

Verso Paper Corp.
Form DEF 14A
April 23, 2009

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

**SCHEDULE 14A
(Rule 14a-101)**

INFORMATION REQUIRED IN PROXY STATEMENT

**SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-12

VERSO PAPER CORP.

(Name of Registrant as Specified in Its Charter)

Not Applicable

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 - Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
1. Title of each class of securities to which transaction applies:
 2. Aggregate number of securities to which transaction applies:
 3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 4. Proposed maximum aggregate value of transaction:
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1. Amount previously paid:
 2. Form, Schedule or Registration Statement no.:
 3. Filing party:
 4. Date filed:
-

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Verso Paper Corp.
6775 Lenox Center Court
Suite 400
Memphis, Tennessee 38115-4436
901.369.4100
www.versopaper.com

**NOTICE OF
2009 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 21, 2009**

To Our Stockholders:

The 2009 Annual Meeting of Stockholders of Verso Paper Corp. will be held at our offices located at 6775 Lenox Center Court, Memphis, Tennessee, on May 21, 2009, beginning at 10:00 a.m. (Central Time). At the meeting, our stockholders will vote on proposals to:

1. elect three directors Thomas Gutierrez, Eric L. Press and L.H. Puckett, Jr. to serve on the board of directors of Verso as Class I directors for a term of three years; and
2. ratify the appointment of Deloitte & Touche LLP to serve as Verso's independent registered public accounting firm for the year ending December 31, 2009.

OUR BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE *FOR* BOTH PROPOSALS.

Stockholders also will transact any other business that properly comes before the meeting.

Only stockholders of record at the close of business on April 6, 2009, are entitled to receive notice of, and to vote at, the meeting and any postponement or adjournment thereof. A list of such stockholders will be available for inspection by any stockholder at our offices located at 6775 Lenox Center Court, Suite 400, Memphis, Tennessee, during ordinary business hours beginning May 11, 2009, as well as at the meeting on May 21, 2009.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2009 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 21, 2009: OUR PROXY STATEMENT AND ANNUAL REPORT ARE AVAILABLE ON THE INVESTOR RELATIONS PAGE OF OUR WEB SITE AT WWW.VERSOPAPER.COM.

YOUR VOTE IS IMPORTANT. REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE MEETING, PLEASE PROMPTLY COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ACCOMPANYING POSTAGE-PAID ENVELOPE. NO ADDITIONAL POSTAGE IS NECESSARY IF THE PROXY IS MAILED IN THE UNITED STATES OR CANADA. YOU MAY REVOKE YOUR PROXY AT ANY TIME BEFORE IT IS VOTED AT THE MEETING.

By order of the board of directors,

Peter H. Kesser

Secretary

April 22, 2009

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**PROXY STATEMENT
FOR
2009 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 21, 2009**

We are furnishing this Proxy Statement in connection with the solicitation of proxies by Verso Paper Corp., or Verso, on behalf of our board of directors, for use at the 2009 Annual Meeting of Stockholders and any postponement or adjournment of the meeting. The meeting will be held at our offices located at 6775 Lenox Center Court, Memphis, Tennessee, on May 21, 2009, beginning at 10:00 a.m. (Central Time).

At the meeting, our stockholders will vote on proposals to:

1. elect three directors Thomas Gutierrez, Eric L. Press and L.H. Puckett, Jr. to serve on the board of directors of Verso as Class I directors for a term of three years; and
2. ratify the appointment of Deloitte & Touche LLP to serve as Verso's independent registered public accounting firm for the year ending December 31, 2009.

OUR BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE *FOR* BOTH PROPOSALS.

The proposals are set forth in the accompanying Notice of 2009 Annual Meeting of Stockholders and are described in this Proxy Statement. Stockholders also will transact any other business, not known or determined as of the date of this Proxy Statement, that properly comes before the meeting. The board of directors knows of no such other business to be presented.

When you submit your proxy, you will authorize the proxy holders Michael A. Jackson, our President and Chief Executive Officer; Robert P. Mundy, our Senior Vice President and Chief Financial Officer; and Peter H. Kesser, our Vice President, General Counsel and Secretary to represent you and vote your shares of common stock on these proposals at the meeting in accordance with your instructions. These persons also will have discretionary authority to vote your shares on any other business that properly comes before the meeting. They also may vote your shares to adjourn the meeting and will be authorized to vote your shares at any postponement or adjournment of the meeting.

We have included with this Proxy Statement a copy of our 2008 Annual Report, which includes our annual report on Form 10-K for 2008. It also is available on the Investor Relations page of our web site at www.versopaper.com. Although our 2008 Annual Report is included with this Proxy Statement and we have referred you to our web site, the 2008 Annual Report and the information on our web site do not constitute a part of our proxy solicitation materials and are not incorporated into this Proxy Statement.

This Proxy Statement and the accompanying materials are first being sent or given to our stockholders on or about April 22, 2009.

YOUR VOTE IS IMPORTANT. REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE MEETING, PLEASE PROMPTLY COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ACCOMPANYING POSTAGE-PAID ENVELOPE.

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INFORMATION ABOUT THE MEETING

What is the purpose of the meeting?

At the meeting, our stockholders will vote on proposals to:

1. elect three directors Thomas Gutierrez, Eric L. Press and L.H. Puckett, Jr. to serve on the board of directors of Verso as Class I directors for a term of three years; and
2. ratify the appointment of Deloitte & Touche LLP to serve as Verso's independent registered public accounting firm for the year ending December 31, 2009.

In addition, our management may report on our performance during 2008 and will respond to appropriate questions from stockholders.

Will any other business be conducted at the meeting?

As of the date of this Proxy Statement, the board of directors knows of no business that will be presented at the meeting other than the proposals described in this Proxy Statement. However, if any other proposal properly comes before the stockholders for a vote at the meeting, the proxy holders will vote your shares in accordance with their best judgment.

Who is entitled to vote?

The record date for the meeting is April 6, 2009. Only stockholders of record at the close of business on April 6, 2009, are entitled to receive notice of the meeting and to vote at the meeting the shares of our common stock that they held on that date. Each outstanding share of common stock entitles its holder to one vote on each matter voted on at the meeting. At the close of business on April 6, 2009, there were 52,046,647 outstanding shares of our common stock.

Am I entitled to vote if my shares are held in street name ?

You are a beneficial owner of shares held in street name if your shares are held in the name of a brokerage firm, bank or other nominee. If you are a beneficial owner of shares held in street name, the brokerage firm, bank or other nominee, as the record holder of the shares, is required to vote the shares in accordance with your instructions. If you do not give instructions to your nominee, your nominee will nevertheless be entitled to vote your shares on discretionary items. Both Proposal 1 (election of directors) and Proposal 2 (ratification of appointment of independent registered public accounting firm) are discretionary items on which your nominee will be entitled to vote your shares even in the absence of instructions from you.

How many shares must be present to conduct business at the meeting?

A quorum must be present at the meeting in order for any business to be conducted. The presence at the meeting, in person or by proxy, of the holders of a majority of the shares of our common stock outstanding on the record date of April 6, 2009, will constitute a quorum. Abstentions and broker non-votes will be included in the number of shares considered present at the meeting for the purpose of determining whether there is a quorum.

What happens if a quorum is not present at the meeting?

It is unlikely that a quorum will not be present at the meeting, because our principal stockholder holds sufficient shares of our common stock to constitute a quorum. However, if a quorum is not present at the scheduled time of the meeting, the holders of a majority of the shares present in person or represented by proxy at the meeting may adjourn the meeting to another place, date or time until a quorum is present. The place, date and time of the adjourned meeting will be announced when the adjournment is taken, and no other notice will be given unless the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting.

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How many votes are required for action to be taken on each proposal?

Election of Directors. The director nominees will be elected to serve as Class I directors for a term of three years if they receive a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter. This means that the director nominees will be elected if they receive more votes at the meeting than any other person nominated for director. If you vote to Withhold Authority with respect to the election of one or more director nominees, your shares will not be voted with respect to the person or persons indicated, although they will be counted for the purpose of determining whether there is a quorum at the meeting.

Ratification of Appointment of Independent Registered Public Accounting Firm. The appointment of Deloitte & Touche LLP to serve as our independent registered public accounting firm for the year ending December 31, 2009, will be ratified if a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter are voted in favor of the proposal.

Who will count the votes?

Registrar and Transfer Company, the registrar and transfer agent for our common stock, will tabulate and certify the stockholder votes.

How do I vote my shares?

If you are a registered stockholder, you may vote by properly completing, signing, dating and returning by mail the accompanying proxy card. The enclosed postage-paid envelope requires no additional postage if it is mailed in the United States or Canada.

If you are a beneficial owner of shares held in street name, you may vote by mail, or you may be able to vote by telephone or on the Internet. To vote by mail, you may provide voting instructions to the brokerage firm, bank or other nominee that holds your shares by properly completing, signing, dating and returning by mail the voting instruction form provided to you by your nominee. A large number of brokerage firms, banks and other nominees participate in a program provided through Broadridge Investor Communications Solutions that offers telephone and Internet voting options. If your shares are held in street name by a brokerage firm, bank or other nominee that participates in the Broadridge program, you may provide voting instructions to your nominee by telephone or on the Internet by following the instructions on the voting instruction form provided to you. You do not need to return your proxy card if you provide voting instructions to your nominee by telephone or on the Internet.

You may vote in person at the meeting. If you are a registered stockholder and attend the meeting, you may deliver your completed proxy card in person. In addition, we will pass out written ballots to registered stockholders who wish to vote in person at the meeting. If you are a beneficial owner of shares held in street name and wish to vote at the meeting, you will need to obtain a proxy form from the brokerage firm, bank or other nominee that holds your shares.

What happens if I do not specify how my shares are to be voted?

If you submit a proxy but do not indicate any voting instructions, your shares will be voted FOR each of the proposals described in this Proxy Statement.

Can I change my vote after I submit my proxy?

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Yes, you can revoke your proxy and change your vote at any time before the polls are closed at the meeting. Your attendance at the meeting, by itself, will not revoke your proxy and change your vote. If you are a registered stockholder, you may revoke your proxy and change your vote by (a) properly completing, signing, dating and returning another proxy card with a later date, (b) voting in person at the meeting, or (c) giving written notice of your revocation to Verso's Secretary prior to or at the meeting before the polls are closed. If you are a beneficial owner of shares held in street name, you may revoke your proxy and change your vote by following the instructions given by the brokerage firm, bank or other nominee that holds your shares.

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If I abstain from voting, how will it be treated?

You do not have the option of abstaining from voting on Proposal 1 (election of directors), but you may abstain from voting on Proposal 2 (ratification of appointment of independent registered public accounting firm). With respect to Proposal 1, because the directors are elected by a plurality vote, an abstention will have no effect on the outcome of the vote and, therefore, is not offered as a voting option on the proposal. In the case of an abstention on Proposal 2, your shares would be included in the number of shares considered present at the meeting for the purpose of determining whether there is a quorum. Because your shares would be voted but not in favor of Proposal 2, your abstention would have the same effect as a negative vote in determining the outcome of the vote on the proposal.

What are broker non-votes?

A broker non-vote occurs when a brokerage firm, bank or other nominee does not vote shares that it holds in street name on behalf of a beneficial owner, because the beneficial owner has not provided voting instructions to the nominee with respect to a non-discretionary item. Proposal 1 (election of directors) and Proposal 2 (ratification of appointment of independent registered public accounting firm) are discretionary items for which a nominee will have discretion to vote, even without voting instructions from the beneficial owner.

Who pays for the proxy solicitation and how will Verso solicit votes?

Verso will pay all costs associated with the solicitation of proxies. We also will reimburse any costs incurred by brokers and other fiduciaries to forward proxy solicitation materials to beneficial owners. Proxies may be solicited by us on behalf of the board of directors in person or by mail, telephone, facsimile or e-mail. We have not retained any firm to assist with the solicitation of proxies.

Table of Contents**STOCKHOLDERS****Background**

We were formed by affiliates of Apollo Management, L.P., or Apollo, for the purpose of acquiring the assets and certain liabilities comprising the business of the Coated and Supercalendered Papers Division of International Paper Company, or International Paper. The acquisition occurred on August 1, 2006. We went public on May 14, 2008, with an initial public offering, or IPO, of 14 million shares of common stock. In this Proxy Statement, references to Verso, we, us, our and similar terms are, where appropriate in context, also references to our subsidiaries, including Verso Paper Holdings LLC.

Principal Stockholder

Verso Paper Management LP was our sole stockholder before the IPO, and subsequent to the IPO it owns 73.1% of the outstanding shares of our common stock. Various members of our management and board of directors have non-voting limited partner interests in Verso Paper Management LP. Verso Paper Investments LP is the general partner of Verso Paper Management LP and controls all of the voting interests in Verso Paper Management LP. In connection with the acquisition of our business from International Paper, affiliates of Apollo and International Paper invested in limited partner interests in Verso Paper Investments LP. International Paper's interest in Verso Paper Investments LP is solely a non-voting interest. Verso Paper Investments Management LLC, an affiliate of Apollo, is the general partner of Verso Paper Investments LP and controls all of the voting interests in Verso Paper Investments LP. Through its control of Verso Paper Investments LP, Apollo controls us.

Beneficial Stock Ownership

The following table provides information about the beneficial ownership of our common stock as of March 31, 2009, by each of our directors, each of our executive officers named in Executive Compensation Summary Compensation Table in this Proxy Statement, all of our directors and executive officers as a group, and each person known to our management to be the beneficial owner of more than 5% of the outstanding shares of our common stock.

Name of Beneficial Owner	Number of Shares Beneficially Owned ⁽¹⁾	Percentage of Shares Outstanding ⁽¹⁾
Directors and Executive Officers:		
Michael A. Jackson ⁽²⁾⁽³⁾	357,392	*
Lyle J. Fellows ⁽²⁾⁽³⁾	83,413	*
Michael A. Weinhold ⁽²⁾⁽³⁾	83,913	*
Robert P. Mundy ⁽²⁾⁽³⁾	83,913	*
Ricardo Moncada ⁽²⁾⁽³⁾	67,545	*
Michael E. Ducey ⁽²⁾⁽³⁾	23,179	*
Thomas Gutierrez ⁽²⁾⁽⁴⁾	15,200	*
Scott M. Kleinman ⁽²⁾⁽³⁾⁽⁵⁾	38,046,647	73.1%
David W. Oskin ⁽²⁾⁽³⁾	23,179	*
Eric L. Press ⁽²⁾⁽⁴⁾⁽⁵⁾	38,061,847	73.1
L.H. Puckett, Jr. ⁽²⁾⁽³⁾	181,121	*

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David B. Sambur ⁽²⁾⁽³⁾⁽⁵⁾	38,046,647	73.1
Jordan C. Zaken ⁽²⁾⁽³⁾⁽⁵⁾	38,046,647	73.1
All directors and executive officers as a group (15 persons) ⁽³⁾⁽⁴⁾⁽⁵⁾	38,093,747	73.1
Other Stockholders:		
Verso Paper Management LP ⁽⁶⁾	38,046,647	73.1
Mackenzie Financial Corporation ⁽⁷⁾	2,690,198	5.2

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* Less than 1% of the outstanding shares of our common stock.

- (1) Beneficial ownership is determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, or Exchange Act. The number and percentage of shares of common stock beneficially owned by each person listed in the table is determined based on the shares of common stock that such person beneficially owns as of March 31, 2009, or that such person has the right to acquire within 60 days thereafter (May 30, 2009). The number of outstanding shares used as the denominator in calculating the percentage ownership of each person is 52,046,647 shares of common stock (which is the number of shares of common stock outstanding as of March 31, 2009) plus the number of shares of common stock that such person has the right to acquire as of March 31, 2009, or within 60 days thereafter (May 30, 2009). Each person has sole voting power and sole investment power over the shares of common stock that the person beneficially owns, unless otherwise indicated.
- (2) The address of Messrs. Jackson, Mundy, Fellows, Weinhold, Moncada, Ducey, Gutierrez, Oskin and Puckett is c/o Verso Paper Corp., 6775 Lenox Court, Suite 400, Memphis, Tennessee 38115-4436. The address of Messrs. Kleinman, Press, Sambur and Zaken is c/o Apollo Management, L.P., 9 West 57th Street, New York, New York 10019.
- (3) The number of shares beneficially owned includes shares of common stock held by Verso Paper Management LP, which the following persons, as limited partners of Verso Paper Management LP, have the right to receive on March 31, 2009, or within 60 days thereafter (May 30, 2009), by exchanging units representing limited partner interests in Verso Paper Management LP: Mr. Jackson 357,392 shares; Mr. Fellows 80,413 shares; Mr. Weinhold 80,413 shares; Mr. Mundy 80,413 shares; Mr. Moncada 62,545 shares; Mr. Ducey 23,179 shares; Mr. Kleinman 23,179 shares; Mr. Oskin 23,179 shares; Mr. Puckett 181,121 shares; Mr. Sambur 23,179 shares; Mr. Zaken 23,179 shares; and all directors and executive officers as a group 1,091,132 shares.
- (4) The number of shares beneficially owned includes shares of common stock that the following persons have the right to receive on March 31, 2009, or within 60 days thereafter (May 30, 2009), by exercising stock options granted by Verso: Mr. Gutierrez 15,200 shares; Mr. Press 15,200 shares; and all directors and executive officers as a group 30,400 shares.
- (5) The number of shares beneficially owned includes 38,046,647 shares of common stock held by Verso Paper Management LP, an affiliate of Apollo, which are deemed beneficially owned by Apollo in accordance with Rule 13d-3, and as to which each of Messrs. Kleinman, Press, Sambur and Zaken, each of whom is a partner or principal of Apollo, expressly disclaims beneficial ownership except to the extent of any pecuniary interest therein.
- (6) Verso Paper Investments LP is the general partner of Verso Paper Management LP and holds voting power and investment power over the shares of common stock held by Verso Paper Management LP. Verso Paper Investments Management LLC is the general partner of Verso Paper Investments LP. CMP Apollo LLC is the sole and managing member of Verso Paper Investments Management LLC, Apollo Management VI, L.P., or Management VI, is the sole and managing member of CMP Apollo LLC, AIF VI Management, LLC, or AIF VI LLC, is the general partner of Management VI, Apollo is the sole member and manager of AIF VI LLC, and Apollo Management GP, LLC, or Apollo Management GP, is the general partner of Apollo. Leon Black, Joshua Harris and Marc Rowan are the principal executive officers and directors of Apollo Management GP. Each of Verso Paper Investments LP, Verso Paper Investments Management LLC, CMP Apollo LLC, Management VI, AIF VI LLC, Apollo, Apollo Management GP and Messrs. Black, Harris and Rowan disclaims beneficial ownership of the shares owned by Verso Paper Management LP, except to the extent of any pecuniary interest

therein. The address of Messrs. Black, Harris and Rowan and Verso Paper Management LP, Verso Paper Investments LP, Verso Paper Investments Management LLC, CMP Apollo LLC, Management VI, AIF VI LLC, Apollo and Apollo Management GP is c/o Apollo Management, L.P., 9 West 57th Street, New York, New York 10019.

- (7) The number of shares beneficially owned by Mackenzie Financial Corporation consist of shares owned in accounts for which it serves as investment adviser. The address of Mackenzie Financial Corporation is 180 Queen Street West, Toronto, Ontario M5V 3K1.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires that our directors and executive officers and the beneficial owners of more than 10% of our registered equity securities file with the United States Securities and Exchange Commission, or SEC, initial reports of, and subsequent reports of changes in, their beneficial ownership of our equity securities. These reporting persons are required to furnish us with copies of all such Section 16(a) reports. Based solely on our review of the copies of such Section 16(a) reports and written representations that certain of these reporting persons have furnished to us, we believe that these reporting persons complied with all applicable Section 16(a) filing requirements during 2008.

Table of Contents**DIRECTORS AND EXECUTIVE OFFICERS****Our Directors and Executive Officers**

The following table provides information regarding our directors and executive officers.

Name	Age	Position(s)
Michael A. Jackson	60	President, Chief Executive Officer and Director
Lyle J. Fellows	52	Senior Vice President of Manufacturing
Michael A. Weinhold	44	Senior Vice President of Sales and Marketing
Robert P. Mundy	47	Senior Vice President and Chief Financial Officer
Peter H. Kesser	51	Vice President, General Counsel and Secretary
Ricardo Moncada	55	Vice President of Human Resources
Benjamin Hinchman, IV	61	Vice President and Chief Information Officer
Michael E. Ducey	60	Director
Thomas Gutierrez	60	Director
Scott M. Kleinman	36	Director
David W. Oskin	66	Director
Eric L. Press	43	Director
L.H. Puckett, Jr.	60	Director
David B. Sambur	29	Director
Jordan C. Zaken	34	Director

Business Backgrounds

Michael A. Jackson. Mr. Jackson has been a director of Verso, as well as our President and Chief Executive Officer, since November 2006. Before joining us, he worked at Weyerhaeuser Company from 1977 to 2006. During a 29-year career with Weyerhaeuser, Mr. Jackson served as Senior Vice President responsible for the Cellulose Fibers, White Papers, Newsprint and Liquid Packaging Board businesses from 2004 to 2006, Vice President of the Fine Papers business from 2002 to 2004, Vice President of the Business Papers business from 2000 to 2002, Vice President of the Recycling business from 1998 to 2000, Vice President of Human Resources and Quality for the Container Board Packaging business from 1993 to 1997, and General Manager of the Tri-Wall business and other packaging plants from 1990 to 1993. On behalf of Weyerhaeuser, Mr. Jackson also served from 2005 to 2006 as Chair of the Board of North Pacific Paper Corporation (NORPAC), a joint venture with Japan's Nippon Paper Industries which produces newsprint and uncoated groundwood paper.

Lyle J. Fellows. Mr. Fellows has been our Senior Vice President of Manufacturing since August 2006. He has 28 years of manufacturing experience in the paper industry. Before joining us, Mr. Fellows worked for International Paper from 1981 to 2006, where he served as Vice President of Manufacturing for our business from 2003 to 2006, Manager of the pulp and paper mill in Courtland, Alabama, from 2001 to 2003, Manager of the pulp and paper mill in Saillat, France, from 2000 to 2001, Manufacturing Director of the Arizona Chemical business in Europe from 1998 to 1999, Technical Director of the White Papers business in Europe from 1994 to 1997, and in various manufacturing positions at the pulp and paper mill in Pine Bluff, Arkansas, from 1981 to 1994.

Michael A. Weinhold. Mr. Weinhold has been our Senior Vice President of Sales and Marketing since August 2006. With 22 years of sales, marketing and manufacturing experience in the paper industry, he is responsible for our sales, marketing, supply chain, customer technical service, e-commerce, product development and Nextier Solutions functions. Mr. Weinhold previously worked in various sales, marketing and management positions in our business at International Paper from 2000 to 2006 and at Champion International Corporation from 1994 to its acquisition by International Paper in 2000. His most recent positions in our business at International Paper were as Business Manager from 2004 to 2006, Business Manager of Sales and Marketing from 2003 to 2004, and Director of Marketing and Product Development from 2001 to 2003.

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Robert P. Mundy. Mr. Mundy has been our Senior Vice President and Chief Financial Officer since August 2006. He has 26 years of finance and accounting experience in the paper industry. Mr. Mundy joined us from International Paper where he worked from 1983 to 2006. At International Paper, he served as Director of Finance of our business from 2002 to 2006, Director of Finance Projects from 2001 to 2002, Controller of Masonite Corporation from 1999 to 2001, Controller of the Petroleum and Minerals business from 1996 to 1999, and in other business functions including company-wide SAP implementation, corporate internal audit, and manufacturing and operational finance at three pulp and paper mills.

Peter H. Kesser. Mr. Kesser has been our Vice President, General Counsel and Secretary since December 2006. During a 25-year legal career, he has concentrated his practice in the areas of corporate, securities, mergers and acquisitions, and commercial law while working for major law firms and public companies. Mr. Kesser was a shareholder with Baker Donelson Bearman Caldwell & Berkowitz PC from 1999 to 2006. He was Vice President, Assistant General Counsel and Assistant Secretary of Promus Hotel Corporation, a leading lodging company, from 1998 to 1999. Mr. Kesser was Vice President, General Counsel and Secretary of Arcadian Corporation, a leading nitrogen chemical producer, from 1993 to 1997. He was an attorney with Bracewell & Patterson LLP from 1983 to 1992. Mr. Kesser is the former Chair of the Business Law section of the Tennessee Bar Association.

Ricardo Moncada. Mr. Moncada has been our Vice President of Human Resources since October 2006. He also served briefly as a human resources consultant for us from June to September 2006 under a transitional arrangement with International Paper. Mr. Moncada has 30 years of experience in the human resources field. He joined us from International Paper where he worked from 1991 to 2006. At International Paper, Mr. Moncada was Vice President of Human Resources of the xpedx business from 2001 to 2006, Director of Human Resources of the Beverage Packaging business from 1997 to 2000, and Vice President of Human Resources of Propal, a joint venture between International Paper and W.R. Grace Co., from 1991 to 1997. He previously worked in human resources with Weyerhaeuser Company from 1986 to 1991 and with Norton Company from 1978 to 1986.

Benjamin Hinchman, IV. Mr. Hinchman has been our Vice President and Chief Information Officer since August 2006. He has 39 years of experience in the information technology field, during which he has implemented and managed information systems supporting manufacturing, quality control, research and development, sales, order fulfillment, distribution, warehousing, finance and e-commerce. Before joining us, Mr. Hinchman worked at International Paper from 1999 to 2006, where he served as Director of Information Technology of our business in 2006, Director of Information Technology of the xpedx business from 2002 to 2006, and Director of Strategic Technologies from 2000 to 2001. Mr. Hinchman worked for Union Camp Corporation as Director of Information Services for the Fine Papers division from 1995 to its acquisition by International Paper in 1999. He previously worked in various other businesses, holding positions of increasing responsibility in information technology.

Michael E. Ducey. Mr. Ducey has been a director of Verso since March 2007. Mr. Ducey was President and Chief Executive Officer and a director of Compass Minerals International, Inc., a producer of salt and specialty fertilizers, from 2002 to 2006, and he remains a consultant to Compass Minerals. He previously worked for Borden Chemical, Inc., a diversified chemical company, from 1972 to 2002. During his 30-year career with Borden Chemical, Mr. Ducey held various management, sales, marketing, planning and commercial development positions, most recently serving as President and Chief Executive Officer from 1999 to 2002 and Executive Vice President and Chief Operating Officer from 1997 to 1999. He also is a director of UAP Holding Corp., the parent of United Agri Products, Inc.

Thomas Gutierrez. Mr. Gutierrez has been a director of Verso since November 2008. Mr. Gutierrez has over 35 years of experience in product development, manufacturing, marketing, sales and general business management. He is Chief Executive Officer of PhytoChem Pharmaceuticals, Inc., a development-stage pharmaceutical company founded in January 2009. Mr. Gutierrez was Chief Executive Officer and a director of Xerium Technologies Inc., a leading global

manufacturer of synthetic textiles and specialty roll covers used in the production of paper, from 2001 to 2008. He was Chief Executive Officer of three separate business units of Invensys plc, a global leader in technology used to monitor, control and automate processes, from 1995 to 2001. Mr. Gutierrez was Chief Operating Officer of Pulse Engineering, Inc., a manufacturer of electronic components for telecommunications and power applications, from 1992 to 1994. He also has held management, technical and engineering positions with Pitney

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Bowes Inc., Franklin Computer Corporation, Motorola, Inc., and Digital Equipment Corporation. He is also a director of Comverge, Inc., a provider of clean energy alternatives.

Scott M. Kleinman. Mr. Kleinman has been a director of Verso since August 2006. Mr. Kleinman is a partner of Apollo Management, L.P., a global private equity firm where he has worked since 1996. He was employed by Smith Barney Inc. in its Investment Banking division from 1994 to 1995. Mr. Kleinman also is a director of Hexion Specialty Chemicals, Inc., Momentive Performance Materials Inc., Realogy Corporation, and Noranda Aluminum Holding Corporation.

David W. Oskin. Mr. Oskin has been a director of Verso since January 2007. Mr. Oskin has been President of Four Winds Ventures, LLC, a private investment company, since 2005. He previously worked for 29 years in the paper and forest products industries in various management, distribution, sales and marketing, quality management, human resources and other positions. Mr. Oskin spent most of his career with International Paper, where he worked initially from 1975 to 1991 and then again as an Executive Vice President from 1996 to 2003. In the interim between 1992 and 1995, he was Managing Director and Chief Executive Officer of Carter Holt Harvey Limited, a New Zealand based forest products company. Mr. Oskin also is a director of Rayonier Inc., Pacific Millennium Corporation, Samling Global Limited, and Big Earth Publishing LLC, and he serves as Chair of the Board of Trustees of Widener University.

Eric L. Press. Mr. Press has been a director of Verso since January 2009. Mr. Press is a partner of Apollo Management, L.P., a global private equity firm where he has worked since 1998. He was an associate with the law firm of Wachtell, Lipton, Rosen & Katz, specializing in mergers, acquisitions, restructurings and related financing transactions, from 1992 to 1998. Mr. Press was a consultant with The Boston Consulting Group from 1987 to 1989. He has broad experience in industrial, lodging/leisure and financial services investment activities and serves on the boards of directors of Affinion Group, Inc., Harrah's Entertainment Inc., Innkeepers USA Trust, Metals USA Inc., and Noranda Aluminum Holding Corporation.

L.H. Puckett, Jr. Mr. Puckett has been a director of Verso since August 2006. Mr. Puckett also was our President and Chief Executive Officer from August 2006 to his retirement in November 2006. He worked in the paper industry for 32 years in various sales, marketing and management capacities. Before joining Verso, Mr. Puckett worked at International Paper from 1999 to 2006, where he served as Senior Vice President responsible for our business from 2000 to 2006 and Vice President responsible for the Commercial Printing and Imaging Papers businesses from 1999 to 2000. He worked at Union Camp Corporation from 1974 to its acquisition by International Paper in 1999, where he most recently served from 1998 to 1999 as Senior Vice President responsible for the Fine Papers division containing the uncoated freesheet, pulp and bleached paper board businesses.

David B. Sambur. Mr. Sambur has been a director of Verso since February 2008. Mr. Sambur is a principal of Apollo Management, L.P., a global private equity firm where he has worked since 2004. He was a member of the Leveraged Finance Group of Salomon Smith Barney Inc. from 2002 to 2004. Mr. Sambur graduated summa cum laude and Phi Beta Kappa from Emory University with a B.A. degree in economics.

Jordan C. Zaken. Mr. Zaken has been a director of Verso since August 2006. Mr. Zaken is a partner of Apollo Management, L.P., a global private equity firm where he has worked since 1999. He was employed by Goldman, Sachs & Co. in its Mergers and Acquisitions Department from 1997 to 1999. Mr. Zaken also is a director of Hexion Specialty Chemicals, Inc.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Board of Directors Structure

Our board of directors consists of nine directors who are divided into three classes – Class I, Class II and Class III – with three directors each. The directors in each class serve for staggered three-year terms. Messrs. Gutierrez, Press and Puckett are Class I directors whose terms will expire at our 2009 Annual Meeting of Stockholders. Messrs. Jackson, Oskin and Zaken are Class II directors whose terms will expire at our 2010