 is Impaired. Holders of Claims in Class 7 are entitled to vote to accept or reject the Plan.

4.8 ***General Unsecured Claims Against Asset Debtors (Class 8).***

(a) Classification. Class 8 consists of all General Unsecured Claims Against Asset Debtors.

(b) Treatment. Except to the extent that a Holder of an Allowed General Unsecured Claim Against Asset Debtors agrees to less favorable treatment, on the Effective Date or as soon thereafter as practicable, each Holder of an Allowed General Unsecured Claim Against Asset Debtors shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Claim [•].[2]

(c) Impairment and Voting. Class 8 is Impaired. Holders of Claims in Class 8 are entitled to vote to accept or reject the Plan.

4.9 *General Unsecured Claims Against De Minimis Asset Debtors (Class 9).*

(a) Classification. Class 9 consists of all General Unsecured Claims Against *De Minimis* Asset Debtors.

(b) Treatment. Holders of a General Unsecured Claim Against *De Minimis* Asset Debtors shall not receive or retain any interest or property on account of such Claims.

(c) Impairment and Voting. Class 9 is Impaired. Holders of Claims in Class 9 are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code, and accordingly, are not entitled to vote to accept or reject the Plan.

4.10 *Intercompany Claims (Class 10).*

(a) Classification. Class 10 consists of all Intercompany Claims.

(b) Treatment. On the Effective Date, Allowed Intercompany Claims shall be, at the option of the Debtors, (i) reinstated and treated in the ordinary course of business; or (ii) cancelled and discharged without any distribution on account of such Claims; *provided that* all Claims related to the Shared Services Agreement shall be deemed cancelled, released, and discharged as set forth in Article 6.12 of the Plan.

(c) Impairment and Voting. Claims in Class 10 are Unimpaired if reinstated or Impaired if cancelled. Holders of Claims in Class 10 are conclusively presumed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, and accordingly, are not entitled to vote to accept or reject the Plan.

4.11 *Section 510(b) Claims (Class 11).*

(a) Classification. Class 11 consists of all Section 510(b) Claims.

(b) Treatment. On the Effective Date, each Section 510(b) Claim shall be cancelled and released without any distribution on account of such Claim.

(c) Impairment and Voting. Class 11 is Impaired. Holders of Claims in Class 11 are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code, and accordingly, are not entitled to vote to accept or reject the Plan.

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[2] To be provided in advance of the objection deadline for the motion to approve the Disclosure Statement, and to take into consideration investigation of estate causes of action and further discussions among the Debtors, the Committee, the Consenting Creditor Groups, and other parties in interest.

4.12 ***Equity Interests in Verso Corporation (Class 12).***

(a) Classification. Class 12 consists of all Equity Interests in Verso Corporation.

(b) Treatment. On the Effective Date, all Equity Interests in Verso Corporation shall be cancelled and extinguished without further notice, approval, or action.

(c) Impairment and Voting. Class 12 is Impaired. Holders of Equity Interests in Class 12 are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code, and accordingly, are not entitled to vote to accept or reject the Plan.

ARTICLE V
ACCEPTANCE OR REJECTION OF THE PLAN; EFFECT OF REJECTION BY ONE OR MORE CLASSES OF CLAIMS OR EQUITY INTERESTS

5.1 ***Class Acceptance Requirement.***

Pursuant to section 1126(c) of the Bankruptcy Code, and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted the Plan if it is accepted by at least two thirds (2/3) in dollar amount and more than one-half (1/2) in number of Holders of the Allowed Claims in such Class that have voted on the Plan.

5.2 ***Separate Plans.***

For purposes of voting on this Plan and receiving Plan Distributions, votes will be tabulated separately for each Debtor's Plan, and Plan Distributions will be made to each Class as provided in that Debtor's Plan. A Claim against multiple Debtors, to the extent Allowed against each respective Debtor, shall be treated as a separate Claim against each such Debtor for all purposes (including voting and Plan Distributions). Notwithstanding the foregoing, the Debtors reserve the right to seek to substantively consolidate any two or more Debtors, provided that, such substantive consolidation does not materially and adversely impact the amount of the Plan Distributions to any Person.

5.3 ***Deemed Acceptance by Non-Voting Classes.***

If a Class contains Claims or Equity Interests eligible to vote and no Holder of a Claim or Equity Interest eligible to vote in such Class votes to accept or reject the Plan, the Plan shall be deemed accepted by such Class.

5.4 ***Elimination of Vacant Classes.***

Any Class of Claims or Equity Interests that does not have at least one Holder of an Allowed Claim or Allowed Equity Interest or a Claim or Equity Interest temporarily Allowed as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan pursuant to section 1129(a)(8) of the Bankruptcy Code.

5.5 ***Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code.***

Because certain Classes are deemed to have rejected this Plan, the Debtors seek confirmation of this Plan under section 1129(b) of the Bankruptcy Code with respect to such Classes. Subject to Article 14.7 of the Plan, the Debtors reserve the right, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld), to alter, amend, modify, revoke, or withdraw this Plan

or any related document in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code. The Debtors also reserve the right to request confirmation of the Plan, as it may be modified, supplemented or amended from time to time, with respect to any Class that affirmatively votes to reject the Plan.

5.6 ***Severability of Plans*.**

A failure to confirm any one or more of the Debtors' Plans shall not affect other Plans confirmed by the Bankruptcy Court, but the Debtors reserve the right, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld) and the DIP Agents (not to be unreasonably withheld), to withdraw any and all Plans if any one or more Plan(s) is not confirmed.

ARTICLE VI
MEANS FOR IMPLEMENTATION OF THE PLAN

6.1 ***Compromise of Controversies*.**

In consideration for the Plan Distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan constitute a good faith compromise and settlement of all Claims, Equity Interests, and controversies relating to any Allowed Claim or Equity Interest or any Plan Distribution to be made on account thereof or otherwise resolved under the Plan, including, without limitation:

(a) Any challenge to the amount, validity, perfection, enforceability, priority or extent of the NewPage Term Loan Claims, the Verso First Lien Claims or the Verso Senior Debt Claims, or to any Lien securing the NewPage Term Loan Claims, the Verso First Lien Claims or the Verso Senior Debt Claims; and

(b) Any claim to avoid, subordinate or disallow any NewPage Term Loan Claim, Verso First Lien Claim, or Verso Senior Debt Claim, or any Lien securing the NewPage Term Loan Claims, the Verso First Lien Claims or the Verso Senior Debt Claims, whether under any provision of chapter 5 of the Bankruptcy Code, on any equitable theory (including, without limitation, equitable subordination, equitable disallowance, or unjust enrichment) or otherwise.

The Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Equity Interests, and controversies pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable and in the best interests of the Debtors and their Estates. All Plan Distributions made in accordance with the Plan are intended to be, and shall be, final.

6.2 ***Restructuring Transactions*.**

On or after the Effective Date, the Debtors or the Reorganized Debtors shall be authorized to enter into the Restructuring Transactions. In connection therewith, the Debtors, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld), and the Reorganized Debtors, as applicable, may take other actions as may be necessary or appropriate to effect a corporate restructuring of their businesses, to otherwise simplify the overall corporate structure of the Debtors or Reorganized Debtors, or to organize certain of the Debtors or Reorganized Debtors under the laws of jurisdictions other than the laws of which such Debtors currently are organized, which restructuring may

include one or more mergers, consolidations, dispositions, liquidations, or dissolutions as may be determined by the Debtors or Reorganized Debtors to be necessary or appropriate to result in substantially all of the respective assets, properties, rights, liabilities, duties, and obligations of certain of the Debtors vesting in one or more surviving, resulting, or acquiring Entities. In each case in which the surviving, resulting, or acquiring Entity in any such transaction is a successor to a Debtor, such surviving, resulting, or acquiring Entity shall perform the obligations of such Debtor pursuant to the Plan to satisfy the Allowed Claims against such Debtor, except as provided in any contract, instrument, or other agreement or document effecting a disposition to such surviving, resulting, or acquiring Entity, which may provide that another Debtor or Reorganized Debtor shall perform such obligations.

The actions to implement the Restructuring Transactions may include: (a) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (c) the filing of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, dissolution, or other organizational documents pursuant to applicable state law; and (d) all other actions that the applicable Entities determine to be necessary or advisable, including making filings or recordings that may be required by law in connection with the Plan.

6.3 ***Sources of Consideration for Plan Distributions*.**

The Debtors shall fund Plan Distributions, as applicable, with: (a) Cash on hand; (b) Cash generated from the Reorganized Debtors' operations; (c) the proceeds of the Exit Credit Agreements; (d) the New Common Stock; and (e) the Plan Warrants. Each Plan Distribution and issuance referred to in Article 8 of the Plan shall be governed by the terms and conditions set forth herein applicable to such Plan Distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such Plan Distribution or issuance, which terms and conditions shall bind each Entity receiving such Plan Distribution or issuance.

6.4 ***Exit Credit Agreements*.**

The Reorganized Debtors shall enter into the Exit ABL Facility and the Exit Term Loan Facility. Confirmation of the Plan shall constitute (a) approval of the Exit ABL Facility, the Exit Term Loan Facility, and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and (b) authorization for the Reorganized Debtors to enter into and execute the Exit ABL Agreement, the Exit Term Loan Agreement, and such other documents as may be required or appropriate. On the Effective Date, the Exit ABL Facility (including any letters of credit deemed issued thereunder in accordance with Article 2.3 or 2.4) and the Exit Term Loan Facility, together with any new promissory notes evidencing the obligations of the Reorganized Debtors, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the Reorganized Debtors pursuant to the Exit ABL Facility (including any letters of credit deemed issued thereunder in accordance with Article 2.3 or 2.4), the Exit Term Loan Facility, and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Exit ABL Agreement, the Exit Term Loan Agreement, and related documents.

6.5 ***Equity Interests in Debtor Subsidiaries*.**

Subject to Article 6.2 of the Plan, all Equity Interests in the Debtors other than Verso Corporation shall be unaffected by the Plan and continue in place following the Effective Date, solely for the administrative convenience of maintaining the existing corporate structure of the Debtors and the Reorganized Debtors.

6.6 ***New Common Stock*.**

(a) On the Effective Date, or as soon thereafter as reasonably practicable, Reorganized Verso Corporation shall issue or cause to be issued the New Common Stock for distribution in accordance with the terms of this Plan and the New Constituent Documents without the need of any further corporate or equity holder action.

(b) As soon as reasonably practicable following the Effective Date, after the issuance of the New Common Stock in accordance with this Plan, the New Common Stock shall be qualified for listing on the New York Stock Exchange and shall be registered under section 12(b) of the Exchange Act. Distribution of the New Common Stock may be made by delivery of one or more certificates representing such shares as described herein, by means of book-entry registration on the books of the transfer agent for shares of New Common Stock or by means of mandatory exchange through the facilities of DTC in accordance with the customary practice of DTC.

(c) In the period following the Effective Date and pending distribution of the New Common Stock to any Holder entitled pursuant to this Plan to receive New Common Stock, any such Holder will be entitled to exercise any voting rights and receive any dividends or distributions paid with respect to such Holder's shares of New Common Stock and exercise all of the rights with respect of the New Common Stock (so that such Holder will be deemed for tax purposes to be the owner of the New Common Stock).

6.7 ***Plan Warrants*.**

(a) On the Effective Date, or as soon thereafter as reasonably practicable, Reorganized Verso Corporation shall issue or cause to be issued the Plan Warrants to Holders of Allowed Verso First Lien Claims in accordance with the terms of this Plan and the New Constituent Documents without the need of any further corporate or equity holder action.

(b) Distribution of the Plan Warrants may be made by delivery of one or more certificates representing such Plan Warrants as described herein, by means of book-entry registration on the books of the transfer agent for shares of Plan Warrants or by means of mandatory exchange through the facilities of DTC in accordance with the customary practice of DTC. On and as of the Effective Date, Reorganized Verso Corporation shall enter into and deliver the Warrant Agreement to each Entity that is intended to be a party thereto and such agreement shall be deemed to be valid, binding and enforceable in accordance with its terms, and each party thereto shall be bound thereby, in each case without the need for execution by any party thereto other than Reorganized Verso Corporation.

6.8 ***Registration*.**

(a) On and as of the Effective Date, Reorganized Verso Corporation shall enter into and deliver the Registration Rights Agreement, in form and substance reasonably acceptable to the Consenting Creditor Groups, to each Entity that is intended to be a party thereto and such agreement shall be deemed to be valid, binding and enforceable in accordance with its terms, and each party thereto shall

be bound thereby, in each case without the need for execution by any party thereto other than Reorganized Verso Corporation.

(b) In reliance on section 1145(a) of the Bankruptcy Code, at the time of issuance, none of the shares of New Common Stock or Plan Warrants issued pursuant to the Plan will be registered under section 5 of the Securities Act or any state or other securities laws requiring the notification or registration of securities or a securities offering. Except for the New Common Stock and the Plan Warrants held by "affiliates" of Reorganized Verso Corporation and any Holder deemed to be an "underwriter" under the Bankruptcy Code, the shares of New Common Stock and Plan Warrants distributed pursuant to the Plan will not be "restricted securities" as that term is defined under the Securities Act.

6.9 ***Cancellation of Notes, Instruments, and Equity Interests.***

Except for the purpose of evidencing a right to a Plan Distribution and except as otherwise set forth herein, on the Effective Date, all agreements, instruments, and other documents evidencing, related to or connected with any Claim or Equity Interest and any rights of any Holder in respect thereof, shall be deemed cancelled, discharged, and of no force or effect. Holders of or parties to such cancelled instruments, securities, and other documentation will have no rights arising from or relating to such instruments, securities, and other documentation, or the cancellation thereof, except the rights provided for pursuant to this Plan. Notwithstanding anything to the contrary herein but subject to any applicable provisions of Article 8, each of (a) the Verso DIP ABL Agreement; (b) the NewPage DIP ABL Agreement; (c) the NewPage DIP Term Loan Agreement; (d) the Verso Cash Flow Credit Agreement; (e) the Verso 2012 First Lien Notes Indenture; (f) the Verso 2015 First Lien Notes Indenture; (g) the Verso 1.5 Lien Notes Indenture; (h) the Verso Second Lien Notes Indenture; (i) the Verso Old Second Lien Note Indenture; (j) the Verso 2016 Subordinated Unsecured Notes Indenture; (k) the Verso 2020 Subordinated Unsecured Notes Indenture; and (l) the NewPage Credit Agreement (collectively, (a)-(l) the "Notes and Instruments") shall continue in effect solely to the extent necessary to: (i) permit Holders of Claims under the Notes and Instruments to receive Plan Distributions; (ii) permit the Reorganized Debtors and (a) the NewPage DIP ABL Agents; (b) the Verso DIP ABL Agent; (c) the NewPage DIP Term Loan Agent; (d) the Verso Cash Flow Agent; (e) the Verso 2012 First Lien Notes Trustee; (f) the Verso 2015 First Lien Notes Trustee; (g) the Verso 1.5 Lien Notes Trustee, (h) the Verso 2016 Subordinated Unsecured Notes Trustee; (i) the Verso 2020 Subordinated Unsecured Notes Trustee; (j) the Verso Second Lien Notes Trustee; (k) the Verso Old Second Lien Notes Trustee; and (l) the NewPage Term Loan Agent (collectively (a) to (l) the "Agents and Trustees") to make Plan Distributions on account of the Allowed Claims under the Notes and Instruments, as applicable, and deduct therefrom such reasonable compensation, fees, and expenses due to the applicable Agent and Trustee thereunder or incurred by the applicable Agent or Trustee in making such Plan Distributions; and (iii) permit the Agents and Trustees to seek compensation and/or reimbursement of fees and expenses in accordance with the terms of this Plan. Except as provided in this Plan, on the satisfaction of the Claims under the Notes and Instruments in accordance with the Plan, each of the Agents and Trustees and their respective agents, successors and assigns shall be automatically and fully discharged of all of their duties and obligations associated with the Notes and Instruments, as applicable. The commitments and obligations (if any) of the Prepetition NewPage ABL Secured Parties, the Prepetition NewPage Term Secured Parties, the Prepetition Verso ABL Secured Parties, and/or any of the DIP Secured Parties to extend any further or future credit or financial accommodations to any of the Debtors, any of their respective subsidiaries or any of their respective successors or assigns under any Notes and Instruments, as applicable, shall fully terminate and be of no further force or effect on the Effective Date. To the extent that any provision of the DIP Credit Agreements and DIP Orders are of a type that survives repayment of the subject indebtedness, such provisions shall remain in effect notwithstanding satisfaction of the DIP Claims.

6.10 ***Cancellation of Liens.***

Except as provided otherwise under the Exit Credit Agreements, the DIP Credit Agreements, or this Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all Liens securing any Secured Claim shall be deemed released, and the Holder of such Secured Claim shall be authorized and directed, at the sole cost and expense of the Reorganized Debtors, to release any collateral or other property of any Debtor (including any cash collateral) held by such Holder, and to take such actions as may be reasonably requested by the Reorganized Debtors to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases. The filing of the Confirmation Order with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

6.11 ***Payment of Fees and Expenses Under DIP Orders***

On the later of (a) the Effective Date and (b) the date on which such fees, expenses or disbursements would be required to be paid under the terms of the applicable DIP Order, the Debtors or Reorganized Debtors (as applicable) shall pay all fees, expenses, and disbursements of (i) the Agents and Trustees, (ii) the Ad Hoc NewPage Term Lender Group, and (iii) the Informal Committee of Holders of Verso First Lien Debt, in each case, that have accrued and are unpaid as of the Effective Date and are required to be paid under the applicable DIP Order or pursuant to the Plan. All payments of fees, expenses or disbursements pursuant to this Article 6.11 shall be subject in all respects to the terms of the applicable DIP Orders.

6.12 ***Shared Services Agreement.***

On the Effective Date, the Shared Services Agreement will be terminated without any further action by the parties thereto, and Claims related to the Shared Services Agreement shall be deemed cancelled, released, and discharged. The parties to the Shared Services Agreement will have no rights arising from or relating to such agreement or the termination thereof.

6.13 ***Corporate Action.***

On the Effective Date, all actions contemplated by the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified in all respects without the need for any further corporate or limited liability company action, including, to the extent applicable, (a) the adoption of the New Constituent Documents; (b) the selection of the directors, members, and officers for the Reorganized Debtors; (c) the execution of and entry into the Exit Credit Agreements; (d) the issuance of the New Common Stock and Plan Warrants; (e) the execution of and entry into the Warrant Agreement and the Registration Rights Agreement; (f) the consummation of the Restructuring Transactions contemplated by the Plan and performance of all actions and transactions contemplated thereby; (g) the rejection, assumption, or assumption and assignment, as applicable, of executory contracts and unexpired leases; (h) the adoption of the Management Incentive Plan; and (i) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). On the Effective Date, the appropriate officers, members, and boards of directors of the Reorganized Debtors shall be authorized and directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Reorganized Debtors. The authorizations and approvals contemplated in this Article 6.13 shall be effective notwithstanding any requirements under any applicable non-bankruptcy law.

ARTICLE VII
CORPORATE GOVERNANCE AND MANAGEMENT OF REORGANIZED DEBTORS

7.1 ***Debtors Organizational Matters.***

Except as otherwise provided under the Plan, the Debtors will continue to exist after the Effective Date as Reorganized Debtors in accordance with the applicable laws of the respective jurisdictions in which they are incorporated or organized and pursuant to the New Constituent Documents, for the purposes of satisfying their obligations under the Plan and the continuation of their business. After the Effective Date, the Reorganized Debtors may amend and restate their respective charters, bylaws and/or constituent documents as permitted by the applicable laws of the respective jurisdictions in which they are incorporated or organized.

7.2 ***Directors and Officers of the Reorganized Debtors.***

(a) As of the Effective Date, the term of the current members of the board of directors of the applicable Debtors shall expire, and the initial boards of directors and the officers of each of the Reorganized Debtors shall be appointed in accordance with the respective New Constituent Documents. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in the Plan Supplement to the extent then known the identity and affiliations of any person proposed to serve on the initial board of directors or be an officer of each of the Reorganized Debtors. To the extent any such director or officer of the Reorganized Debtors is an "insider" under the Bankruptcy Code, the Debtors also will disclose the nature of any compensation to be paid to such director or officer.

(b) Unless reappointed pursuant to Article 7.2(a) of the Plan, the members of the board of directors of each Debtor prior to the Effective Date shall have no continuing obligations to the Reorganized Debtors in their capacities as such on and after the Effective Date and each such member shall be deemed to have resigned or shall otherwise cease to be a director of the applicable Debtor on the Effective Date. Commencing on the Effective Date, each of the directors of each of the Reorganized Debtors shall serve pursuant to the terms of the applicable New Constituent Documents of such Reorganized Debtor and may be replaced or removed in accordance with such organizational documents.

(c) On or before the Effective Date, the Debtors on behalf of the Reorganized Debtors will obtain sufficient liability insurance policy coverage for a six-year period for the benefit of the Debtors' and Reorganized Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such directors, managers, officers, and employees than the Debtors' existing coverage for that purpose and with an available aggregate limit of liability on the Effective Date of no less than the aggregate limit of liability under the existing policy or policies for that purpose. After the Effective Date, none of the Debtors or Reorganized Debtors will terminate or otherwise reduce the coverage under any such policy (including any "tail policy") in effect on the Effective Date, with respect to conduct occurring prior thereto and all officers, directors, managers,and employees of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether or not such director, manager, officer, or employee remains in such position or any position after the Effective Date.

(d) In addition, to the fullest extent permitted by applicable law, all indemnification provisions in existence prior to the date on which the Chapter 11 Cases were filed (whether in the by-laws, certificates of incorporation or formation, limited liability company agreements, other organizational documents, board resolutions, indemnification agreements, employment contracts, or otherwise) for any current or former directors, officers, managers, employees, direct and indirect sponsors, shareholders, direct and indirect affiliates, attorneys, accountants, investment bankers, or other

professionals of the Debtors, as applicable, shall be reinstated, assumed, and remain intact and irrevocable and shall survive the Effective Date.

7.3 ***Management Incentive Plan; Employment and Benefit Arrangements.***

(a) On and as of the Effective Date, Reorganized Verso Corporation shall be deemed to have entered into and its stockholders shall be deemed to have approved the Management Incentive Plan. The Management Incentive Plan shall be valid, binding and enforceable in accordance with its terms, and each party thereto shall be bound thereby, in each case without the need for execution or further action by any party thereto. The Management Incentive Plan Securities shall dilute all other New Common Stock to be issued pursuant to this Plan or Plan Warrants. The award recipients, sizes of awards, and other terms and conditions of awards under the Management Incentive Plan shall, subject to any applicable limits under the Management Incentive Plan, be determined by Reorganized Verso Corporation's board of directors (or its delegate) on or after the Effective Date. For the avoidance of doubt any awards granted under the Management Incentive Plan will be governed by such plan and will not be subject to any provisions of the contracts, agreements, policies, programs, arrangements, and plans in Article 7.3(b) below.

(b) The Reorganized Debtors shall honor the Debtors' written contracts, agreements, policies, programs, and plans relating to their employees, including the employment, confidentiality, and non-competition agreements, bonus, gainshare, and incentive programs (other than awards of stock options, restricted stock, restricted stock units, and other equity awards), vacation, holiday pay, severance, retirement, supplemental retirement, executive retirement, pension, deferred compensation, medical, dental, vision, life and disability insurance, flexible spending account, and other health and welfare benefit plans, programs, and arrangements, and all other wage, compensation, employee expense reimbursement, and other benefit obligations of the Debtors; *provided*, *however*, that the Debtors' or Reorganized Debtors' performance of any employment agreement shall not entitle any Person or Entity to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. Subject to the terms of this Article 7.3(b), to the extent such contracts, agreements, policies, programs, and plans are executory contracts within the meaning of section 365 of the Bankruptcy Code, each will be deemed assumed as of the Effective Date.

ARTICLE VIII
PLAN DISTRIBUTIONS

8.1 ***Plan Distributions.***

The Disbursing Agent shall make all Plan Distributions to the appropriate Holders of Allowed Claims in accordance with the terms of this Plan. Plan Distributions to Holders of Verso DIP ABL Claims, NewPage DIP ABL Claims, and NewPage DIP Term Loan Claims, shall be made by (or in coordination with) the applicable Agents and Trustees for the benefit of the applicable Holders in accordance with the applicable documents and, with the consent of the Reorganized Debtors, deemed completed when made to the applicable Agents and Trustees as Disbursing Agent. Plan Distributions to Holders of Verso First Lien Claims, Verso Senior Debt Claims, Verso Subordinated Debt Claims, NewPage Roll-Up DIP Claims, and NewPage Term Loan Claims shall be made by the Reorganized Debtors (or their stock transfer agent or their warrant agent, as applicable) as Disbursing Agent to the applicable Holders (or to Entities at the direction of such Holders). For the avoidance of doubt, Plan Distributions of New Common Stock and Plan Warrants shall not be made to any of the Agents and Trustees, and the Agents and Trustees shall bear no responsibility or liability for any Plan Distributions of New Common Stock or Plan Warrants.

8.2 ***Allocation of Plan Distributions Between Principal and Interest.***

The aggregate consideration to be distributed to the Holders of Allowed Claims under the Plan shall be treated as first satisfying an amount equal to the stated principal amount of the Allowed Claims of such Holders, as determined for federal income tax purposes, and any remaining consideration as satisfying accrued, but unpaid, interest, if any.

8.3 ***No Postpetition Interest on Claims.***

Other than as specifically provided in the Plan, Confirmation Order, or other order of the Bankruptcy Court, or required by applicable bankruptcy or non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claim, and no Holder of a prepetition Claim shall be entitled to interest accruing on such Claim on or after the Petition Date.

8.4 ***Date of Plan Distributions.***

Except as otherwise provided herein, any distributions and deliveries to be made under the Plan shall be made on the Effective Date or as soon as practicable thereafter. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

8.5 ***Distribution Record Date.***

As of the close of business on the Distribution Record Date, the various lists of Holders of Claims in each of the Classes, as maintained by the Debtors, or the applicable Agents and Trustees, shall be deemed closed and there shall be no further changes in the record holders of any of the Claims after the Distribution Record Date. Neither the Debtors nor the Disbursing Agent shall have any obligation to recognize any transfer of Claims occurring after the close of business on the Distribution Record Date. The Debtors and the Reorganized Debtors, as applicable, shall be entitled to recognize and deal for all purposes hereunder only with those Holders stated on the transfer ledgers as of the close of business on the Distribution Record Date, to the extent applicable. For the avoidance of doubt, the Distribution Record Date shall not apply to publicly held securities.

8.6 ***Disbursing Agent.***

(a) Powers of Disbursing Agent. The Disbursing Agent shall be empowered to: (i) effectuate all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (ii) make all applicable Plan Distributions or payments contemplated hereby; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court (including any order issued after the Effective Date), pursuant to this Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

(b) Expenses Incurred On or After the Effective Date. Except as otherwise ordered by the Bankruptcy Court, and subject to the written agreement of the Reorganized Debtors, the amount of any reasonable and documented fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including, without limitation, taxes) and any reasonable compensation and expense reimbursement Claims (including, without limitation, reasonable attorney and other professional fees and expenses) of the Disbursing Agent shall be paid in Cash by the Reorganized Debtors and will not be deducted from Plan Distributions made to Holders of Allowed Claims by the applicable Disbursing Agent. The foregoing fees and expenses shall be paid in the ordinary course, upon presentation of

invoices to the Reorganized Debtors and without the need for approval by the Bankruptcy Court. In the event that the applicable Disbursing Agent and the Reorganized Debtors are unable to resolve a dispute with respect to the payment of the applicable Disbursing Agent's fees, costs, and expenses, the applicable Disbursing Agent may elect to submit any such dispute to the Bankruptcy Court for resolution.

(c) Expenses Incurred by Agents or Trustees. The amount of any reasonable and documented fees and expenses incurred by the Agents or Trustees in connection with making Plan Distributions (including, without limitation, reasonable attorney and other professional fees and expenses) shall be paid in Cash by the Reorganized Debtors and will not be deducted from Plan Distributions made to Holders of Allowed Claims by the applicable Agent or Trustee. The foregoing reasonable and documented fees and expenses shall be paid in the ordinary course, upon presentation of invoices to the Reorganized Debtors and without the need for approval by the Bankruptcy Court. In the event that the applicable Agent or Trustee and the Reorganized Debtors are unable to resolve a dispute with respect to the payment of the applicable Agent or Trustee's reasonable and documented fees, costs, and expenses, the applicable Agent or Trustee may elect to submit any such dispute to the Bankruptcy Court for resolution.

(d) Bond. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court and, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtors. Furthermore, any such entity required to give a bond shall notify the Bankruptcy Court and the U.S. Trustee in writing before terminating any such bond that is obtained.

(e) Cooperation with Disbursing Agent. The Reorganized Debtors shall use all commercially reasonable efforts to provide the Disbursing Agent with the amount of Claims and the identity and addresses of Holders of Claims, in each case, as set forth in the Debtors' and/or Reorganized Debtors' books and records. The Reorganized Debtors will cooperate in good faith with the Disbursing Agent to comply with the reporting and withholding requirements outlined in Article 8.14 hereof.

8.7 ***Delivery of Plan Distribution.***

Subject to the provisions contained in this Article 8, the applicable Disbursing Agent will issue, or cause to be issued, and authenticate, as applicable, all Plan Consideration, and subject to Bankruptcy Rule 9010, make all Plan Distributions or payments to any Holder of an Allowed Claim as and when required by this Plan at: (a) the address of such Holder on the books and records of the Debtors or their agents; or (b) the address in any written notice of address change delivered to the Debtors or the applicable Disbursing Agent, including any addresses included on any filed proofs of Claim or transfers of Claim filed with the Bankruptcy Court. In the event that any Plan Distribution to any Holder is returned as undeliverable, no distribution or payment to such Holder shall be made unless and until the applicable Disbursing Agent has been notified of the then current address of such Holder, at which time or as soon as reasonably practicable thereafter such Plan Distribution shall be made to such holder without interest; *provided*, *however*, such Plan Distributions or payments shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one year from the Effective Date.

With respect to the New Common Stock and the Plan Warrants, all of the New Common Stock and the Plan Warrants shall, to the extent such securities are permitted to be held through DTC's book-entry system, be issued in the name of such Holder or its nominee(s) in accordance with DTC's book-entry mandatory exchange procedures; *provided that* to the extent such New Common Stock or the Plan Warrants, as applicable, are not eligible for distribution in accordance with DTC's customary

practices, Reorganized Verso Corporation will take all such reasonable actions as may be required to cause distributions of the New Common Stock or the Plan Warrants, as applicable, such distributions to be made by delivery of one or more certificates representing such shares as described herein or by means of book-entry registration on the books of the transfer agent for the New Common Stock and the Plan Warrants.

8.8 ***Unclaimed Property.***

One year from the later of: (a) the Effective Date, and (b) the date that a Claim is first Allowed, all unclaimed property or interests in property distributable hereunder on account of such Claim shall revert to the Reorganized Debtors or the successors or assigns of the Reorganized Debtors, and any claim or right of the Holder of such Claim to such property or interest in property shall be discharged and forever barred. The Reorganized Debtors and the Disbursing Agent shall have no obligation to attempt to locate any Holder of an Allowed Claim other than by reviewing the Debtors' books and records, and the proofs of Claim filed against the Debtors, as reflected on the claims register maintained by the Voting Agent.

8.9 ***Satisfaction of Claims.***

Unless otherwise provided herein, any Plan Distributions and deliveries to be made on account of Allowed Claims hereunder shall be in complete settlement, satisfaction and discharge of such Allowed Claims.

8.10 ***Manner of Payment Under Plan.***

Except as specifically provided herein, at the option of the Reorganized Debtors, any Cash payment to be made hereunder may be made by a check or wire transfer or as otherwise required or provided in applicable agreements or customary practices of the Debtors or Reorganized Debtors.

8.11 ***Fractional Shares; De Minimis Cash Distributions.***

Neither the Reorganized Debtors nor the Disbursing Agent shall have any obligation to make a Plan Distribution that is less than $50.00 in Cash. No fractional shares of New Common Stock or Plan Warrants shall be distributed. When any Plan Distribution would otherwise result in the issuance of a number of shares of New Common Stock or Plan Warrants that is not a whole number, the shares of the New Common Stock or Plan Warrants subject to such Distribution will be rounded to the next higher or lower whole number as follows: (a) fractions greater than ½ will be rounded to the next higher whole number; and (b) fractions equal to or less than ½ will be rounded to the next lower whole number. The total number of shares of New Common Stock and Plan Warrants to be distributed on account of Allowed Claims will be adjusted as necessary to account for the rounding provided for in this Plan. No consideration will be provided in lieu of fractional shares that are rounded down. Fractional shares of New Common Stock and Plan Warrants that are not distributed in accordance with this Article 8.11 shall be cancelled.

8.12 ***No Distribution in Excess of Amount of Allowed Claim.***

Notwithstanding anything to the contrary herein, no Holder of an Allowed Claim shall, on account of such Allowed Claim, receive a Plan Distribution of a value in excess of the Allowed amount of such Claim plus any postpetition interest on such Claim, to the extent such interest is permitted by Article 8.2 of this Plan.

8.13 ***Setoffs and Recoupments.***

(a) Except as expressly provided in this Plan, each Reorganized Debtor may, pursuant to section 553 of the Bankruptcy Code set off and/or recoup against any Plan Distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such Reorganized Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (i) agreed in amount among the relevant Reorganized Debtor(s) and Holder of Allowed Claim or (ii) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided*, *however*, that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Reorganized Debtor or its successor of any and all claims, rights, and Causes of Action that such Reorganized Debtor or its successor may possess against the applicable Holder. Notwithstanding anything to the contrary, none of the Reorganized Debtors or the Debtors may set off and/or recoup against any Plan Distributions to be made on account of any NewPage DIP ABL Claims, NewPage New Money DIP Claims, NewPage Roll-Up DIP Claims, or Verso DIP ABL Claims.

(b) In no event shall any Holder of Claims against, or Equity Interests in, the Debtors be entitled to recoup any such Claim or Equity Interest against any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any proof of claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

8.14 ***Withholding and Reporting Requirements.***

In connection with this Plan and all Plan Distributions hereunder, the Reorganized Debtors shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all Plan Distributions hereunder shall be subject to any such withholding and reporting requirements. The Reorganized Debtors shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, liquidating a portion of any Plan Distribution to generate sufficient funds to pay applicable withholding taxes or establishing any other mechanisms the Debtors, Reorganized Debtors, or the Disbursing Agents believe are reasonable and appropriate, including requiring a Holder of a Claim to submit appropriate tax and withholding certifications. Notwithstanding any other provisions of this Plan: (a) each Holder of an Allowed Claim that is to receive a Plan Distribution shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations on account of such distribution; and (b) no distribution shall be required to be made to or on behalf of such Holder pursuant to this Plan unless and until such Holder has made arrangements satisfactory to the Reorganized Debtors for the payment and satisfaction of such tax obligations or has, to the Reorganized Debtors' satisfaction, established an exemption therefrom.

8.15 ***Claims Paid or Payable by Third Parties.***

(a) Claims Paid by Third Parties. The Debtors or Reorganized Debtors, as applicable, shall reduce in full a Claim, and such Claim shall be Disallowed without an objection having to be filed and without any further notice to, or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment (before or after the Effective Date) on account of such Claim from a party that is not a Debtor or Reorganized Debtor. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or Reorganized Debtor on account of such Claim, such Holder shall, within ten (10) days of receipt thereof,

repay or return the distribution to the applicable Debtor or Reorganized Debtor, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the Allowed amount of such Claim as of the date of any such distribution under the Plan. In the event such Holder fails to timely repay or return such distribution, the Debtors or Reorganized Debtors may pursue any rights and remedies against such Holder under applicable law.

(b) Claims Payable by Third Parties. No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agree to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon each such insurer's agreement, the applicable portion of such Claim may be expunged without an objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Applicability of Insurance Policies. Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Pursuant to section 524(e) of the Bankruptcy Code, nothing contained in this Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors, the Reorganized Debtors, or any Entity may hold against any other Entity under any insurance policies, including against insurers, nor shall anything contained in this Plan constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

ARTICLE IX
PROCEDURES FOR RESOLVING DISPUTED CLAIMS AND EQUITY INTERESTS

9.1 *No Proofs of Equity Interests Required.*

Except as otherwise provided in the Plan or by order of the Bankruptcy Court, Holders of Equity Interests shall not be required to file proofs of Equity Interests in the Chapter 11 Cases.

9.2 *Objections to Claims; Estimation of Claims.*

Except insofar as a Claim is Allowed under the Plan, the Debtors or the Reorganized Debtors, as applicable, shall be entitled to object to Claims. No other Entity shall be entitled to object to Claims. Any objections to Claims shall be served and filed on or before (a) the one-hundred twentieth (120th) day following the later of (i) the Effective Date and (ii) the date that a proof of Claim is filed or amended or a Claim is otherwise asserted or amended in writing by or on behalf of a Holder of such Claim, or (b) such later date as may be fixed by the Bankruptcy Court.

The Reorganized Debtors may at any time request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code, except that the Reorganized Debtors may not request estimation of any non-contingent or liquidated Claim if the Debtors' objection to such Claim was previously overruled by a Final Order, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Reorganized Debtors may pursue supplementary proceedings to object to the allowance of such Claim. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has filed a

motion requesting the right to seek such reconsideration on or before twenty-one (21) days after the date on which such Claim is estimated. All of the aforementioned objection, estimation, and resolution procedures are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

9.3 ***Payments and Distributions on Disputed Claims*.**

If an objection to a Claim is filed as set forth in Article 9.2, no payment or distribution provided under the Plan shall be made on account of such Claim unless and until such Disputed Claim becomes an Allowed Claim.

At such time as a Disputed Claim becomes an Allowed Claim or as soon as practicable thereafter, the Disbursing Agent shall distribute to the Holder of such Allowed Claim the property distributable to such Holder pursuant to Article 4 of the Plan. To the extent that all or a portion of a Disputed Claim is Disallowed, the Holder of such Claim shall not receive any distribution on account of the portion of such Claim that is Disallowed. Notwithstanding any other provision of the Plan, no interest shall accrue or be Allowed on any Claim during the period after the Petition Date, except as provided for in the DIP Orders or to the extent that section 506(b) of the Bankruptcy Code permits interest to accrue and be Allowed on such Claim.

9.4 ***Preservation of Claims and Rights to Settle Claims.***

Except as otherwise provided in the Plan, or in any contract, instrument, or other agreement or document entered into in connection with this Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce, sue on, settle, compromise, otherwise resolve, discontinue, abandon, or dismiss all Claims, rights, Causes of Action, suits, and proceedings, including those described in the Plan Supplement (collectively, the "**Retained Actions**"), whether at law or in equity, whether known or unknown, that the Debtors or their Estates may hold against any Entity (other than Claims, rights, Causes of Action, suits, and proceedings released pursuant to Article 12.4 below), without the approval of the Bankruptcy Court, subject to the terms of Article 6.2 hereof, the Confirmation Order, and any contract, instrument, release, indenture, or other agreement entered into in connection herewith. For the avoidance of doubt, Retained Actions do not include any Claim or Cause of Action released pursuant to Article 12.4 below. The Reorganized Debtors or their successor(s) may pursue such Retained Actions, as appropriate, in accordance with the best interests of the Reorganized Debtors or their successor(s) that hold such rights.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Retained Action against it as any indication that the Reorganized Debtors will not, or may not, pursue any and all available Retained Actions against it. The Reorganized Debtors expressly reserve all rights to prosecute any and all Retained Actions against any Entity. Unless any Retained Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Retained Actions for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches shall apply to such Retained Action upon, after, or as consequence of, confirmation or consummation of the Plan. For the avoidance of doubt, all Claims, Causes of Action, suits, and proceedings of the Debtors that are not Retained Actions are waived as of the Effective Date.

9.5 ***Expenses Incurred On or After the Effective Date.***

Except as otherwise ordered by the Bankruptcy Court, and subject to the written agreement of the Reorganized Debtors, the amount of reasonable expenses incurred by any Professional or the Voting Agent on or after the Effective Date in connection with implementation of this Plan, including, without limitation, reconciliation of, objection to, and settlement of claims, shall be paid in Cash by the Reorganized Debtors.

ARTICLE X
EXECUTORY CONTRACTS AND UNEXPIRED LEASES

10.1 ***Assumption of Contracts and Leases.***

As of and subject to the occurrence of the Effective Date and the payment of any applicable Cure Amount, all executory contracts and unexpired leases of the Debtors shall be deemed assumed, subject to Article 6.10 of the Plan, except that: (a) any executory contracts and unexpired leases that exist between any of the *De Minimis* Asset Debtors and any Person shall be deemed rejected by the Debtors on the Confirmation Date and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejection pursuant to sections 365(a) and 1123 of the Bankruptcy Code; (b) any executory contracts and unexpired leases that previously have been assumed or rejected pursuant to a Final Order of the Bankruptcy Court shall be treated as provided in such Final Order; (c) any executory contracts and unexpired leases listed on the Schedule of Rejected Contracts and Leases, shall be deemed rejected as of the Effective Date; and (d) all executory contracts and unexpired leases that are the subject of a separate motion to assume or reject under section 365 of the Bankruptcy Code pending on the Effective Date shall be treated as provided for in the Final Order resolving such motion.

Subject to the occurrence of the Effective Date, entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the assumptions and rejections described in this Article 10.1 pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each executory contract and unexpired lease assumed pursuant to this Article 10.1 shall revest in and be fully enforceable by the applicable Reorganized Debtor in accordance with its terms, except as modified by the provisions of the Plan, or any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable federal law. The pendency of any motion to assume or reject executory contracts or unexpired leases shall not prevent or delay implementation of the Plan or the occurrence of the Effective Date.

Unless otherwise provided in the Plan, each executory contract and unexpired lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such executory contract or unexpired lease, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously terminated or is otherwise not in effect. Modifications, amendments, supplements, and restatements to prepetition executory contracts or unexpired leases that have been executed by any of the Reorganized Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the executory contract or unexpired lease.

10.2 ***Claims Based on Rejection of Executory Contracts or Unexpired Leases.***

Except as otherwise explicitly set forth in the Plan, all Claims arising from the rejection of executory contracts or unexpired leases, if evidenced by a timely filed proof of claim, will be treated as General Unsecured Claims. Upon receipt of the Plan Distribution provided in Articles 4.8 or 4.9 of the Plan, as applicable, all such Claims shall be discharged as of the Effective Date, and shall not be enforceable against the Debtors, the Estates, the Reorganized Debtors or their respective properties or interests in property. In the event that the rejection of an executory contract or unexpired lease by any of

the Debtors pursuant to the Plan results in damages to the other party or parties to such contract or lease, a Claim for such damages shall be forever barred and shall not be enforceable against the Debtors or the Reorganized Debtors, or their respective properties or interests in property as agents, successors, or assigns, unless a proof of claim is filed with the Bankruptcy Court and served upon counsel for the Debtors and the Reorganized Debtors on or before the date that is thirty (30) days after the effective date of such rejection (which may be the Effective Date, the date on which the Debtors reject the applicable contract or lease as provided in Article 10.3(c) below, or pursuant to an order of the Bankruptcy Court).

10.3 ***Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.***

(a) Except to the extent that less favorable treatment has been agreed to by the non-Debtor party or parties to each such executory contract or unexpired lease to be assumed pursuant to the Plan, any monetary defaults arising under such executory contract or unexpired lease shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the appropriate amount (the "**Cure Amount**") in full in Cash on the later of thirty (30) days after: (i) the Effective Date or (ii) the date on which any Cure Dispute relating to such Cure Amount has been resolved (either consensually or through judicial decision).

(b) No later than ten (10) calendar days prior to the commencement of the Confirmation Hearing, the Debtors shall file a schedule (the "**Cure Schedule**") setting forth the Cure Amount, if any, for each executory contract and unexpired lease to be assumed pursuant to Article 10.1 of the Plan, and serve such Cure Schedule on each applicable counterparty. Any party that fails to object to the applicable Cure Amount listed on the Cure Schedule within ten (10) calendar days of the filing thereof, shall be forever barred, estopped and enjoined from disputing the Cure Amount set forth on the Cure Schedule (including a Cure Amount of $0.00) and/or from asserting any Claim against the applicable Debtor or Reorganized Debtor arising under section 365(b)(1) of the Bankruptcy Code except as set forth on the Cure Schedule.

(c) In the event of a dispute (each, a "**Cure Dispute**") regarding: (i) the Cure Amount; (ii) the ability of the applicable Reorganized Debtor to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed; or (iii) any other matter pertaining to the proposed assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving such Cure Dispute and approving the assumption in accordance with Article 10.3(a). To the extent a Cure Dispute relates solely to the Cure Amount, the applicable Debtor may assume and/or assume and assign the applicable contract or lease prior to the resolution of the Cure Dispute provided that such Debtor reserves Cash in an amount sufficient to pay the full amount asserted as the required cure payment by the non-Debtor party to such contract or lease (or such smaller amount as may be fixed or estimated by the Bankruptcy Court). To the extent the Cure Dispute is resolved or determined against the applicable Debtor or Reorganized Debtor, as applicable, such Debtor or Reorganized Debtor, as applicable, may reject the applicable executory contract or unexpired lease after such determination, and the counterparty may thereafter file a proof of claim in the manner set forth in Article 10.2 hereof.

10.4 ***Insurance Policies*****.**

All insurance policies (including all director and officer insurance policies) pursuant to which the Debtors have any obligations in effect as of the Effective Date shall be deemed and treated as executory contracts pursuant to the Plan and shall be assumed by the respective Debtors (and assigned to the Reorganized Debtors if necessary to continue such insurance policies in full force) pursuant to section 365 of the Bankruptcy Code and shall continue in full force and effect. All other insurance policies shall revest in the Reorganized Debtors.

10.5 ***Reservation of Rights.***

Neither the exclusion nor inclusion of any contract or lease on any exhibit to the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by the Debtors that any agreement, contract, or lease is an executory contract or unexpired lease subject to Article 10 of the Plan, as applicable, or that the Debtors or Reorganized Debtors have any liability thereunder.

The Debtors, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld), and Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Schedule of Rejected Contracts and Leases until and including the Effective Date or as otherwise provided by Bankruptcy Court order; *provided, however*, that if there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption, assumption and assignment, or with respect to the asserted Cure Amount, then the Consenting Creditor Groups and the Reorganized Debtors shall have thirty (30) days following entry of a Final Order resolving such dispute to amend the decision to assume, or assume and assign, such executory contract or unexpired lease.

10.6 ***Pre-existing Obligations to Debtors Under Executory Contracts and Unexpired Leases***

Rejection of any executory contract or unexpired lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors contracting from non-Debtor counterparties to rejected executory contracts or unexpired leases.

10.7 ***Contracts and Leases Entered into After the Petition Date.***

Contracts and leases entered into after the Petition Date by any Debtor in the ordinary course of business or following approval pursuant to a Bankruptcy Court order, including any executory contracts and unexpired leases assumed by a Debtor, shall be performed by the applicable Debtor or Reorganized Debtor, as the case may be, liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed executory contracts and unexpired leases) shall survive and remain unaffected by entry of the Confirmation Order.

ARTICLE XI
CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

11.1 ***Conditions Precedent to Confirmation.***

It shall be a condition to confirmation of this Plan that the following conditions shall have been satisfied in full or waived in accordance with Article 11.3 of the Plan:

(a) The Exit Credit Agreements (including all provisions governing the letters of credit in the Exit ABL Agreement in form and substance reasonably satisfactory to the DIP Agents) and the New Constituent Documents shall have been approved in connection with the Confirmation Order;

(b) The Disclosure Statement shall have been approved by the Bankruptcy Court as having adequate information in accordance with section 1125 of the Bankruptcy Code;

(c) The Confirmation Order shall have been entered on the docket for the Chapter 11 Cases and be in full force and effect; and

(d) The Restructuring Support Agreement shall not have been terminated by the Debtors, the Required Consenting Verso First Lien Creditors, or the Required Consenting NewPage Creditors (each as defined in the Restructuring Support Agreement).

11.2 ***Conditions Precedent to the Effective Date.***

The Effective Date shall not occur and the Plan shall not become effective unless and until the following conditions have been satisfied in full or waived in accordance Article 11.3 of the Plan:

(a) The Confirmation Order shall have become a Final Order in full force and effect;The documents comprising the Plan Supplement, including the Exit Credit Agreements, the Registration Rights Agreement, the Warrant Agreement, and the Management Incentive Plan, shall, to the extent applicable, have been executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification that the Effective Date has occurred) contained therein shall have been satisfied or waived in accordance therewith;

(c) All necessary actions, documents, certificates, and agreements necessary to implement the Plan on the Effective Date shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws;

(d) All applicable governmental authorities shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan and any statutory waiting periods shall have expired (including under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976*);

(e) The Debtors shall have (i) filed applications seeking to qualify the New Common Stock for listing on the New York Stock Exchange and (ii) registered the New Common Stock under section 12(b) of the Exchange Act;

(f) The Restructuring Support Agreement shall not have been terminated by the Debtors, the Required Consenting Verso First Lien Creditors, or the Required Consenting NewPage Creditors (each as defined in the Restructuring Support Agreement); and

(g) The aggregate value of the NewPage Roll-Up DIP Claim Consideration, calculated based on the Plan Equity Value, shall not be less than the aggregate amount of Allowed NewPage Roll-Up DIP Claims.

11.3 ***Waiver of Conditions Precedent.***

Each of the conditions precedent in Articles 11.1 and 11.2 of the Plan may be waived, in whole or in part, by the Debtors in writing, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld) and, solely with respect to the conditions precedent in Articles 11.1 (a)-(c) and Articles 11.2 (a)-(c), the DIP Agents (not to be unreasonably withheld), but without notice to any other third parties or order of the Bankruptcy Court or any other formal action.

11.4 ***Effect of Non-Occurrence of the Effective Date.***

If the conditions listed in Articles 11.1 and 11.2 are not satisfied or waived in accordance with Article 11.3, then (a) the Confirmation Order shall be of no further force or effect; (b) the Plan shall be null and void in all respects; (c) no distributions under the Plan shall be made; (d) no executory contracts or unexpired leases that were not previously assumed, assumed and assigned, or rejected shall

be deemed assumed, assumed and assigned, or rejected by operation of the Plan; (e) the Debtors and all Holders of Claims and Equity Interests shall be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date; and (f) nothing contained in the Plan or the Disclosure Statement shall (i) be deemed to constitute a waiver or release of (x) any Claims by any creditor or any Debtor or (y) any Claims against, or Equity Interests in, the Debtors, (ii) prejudice in any manner the rights of the Debtors or any other Entity, or (iii) constitute an admission, acknowledgment, offer, or undertaking by the Debtors in any respect.

ARTICLE XII
EFFECT OF CONFIRMATION

12.1 *Vesting of Assets; Continued Corporate Existence.*

On the Effective Date, except as otherwise provided in the Plan or the Exit Credit Agreements, pursuant to sections 1141(b) and 1141(c) of the Bankruptcy Code, all property of the Estates shall vest in the Reorganized Debtors free and clear of all Claims, Liens, encumbrances, charges, and other interests. Except as otherwise provided in the Plan or pursuant to actions taken in connection with, and permitted by, the Plan, each of the Debtors, as Reorganized Debtors, shall continue to exist on and after the Effective Date as a separate legal entity with all of the powers available to such legal entity under applicable law and pursuant to the applicable organizational documents, without prejudice to any right to alter or terminate such existence (whether by merger or otherwise) in accordance with such applicable law. On and after the Effective Date, the Reorganized Debtors shall be authorized to operate their respective businesses and to use, acquire, or dispose of assets, without supervision or approval by the Bankruptcy Court and free from any restrictions of the Bankruptcy Code or the Bankruptcy Rules.

12.2 *Binding Effect.*

Subject to the occurrence of the Effective Date and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062, on and after the Confirmation Date, the provisions of the Plan shall be immediately effective and enforceable and deemed binding upon any Holder of a Claim against, or Equity Interest in, the Debtors, and such Holder's respective successors and assigns, (whether or not the Claim or Equity Interest of such Holder is Impaired under the Plan, whether or not such Holder has accepted the Plan, and whether or not such Holder is entitled to a distribution under the Plan), all Entities that are party, or subject, to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor counterparties to executory contracts, unexpired leases, and any other prepetition agreements. All Claims shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan.

12.3 *Discharge of Claims.*

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan (including with respect to Claims reinstated by the Plan), the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of all Claims against, and Equity Interests in, the Debtors, and Causes of Action of any nature whatsoever arising on or before the Effective Date, known or unknown, including, without limitation, any interest accrued or expenses incurred on such Claims from and after the Petition Date, against the Debtors, and liabilities of, Liens on, obligations of, and rights against, the Debtors or any of their assets or properties arising before the Effective Date, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, in each case whether or not: (a) a proof of Claim or Equity Interest based upon such debt or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (b) a Claim or Equity

Interest based upon such debt or right is Allowed pursuant to section 502 of the Bankruptcy Code; or (c) the Holder of such a Claim or Equity Interest has voted to accept the Plan. Any default by the Debtors with respect to any Claim that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. Except as otherwise specifically provided in the Plan (including with respect to Claims reinstated by the Plan), all Entities shall be precluded from asserting against the Debtors, the Reorganized Debtors, or their respective properties or interests in property, any other Claims based on any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. Except with respect to Claims reinstated pursuant to the Plan, the Confirmation Order shall be a judicial determination of the discharge of all Claims arising before the Effective Date against the Debtors, subject to the occurrence of the Effective Date.

12.4 ***Releases.***

(a) **Releases by the Debtors. Pursuant to section 1123(b) of the Bankruptcy Code and to the maximum extent allowed by applicable law, upon the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors, in their individual capacities and as debtors in possession, the Reorganized Debtors and the Estates shall be deemed forever to release, waive, and discharge the Released Parties from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, remedies, actions, Causes of Action, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of any Debtor, whether for tort, fraud, contract, recharacterization, subordination, violations of federal or state securities laws or laws of any other jurisdiction or otherwise, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then-existing or thereafter arising, at law, in equity, or otherwise, based in whole or in part on any act, omission, transaction, event or other occurrence, or circumstances taking place on or before the Effective Date, in any way relating to (i) the Debtors or the Chapter 11 Cases; (ii) any investment by any Released Party in any of the Debtors or the purchase, sale, transfer, or rescission of the purchase, sale, or transfer of any security, asset, right, or interest of the Debtors or the Reorganized Debtors; (iii) any action or omission of any Released Party with respect to any indebtedness under which any Debtor is or was a borrower or guarantor, or any equity investment in the Debtors (including, without limitation, any action or omission of any Released Party with respect to the acquisition, holding, voting, or disposition of any such investment); (iv) any Released Party in any such Released Party's capacity as an officer, director, direct or indirect sponsor, affiliate, shareholder, employee, or agent of, or advisor to, any Debtor; (v) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan; (vi) the business or contractual arrangements between any Debtor and any Released Party (except for future or continuing performance obligations in connection with such business or contractual arrangement); (vii) the restructuring of Claims and Equity Interests before or during the Chapter 11 Cases, the Restructuring Transactions and the solicitation of votes with respect to the Plan; and (viii) the negotiation, formulation, preparation, entry into, or dissemination of the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, the NewPage DIP Term Loan Agreement, the Verso Cash Flow Credit Agreement, the Verso 1.5 Lien Notes Indenture, the Verso 2012 First Lien Notes Indenture, the Verso 2015 First Lien Notes Indenture, the Verso 2016 Subordinated Unsecured Notes Indenture, the Verso 2020 Subordinated Unsecured Notes Indenture, the Verso Second Lien Notes Indenture, the Verso Old Second Lien Notes Indenture, the NewPage Credit Agreement, the NewPage Asset-Based Revolving Credit Agreement, the Verso Asset-Based Revolving Credit Agreement, the Exit ABL Agreement, the Exit Term Loan Agreement, the Plan (including, for the avoidance of doubt, the Plan Supplement and all documents contained or referred to therein), the Disclosure Statement, the Restructuring Support Agreement, or related agreements, instruments, or other documents. The Reorganized Debtors shall be bound, to the same extent the Debtors are bound, by the releases and discharges set forth above.**

Notwithstanding anything contained herein to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Exit ABL Agreement, Exit Term Loan Agreement, the New Constituent Documents, and the Plan Supplement) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in this Article 12.4(a) by the Debtors, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute its finding that each release described in this Article 12.4(a) is: (i) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims; (ii) in the best interests of the Debtors and all Holders of Equity Interests and Claims; (iii) fair, equitable, and reasonable; (iv) given and made after due notice and opportunity for hearing; and (v) a bar to any of the Debtors or Reorganized Debtors asserting any Claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

(b) **Releases by Holders of Claims and Other Entities. Upon the Effective Date, to the maximum extent permitted by applicable law, as such law may be extended or interpreted subsequent to the Effective Date, each Releasing Party, in consideration for the obligations of the Debtors and the Reorganized Debtors under the Plan, and the Cash and other contracts, instruments, releases, agreements, or documents to be delivered in connection with the Plan, shall be deemed forever to release, waive, and discharge the Released Parties from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, remedies, actions, Causes of Action, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of any Debtor, whether for tort, fraud, contract, recharacterization, subordination, violations of federal or state securities laws or laws of any other jurisdiction or otherwise, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then-existing or thereafter arising, at law, in equity, or otherwise, based in whole or in part on any act, omission, transaction, event or other occurrence, or circumstances taking place on or before the Effective Date, in any way relating to (i) the Debtors or the Chapter 11 Cases; (ii) any investment by any Released Party in any of the Debtors or the purchase, sale, transfer, or rescission of the purchase, sale, or transfer of any security, asset, right, or interest of the Debtors or the Reorganized Debtors; (iii) any action or omission of any Released Party with respect to any indebtedness under which any Debtor is or was a borrower or guarantor, or any equity investment in the Debtors (including, without limitation, any action or omission of any Released Party with respect to the acquisition, holding, voting, or disposition of any such investment); (iv) any Released Party in any such Released Party's capacity as an officer, director, employee, or agent of, or advisor to, any Debtor; (v) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan; (vi) the business or contractual arrangements between any Debtor and any Released Party (except for future or continuing performance obligations in connection with such business or contractual arrangement); (vii) the restructuring of Claims and Equity Interests before or during the Chapter 11 Cases, the Restructuring Transactions and the solicitation of votes with respect to the Plan; and (viii) the negotiation, formulation, preparation, entry into, or dissemination of the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, the NewPage DIP Term Loan Agreement, the Verso Cash Flow Credit Agreement, the Verso 1.5 Lien Notes Indenture, the Verso 2012 First Lien Notes Indenture, the Verso 2015 First Lien Notes Indenture, the Verso 2016 Subordinated Unsecured Notes Indenture, the Verso 2020 Subordinated Unsecured Notes Indenture, the Verso Second Lien Notes Indenture, the Verso Old Second Lien Notes Indenture, the NewPage Credit Agreement, the NewPage Asset-Based Revolving Credit Agreement, the Verso Asset-Based Revolving Credit Agreement, the Exit ABL Agreement, the Exit Term Loan Agreement, the Plan (including, for the avoidance of doubt, the Plan**

Supplement and all documents contained or referred to therein), the Disclosure Statement, the Restructuring Support Agreement, or related agreements, instruments, or other documents. Notwithstanding anything contained herein to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Exit ABL Agreement, the Exit Term Loan Agreement, the New Constituent Documents, and the Plan Supplement) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases described in this Article 12.4(b), which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute its finding that each release described in Article 12.4(b) is: (i) in exchange for the good and valuable consideration provided by the Released Parties, a good faith settlement and compromise of such Claims and Equity Interests; (ii) in the best interests of the Debtors and all Holders of Claims and Equity Interests; (iii) fair, equitable, and reasonable; (iv) given and made after due notice and opportunity for hearing; and (v) a bar to any of the Releasing Parties asserting any Claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

12.5 ***Exculpation and Limitation of Liability.***

None of the Debtors or Reorganized Debtors, or the direct or indirect affiliates, managed accounts and funds, officers, directors, principals, direct or indirect sponsors, shareholders, partners, employees, members, managers, members of boards of managers, advisory board members, advisors, attorneys, financial advisors, accountants, investment bankers, agents, or other professionals (whether current or former, in each case, in his, her, or its capacity as such) of the Debtors or the Reorganized Debtors, or the Released Parties shall have or incur any liability to, or be subject to any right of action by, any Holder of a Claim or Equity Interest, or any other party in interest in the Chapter 11 Cases, or any of their respective agents, employees, representatives, financial advisors, attorneys or agents acting in such capacity, or direct or indirect affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the Restructuring Transactions, formulation, negotiation, preparation, dissemination, confirmation, solicitation, implementation, or administration of the Plan, the Plan Supplement and all documents contained or referred to therein, the Disclosure Statement, the Restructuring Support Agreement, the Verso DIP ABL Agreement, the NewPage DIP ABL Agreement, the NewPage DIP Term Loan Agreement, the Verso Cash Flow Credit Agreement, the Verso 1.5 Lien Notes Indenture, the Verso 2012 First Lien Notes Indenture, the Verso 2015 First Lien Notes Indenture, the Verso 2016 Subordinated Unsecured Notes Indenture, the Verso 2020 Subordinated Unsecured Notes Indenture, the Verso Second Lien Notes Indenture, the Verso Old Second Lien Notes Indenture, the NewPage Credit Agreement, the NewPage Asset-Based Revolving Credit Agreement, the Verso Asset-Based Revolving Credit Agreement, the Exit ABL Agreement, the Exit Term Loan Agreement, any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, the Restructuring Transactions, or any other pre- or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors or confirming or consummating the Plan (including the issuance of any securities or the distribution of any property under the Plan); *provided*, *however*, that the foregoing provisions of this Article 12.5 shall have no effect on the liability of any Person or Entity that results from any such act or omission that is determined by a Final Order to have constituted willful misconduct, fraud, or gross negligence and shall not impact the right of any Holder of a Claim or Equity Interest, or any other party to enforce the terms of the Plan and the contracts, instruments, releases, and other agreements or documents delivered in connection with the Plan. Without limiting the generality of the foregoing, the Debtors and the Debtors' direct or indirect

affiliates, managed accounts and funds, officers, directors, principals, direct or indirect sponsors, shareholders, partners, employees, members, managers, members of boards of managers, advisory board members, advisors, attorneys, financial advisors, accountants, investment bankers, agents and other professionals (whether current or former, in each case, in his, her, or its capacity as such) shall, in all respects, be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan. The exculpated parties have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of the securities pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such exculpating parties from liability.

12.6 *Injunction.*

(a) **General. All Persons or Entities who have held, hold, or may hold Claims or Equity Interests (other than Claims that are reinstated under the Plan), and all other parties in interest in the Chapter 11 Cases, along with their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates, are permanently enjoined, from and after the Effective Date, from, in respect of any Claim or Cause of Action released or settled hereunder, (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative, or other forum) against the Released Parties, the Debtors, or the Reorganized Debtors, or in respect of any Claim or Cause of Action released or settled hereunder; (ii) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means, whether directly or indirectly, of any judgment, award, decree, or order against the Released Parties, the Debtors, or the Reorganized Debtors; (iii) creating, perfecting, or enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Released Parties, the Debtors, or the Reorganized Debtors; (iv) asserting any right of setoff, subrogation, or recoupment of any kind, against any obligation due from the Released Parties, the Debtors, or the Reorganized Debtors, or against the property or interests in property of the Debtors or Reorganized Debtors, on account of such Claims or Equity Interests; or (v) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan; *provided*, *however*, that nothing contained herein shall preclude such Entities from exercising their rights pursuant to and consistent with the terms hereof and the contracts, instruments, releases, and other agreements and documents delivered under or in connection with the Plan.**

(b) **Injunction Against Interference With the Plan. Upon entry of the Confirmation Order, all Holders of Claims and Equity Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan; *provided, however*, that the foregoing shall not enjoin any member of the Consenting Creditor Groups from exercising any of its rights or remedies under the Restructuring Support Agreement, in accordance with the terms thereof. Each Holder of an Allowed Claim or Allowed Equity Interest, by accepting, or being eligible to accept, distributions under or reinstatement of such Claim or Equity Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article 12.6 of the Plan.**

12.7 ***Term of Bankruptcy Injunction or Stays.***

All injunctions or stays (excluding any injunctions or stays contained in the Plan or the Confirmation Order) in effect in the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, or any order of the Bankruptcy Court or otherwise, and in existence as of the Confirmation Date, shall remain in full force and effect until the Effective Date.

12.8 ***Termination of Subordination Rights and Settlement of Related Claims.***

The classification and manner of satisfying all Claims and Equity Interests under the Plan takes into consideration all subordination rights, whether arising by contract or under general principles of equitable subordination, section 510 of the Bankruptcy Code, or otherwise. All subordination rights that a Holder of a Claim or Equity Interest may have with respect to any distribution to be made under the Plan, shall be discharged and terminated, and all actions related to the enforcement of such subordination rights shall be enjoined permanently. Accordingly, distributions under the Plan to Holders of Allowed Claims shall not be subject to payment of a beneficiary of such terminated subordination rights, or to levy, garnishment, attachment, or other legal process by a beneficiary of such terminated subordination rights. Pursuant to section 510 of the Bankruptcy Code, the Debtors, with the consent of Consenting Creditor Groups (not to be unreasonably withheld) and the DIP Agents (not to be unreasonably withheld), reserve the right to reclassify any Allowed Claim or Equity Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

12.9 ***Reservation of Rights.***

The Plan shall have no force or effect unless and until the Effective Date. Prior to the Effective Date, none of the filing of the Plan, any statement or provision contained in the Plan, or action taken by the Debtors with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be, or shall be deemed to be, an admission or waiver of any rights of any Debtor or any other party, including the Released Parties, with respect to any Claims or Equity Interests or any other matter.

ARTICLE XIII
RETENTION OF JURISDICTION

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code, to the fullest extent permitted by law, and notwithstanding the entry of the Confirmation Order or the occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over any matter arising under the Bankruptcy Code, arising in or out of, or related to, the Chapter 11 Cases, the Plan, or the Confirmation Order, including jurisdiction to:

(a) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Expense Claim and the resolution of any and all objections to the allowance or priority of Claims or Equity Interests;

(b) Resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which the Debtors are party to or with respect to which any Debtor or Reorganized Debtor may be liable, and hear, determine, and, if necessary, liquidate, any Claims arising therefrom;

(c) Determine any and all motions, adversary proceedings, applications, contested matters, or other litigated matters pending on the Effective Date;

(d) Ensure that Plan Distributions to Holders of Allowed Claims are accomplished pursuant to the terms of the Plan;

(e) Adjudicate any and all disputes arising from or relating to Plan Distributions;

(f) Enter, implement, or enforce such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan, and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan or the Confirmation Order;

(g) Enter, implement, or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated, or distributions pursuant to the Plan are enjoined or stayed;

(h) Issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any Entity with the consummation, implementation, or enforcement of the Plan, the Confirmation Order, or any other order of the Bankruptcy Court;

(i) Modify the Plan before or after the Effective Date under section 1127 of the Bankruptcy Code or modify the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

(j) Hear and determine all applications for compensation and reimbursement of expenses of Professionals under sections 330, 331, and 503(b) of the Bankruptcy Code incurred prior to the Confirmation Date;

(k) Hear and determine any rights, Claims, or Causes of Action held or reserved by, or accruing to, the Debtors or the Reorganized Debtors pursuant to the Bankruptcy Code, the Confirmation Order, or, in the case of the Debtors, any other applicable law;

(l) Enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Chapter 11 Cases;

(m) Hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions contemplated thereby, or any agreement, instrument, or other document governing or relating to any of the foregoing, or the effect of the Plan under any agreement to which the Debtors, the Reorganized Debtors, or any affiliate thereof are party;

(n) Hear and determine any issue for which the Plan or a related document requires a Final Order of the Bankruptcy Court;

(o) Issue such orders as may be necessary or appropriate to aid in execution of the Plan or to maintain the integrity of the Plan following consummation, to the extent authorized by section 1142 of the Bankruptcy Code;

(p) Determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(q) Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(r) Enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

(s) Hear and determine all disputes involving the existence, scope, and nature of the discharges, releases, or injunctions granted under the Plan and the Bankruptcy Code;

(t) Hear and determine all disputes involving or in any manner implicating the exculpation or indemnification provisions contained in the Plan;

(u) Hear and determine any matters arising under or related to sections 1141 and 1145 of the Bankruptcy Code;

(v) Recover all assets of the Debtors and property of the Debtors' Estates, wherever located;

(w) Enter a final decree closing the Chapter 11 Cases; and

(x) Hear and determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code.

ARTICLE XIV
MISCELLANEOUS PROVISIONS

14.1 *Payment of Statutory Fees.*

On the Effective Date, all fees due and payable pursuant to section 1930 of title 28 of the U.S. Code shall be paid by the Debtors. Following the Effective Date, the Reorganized Debtors shall pay any and all such fees when due and payable, and shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the United States Trustee. Each and every one of the Debtors and Reorganized Debtors shall remain obligated to pay quarterly fees to the Office of the U.S. Trustee until the earliest of that particular Debtor's case being closed, dismissed, or converted to a case under chapter 7 of the Bankruptcy Code.

14.2 *Exemption from Securities Laws.*

To the maximum extent provided by section 1145(a) of the Bankruptcy Code and applicable non-bankruptcy law, the issuance or distribution of the securities under the Plan, including the New Common Stock and Plan Warrants, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state and federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from registration requirements of the Securities Act. In addition, any securities contemplated by the Plan and any and all agreements incorporated therein, including the New Common Stock and Plan Warrants, shall be subject to (a) if issued pursuant to section 1145 of the Bankruptcy Code, the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, (b) compliance with any rules and regulations of the Securities and

Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments, (c) the restrictions, if any, on the transferability of such securities and instruments, including those set forth in the New Constituents Documents, and (d) applicable regulatory approval, if any. To the extent that section 1145 is not available to exempt the securities issued under the Plan, including, without limitation, the offer or sale under the Plan of such securities from registration under section 5 of the Securities Act, other provisions of the Securities Act, including, without limitation, section 3(a)(9), section 4(a)(2) or Regulation S of the Securities Act, and state securities laws, shall apply to exempt such issuance from the registration requirements of the Securities Act.

14.3 ***Exemption from Certain Transfer Taxes.***

Pursuant to section 1146(a) of the Bankruptcy Code, any issuance, transfer, or exchange of notes or equity securities under the Plan; the creation of any mortgage, deed of trust, or other security interest; the making or assignment of any lease or sublease; or the making or delivery of any instrument of transfer from a Debtor to a Reorganized Debtor or any other Entity pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment, and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment. Without limiting the foregoing, any issuance, transfer, or exchange of a security or any making or delivery of an instrument of transfer pursuant to the Plan shall be exempt from the imposition and payment of any and all transfer taxes (including, without limitation, any and all stamp taxes or similar taxes and any interest, penalties, and addition to the tax that may be required to be paid in connection with the consummation of the Plan) pursuant to sections 106, 505(a), 1141, and 1146(a) of the Bankruptcy Code. Unless the Bankruptcy Court orders otherwise, all sales, transfers, and assignments of owned and leased property approved by the Bankruptcy Court on or before the Effective Date shall be deemed to have been in furtherance of, or in connection with, the Plan.

14.4 ***Dissolution of Statutory Committees and Cessation of Fee and Expense Payment.***

On the Effective Date, the Committee shall dissolve, and the members thereof shall be released and discharged from all rights and duties arising from, or related to, the Chapter 11 Cases; *provided, however*, that the Committee shall exist, and its professionals shall be retained, after the Effective Date with respect to (a) all applications filed pursuant to sections 330 and 331 of the Bankruptcy Code and any related hearings and (b) pending appeals of the Confirmation Order, if any. The Reorganized Debtors shall not be responsible for paying any fees and expenses incurred after the Effective Date, if any, by the professionals retained by the Committee.

14.5 ***Substantial Consummation.***

On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

14.6 ***Expedited Determination of Postpetition Taxes.***

The Reorganized Debtors shall be authorized to request an expedited determination under section 505(b) of the Bankruptcy Code for all tax returns filed for, or on behalf of, the Debtors for any and all taxable periods ending after the Petition Date through, and including, the Effective Date.

14.7 ***Modification and Amendments*****.**

Subject to the requirements of section 1127 of the Bankruptcy Code, Rule 3019 of the Federal Rules of Bankruptcy Procedure, and, to the extent applicable, sections 1122, 1123, and 1125 of the Bankruptcy Code, the Debtors, with the consent of the Consenting Creditor Groups (not to be unreasonably withheld) and the DIP Agents (not to be unreasonably withheld), may propose in writing, alterations, amendments, or modifications of the Plan at any time prior to or after the Confirmation Date, but prior to the Effective Date. Holders of Claims and Equity Interests that have accepted the Plan shall be deemed to have accepted the Plan, as altered, amended, or modified, if the proposed alteration, amendment, or modification complies with the requirements of this Article 14.7 and does not materially and adversely change the treatment of the Claim or Equity Interest of such Holder; *provided*, *however*, that any Holders of Claims or Equity Interests that were deemed to accept the Plan because such Claims or Equity Interests were Unimpaired shall continue to be deemed to accept the Plan only if, after giving effect to such amendment or modification, such Claims or Equity Interests continue to be Unimpaired.

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

14.8 ***Additional Documents.***

On or before the Effective Date, the Debtors may enter into any agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all Holders of Claims or Equity Interests receiving Plan Distributions and all other parties in interest may, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

14.9 ***Effectuating Documents and Further Transactions*****.**

On and after the Effective Date, the Reorganized Debtors and their respective officers and members of the boards of directors are authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan, without the need for any approvals, authorizations, or consents, except for those expressly required pursuant to the Plan.

14.10 ***Plan Supplement.***

All exhibits and documents included in the Plan Supplement are incorporated into, and are a part of, the Plan as if set forth in full in the Plan, and any reference to the Plan shall mean the Plan and the Plan Supplement. Upon its filing, the Plan Supplement may be inspected in the office of the clerk of the Bankruptcy Court or its designee during normal business hours, at the Bankruptcy Court's website at www.deb.uscourts.gov, and at the website of the Voting Agent at https://cases.primeclerk.com/verso. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order.

14.11 ***Entire Agreement.***

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

14.12 ***Revocation or Withdrawal of the Plan.***

The Debtors reserve the right to revoke or withdraw the Plan at any time prior to the Effective Date. If the Debtors take such action, the Plan shall be deemed null and void in its entirety and of no force or effect, and any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Class of Claims), assumption of executory contracts or unexpired leases effected under the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void. In such event, nothing contained in the Plan shall (a) constitute or be deemed to be a waiver or release of any Claim against or by, or Equity Interest in, any Debtor or any other Entity; (b) prejudice in any manner the rights of the Debtors or any Entity in further proceedings involving the Debtors; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by any Debtor or any other Entity.

14.13 ***Severability.***

If, prior to the entry of the Confirmation Order, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, at the request of the Debtors with the consent of the Consenting Creditor Groups (not to be unreasonably withheld) and DIP Agents (not to be unreasonably withheld), the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms; (b) integral to the Plan; and (c) non-severable and mutually dependent.

14.14 ***Solicitation.***

Upon entry of the Confirmation Order, the Debtors shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, without limitation, section 1125(e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation. The Debtors, the Reorganized Debtors, and each of their respective principals, members, partners, officers, directors, employees, agents, managers, representatives, advisors, attorneys, accountants, and professionals shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer, issuance, sale, and purchase of any securities offered or sold under the Plan, and therefore, are not, and on account of such offer, issuance, sale, solicitation, or purchase shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer, issuance, sale, or purchase of any securities offered or sold under the Plan.

14.15 ***Governing Law.***

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws (other than section 5-1401 and section 5-1402 of the New York General Obligations Law), shall govern the rights, obligations, construction, and implementation of the Plan, and any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case

the governing law of such agreement shall control); *provided, however*, that corporate or entity governance matters relating to the Debtors or Reorganized Debtors shall be governed by the laws of the state of incorporation or organization of the relevant Debtor or Reorganized Debtor.

14.16 ***Compliance with Tax Requirements.***

In connection with the Plan and all instruments issued in connection herewith and distributed hereunder, any Entity issuing any instruments or making any distribution under the Plan shall comply with all applicable withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions under the Plan shall be subject to any such withholding or reporting requirements. Any Entity issuing any instruments or making any distribution under the Plan to a Holder of an Allowed Claim or Allowed Equity Interest has the right, but not the obligation, not to make a distribution until such Holder has provided to such Entity the information necessary to comply with any withholding requirements of any such taxing authority, and any required withholdings (determined after taking into account all information provided by such Holder pursuant to this Article 14.16) shall reduce the distribution to such Holder.

14.17 ***Successors and Assigns.***

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of each Entity.

14.18 ***Closing of Chapter 11 Cases.***

The Reorganized Debtors shall, as promptly as practicable after the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022, Del. Bankr. L.R. 3022-1, and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

14.19 ***Document Retention.***

On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their current document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors without order of the Bankruptcy Court.

14.20 ***Conflicts.***

In the event of any conflict between the terms and provisions in the Plan (without reference to the Plan Supplement) and the terms and provisions in the Disclosure Statement, the Plan Supplement, any other instrument or document created or executed pursuant to the Plan, or any order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), the Plan (without reference to the Plan Supplement) shall govern and control; *provided*, *however*, that, notwithstanding anything herein to the contrary, in the event of a conflict or inconsistency between the terms of the Restructuring Support Agreement and the terms of the Plan, the terms of the Plan shall control; *provided*, *further*, that notwithstanding anything herein to the contrary, in the event of a conflict between the Confirmation Order, on the one hand, and any of the Plan, the Plan Supplement, the Exit Credit Agreements, and the New Constituent Documents, on the other hand, the Confirmation Order shall govern and control in all respects.

14.21 ***Service of Documents.***

After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered to:

the Debtors or the Reorganized Debtors, shall be served on:

Verso Corporation
6775 Lenox Center Court, Suite 400
Memphis, Tennessee 38115-4436
Attn: Peter H. Kesser
Email: peter.kesser@Versoco.com

with copies to:

O'Melveny & Myers LLP
Times Square Tower
Seven Times Square
New York, New York 10036
Attn: George A. Davis, Peter Friedman, and Andrew M. Parlen
Email: gdavis@omm.com; pfriedman@omm.com; and aparlen@omm.com

the Informal Committee of Holders of Verso First Lien Debt, shall be served on:

Milbank, Tweed, Hadley & McCloy LLP
28 Liberty Street
New York, New York 10005
Attn: Dennis F. Dunne; Samuel A. Khalil; and Steven Z. Szanzer
Email: ddunne@milbank.com; skhalil@milbank.com; and
sszanzer@milbank.com

-and-

601 South Figueroa Street, 30th Floor
Los Angeles, California 90017
Attn: Gregory A. Bray and Thomas R. Kreller
Email: gbray@milbank.com and tkreller@milbank.com

the Ad Hoc NewPage Term Lender Group, shall be served on:

Ropes & Gray LLP
1211 Avenue of the Americas
New York, New York 10036
Attn: Keith H. Wofford and Stephen Moeller-Sally
Email: keith.wofford@ropesgray.com; ssally@ropesgray.com

After the Effective Date, the Reorganized Debtors shall be authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have filed a renewed request to receive documents pursuant to Bankruptcy Rule 2002.

14.22 ***Deemed Acts.***

Whenever an act or event is expressed under the Plan to have been deemed done or to have occurred, it shall be deemed to have been done or to have occurred without any further act by any party, by virtue of the Plan and the Confirmation Order.

14.23 ***Waiver or Estoppel.***

Each Holder of a Claim or an Equity Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Equity Interest should be Allowed in a certain amount, in a certain priority, secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers filed with the Bankruptcy Court prior to the Confirmation Date.

Dated: March 26, 2016

Respectfully Submitted,

VERSO CORPORATION,

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER FINANCE HOLDINGS ONE LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER FINANCE HOLDINGS LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER FINANCE HOLDINGS INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER HOLDINGS LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO PAPER LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEXTIER SOLUTIONS CORPORATION

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO ANDROSCOGGIN LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO QUINNESEC REP HOLDING INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO MAINE ENERGY LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

BUCKSPORT LEASING LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO QUINNESEC LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO SARTELL LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

VERSO FIBER FARM LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE HOLDINGS INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE INVESTMENT COMPANY LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE CORPORATION

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE CONSOLIDATED PAPERS INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

ESCANABA PAPER COMPANY

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

LUKE PAPER COMPANY

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

RUMFORD PAPER COMPANY

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

WICKLIFFE PAPER COMPANY LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE WISCONSIN SYSTEM INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

CHILLICOTHE PAPER INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

NEWPAGE ENERGY SERVICES LLC

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

UPLAND RESOURCES, INC.

By: _____
Name: David J. Paterson
Title: President and Chief Executive Officer

Exhibit B

Restructuring Support Agreement

(To Come)

Exhibit C

Financial Projections

(To Come)

Exhibit D

Valuation Analysis

(To Come)

Exhibit E

Liquidation Analysis

(To Come)