

"Verso emerges from bankruptcy as a much stronger company with significantly reduced debt and a unified capital structure that position us to fully realize and leverage the benefits of our prior operational improvements, explore opportunities for strategic growth, successfully compete in the global marketplace, and deliver on our corporate mission to create value for all of our stakeholders," Paterson said.

As provided in Verso's plan of reorganization, all shares of Verso's common stock issued prior to the commencement of Verso's bankruptcy proceeding were cancelled upon emergence, and Verso has issued new shares of common stock to the holders of its previously outstanding funded debt in return for their allowed claims against the company. There is no majority stockholder, and no single entity owned more than 10 percent of Verso's outstanding shares at the time of emergence.

In connection with its emergence, Verso also received approval from the New York Stock Exchange for Verso's Class A common stock to be listed for trading on the NYSE. The Class A common stock will begin trading on the NYSE on July 18, 2016. The trading symbol for the Class A common stock is "VRS," which is the same trading symbol used for Verso's common stock when it previously was listed on the NYSE.

In accordance with Verso's Chapter 11 plan of reorganization, the term of Verso's previous board of directors expired upon emergence and a new board of directors provided for in the plan of reorganization is effective immediately. As previously announced, Paterson will serve as Chairman of the Board and will remain as President and Chief Executive Officer until his replacement is named. The other directors of Verso are Robert M. Amen, Alan J. Carr, Eugene I. Davis, Jerome L. Goldman and Jay Shuster. Verso's senior management team is unchanged and continues to lead the company.

About Verso

Verso Corporation is the turn-to company for those looking to successfully navigate the complexities of paper sourcing and performance. The leading North American producer of printing and specialty papers and pulp, Verso provides insightful solutions that help drive improved customer efficiency, productivity, brand awareness and business results. Verso's long-standing reputation for quality and reliability is directly tied to our vision to be a company with passion that is respected and trusted by all. Verso's passion is rooted in ethical business practices that demand safe workplaces for our employees and sustainable wood sourcing for our products. This passion, combined with our flexible manufacturing capabilities and an unmatched commitment to product performance, delivery and service, make Verso a preferred choice among commercial printers, paper merchants and brokers, converters, publishers and other end users. For more information, visit us online at versoco.com.

Forward-Looking Statements

In this press release, all statements that are not purely historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may be identified by the words "believe," "expect,"

"anticipate," "project," "plan," "estimate," "intend," "potential" and other similar expressions. Forward-looking statements are based on currently available business, economic, financial and other information and reflect management's current beliefs, expectations and views with respect to future developments and their potential effects on Verso. Actual results could vary materially depending on risks and uncertainties that may affect Verso and its business. Verso's actual actions and results may differ materially from what is expressed or implied by these statements due to a variety of factors, including (a) the ability of Verso to perform well and compete effectively upon its emergence from bankruptcy, (b) the impact of restrictions in Verso's exit financing on its ability to make capital investments and pursue strategic growth opportunities, (c) the ability of Verso to continue to attract and retain qualified employees following emergence, and (d) other risks and uncertainties listed from time to time in Verso's filings with the Securities and Exchange Commission. Verso assumes no obligation to update any forward-looking statement made in this press release to reflect subsequent events or circumstances or actual outcomes.

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July 15

Staff report

Business

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The papermaker says it is stronger, having shed \$2.4 billion in debt.



Verso Corp., the papermaker that employs more than 560 at its mill in Jay, has emerged from bankruptcy.

The Tennessee-based company filed for Chapter 11 protection in January to clear \$2.4 billion in debt. On Friday, it filed documents with the Securities and Exchange Commission to implement its reorganization plan and issue 34.4 million shares of new stock.

“Verso emerges from bankruptcy as a much stronger company with significantly reduced debt and a unified capital structure that position us to fully realize and leverage the benefits of our prior operational improvements, explore opportunities for strategic growth, successfully compete in the global marketplace, and deliver on our corporate mission to create value for all of our stakeholders,” Verso President and Chief Executive Officer David J. Paterson said in a statement Friday. Paterson previously announced he will step down from his position once a replacement is found.

“This does create a better corporate environment where we can control our own destiny and not be burdened by so much debt,” said William Cohen, a longtime spokesman for the Jay mill who is now its communications and public affairs consultant.

Cohen said he spoke Friday with Everett O’Neill, the mill’s manager. O’Neill said the bankruptcy news was welcome, according to Cohen, but the focus of the mill’s workforce has been on making it successful ever since an August 2015 downsizing shut down two machines and cut 300 jobs from the workforce.

“Corporately, today’s news means something, but it doesn’t change the day-to-day operations at Andro,” said Cohen, referring to the Androscoggin Mill in Jay. “Since the reorganization, the sense among a majority of the workers is that we have to stay focused and we’ve got to make this a success.”

OFFICIALS PLEASED

But the news was met with relief by town officials, who have been watching the ups and downs of Jay’s [largest taxpayer with concern](#).

“We are very pleased to hear the news that Verso has successfully emerged from bankruptcy and that the process has put them in a stronger position,” Town Manager Shiloh LaFrenier told the Morning Sentinel. “We look forward to their future success and are pleased to have the opportunity to continue working with them in the town of Jay.”

While complex, [the bankruptcy plan’s](#) centerpiece is to issue shares of stock to creditors in lieu of cash repayment. The new common stock will be issued to creditors that were owed money by Verso and its NewPage subsidiary before the

bankruptcy. As part of Friday's filing, the company said it has taken the necessary steps to have its shares once again listed on the New York Stock Exchange under the ticker VRS. Trading will begin Monday. Verso's stock was delisted in September because its share price fell below the required \$1 minimum.

The paper company is one of several that operate a mill in Maine and have been clobbered by a decrease in demand for printed material and increased foreign competition. Last month, Cascades Inc. [announced it was closing](#) its de-inking pulp plant in Auburn effective Friday because of reduced demand, putting 45 people out of work. In May, the Madison Paper Industries mill was shuttered, leaving 215 workers without jobs. Maine's paper industry has lost more than 2,345 jobs in the past five years.

Verso said in early June that part of its strategy for emerging from bankruptcy protection includes changing the mix of paper it produces. The company didn't specify which mills it plans to reconfigure to follow that strategy, but in Jay, nearly half of the production currently is coated paper used primarily in catalogs and magazines, although several new types of specialty papers have recently started to be produced at the mill.

Kathi Rowzie, vice president of communications and public affairs for Verso, said the announcement means business as usual at the mill in Jay.

"There's no direct effect on operations at the Androscoggin Mill" as a result of the bankruptcy action, Rowzie said. The company also said it has no plans to close or sell any of its seven operating mills.

Cohen said he doesn't know of any impending changes in the Jay mill's product line, whose strength is its lightweight coated paper.

"Capturing more of that market would be good for Andro," he said.

STOCK SHARES ISSUED

In the bankruptcy filing, two Maine companies were listed among Verso's 30 largest creditors. Catalyst Paper Operations Inc. of Rumford was owed \$2.2 million and Hartt Transportation Systems Inc. of Bangor was owed \$1.2 million. The master list of creditors filed by Verso included the names of 30,785 businesses and individuals to whom the company owed money.

Verso has issued new shares of common stock to the holders of its previously outstanding debt. There is no majority stockholder, and no single entity owned more than 10 percent of Verso's outstanding shares at the time of emergence, according to the company.

Verso's restructuring included \$595 million in exit financing to support ongoing operations and capital investment, a mix of loans led by Wells Fargo Bank and Barclays Bank PLC.

As part of the bankruptcy proceedings, a new board of directors was installed Friday. Paterson is expected to remain chairman of the board and the other five directors are independent from Verso's major shareholders.

Business Editor Carol Coultas and Morning Sentinel Staff Writer Rachel Ohm contributed to this report.

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Verso emerges from bankruptcy

Jonathan Anderson, USA TODAY NETWORK-Wisconsin 12:35 p.m. CDT July 18, 2016



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(Photo: File/USA TODAY NETWORK-Wisconsin)

WISCONSIN RAPIDS - The beleaguered owner of two central Wisconsin paper mills has wiped away billions of dollars in debt and is now out of bankruptcy.

Verso Corp., which operates specialty paper mills in Wisconsin Rapids and Stevens Point, announced late last week that it had successfully reorganized.

The company [filed for bankruptcy protection in late January \(/story/news/local/2016/01/26/verso-corp-files-bankruptcy/79335694/\)](#) to stave off creditors and reduce its debt by \$2.4 billion.

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- [Verso could exit bankruptcy by July \(/story/news/2016/06/23/verso-could-exit-bankruptcy-july/86286360/\)](#)
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- [Verso halts payments to local wood suppliers \(/story/money/2016/01/25/verso-cuts-payments-local-wood-suppliers/79315684/\)](#)
- [Verso owes millions to Wisconsin firms \(/story/news/2016/02/10/verso-owes-millions-wisconsin-firms/80020398/\)](#)

The move gives Verso a better chance at succeeding in a marketplace where demand for specialty paper has declined and foreign competition is intense, according to David Paterson, the company's president and chief executive officer.

"We believe Verso is poised for sustainable profitability, and we are excited about the opportunities that lie ahead," Paterson said in a statement.

It was not clear Monday what Verso's emergence from bankruptcy means for its creditors, [including Wisconsin firms that were owed at least \\$13.5 million \(/story/news/2016/02/10/verso-owes-millions-wisconsin-firms/80020398/\)](#). A company spokeswoman did not immediately respond to a request for comment.

Verso has said it does not anticipate workforce reductions as a direct result of the bankruptcy, but it does plan to "match our staffing levels with the needs of the business," the company said [in a document posted on its website \(https://www.versoco.com/wps/wcm/connect/f5c689f3-a6f2-49bd-8055-7b81123886eb/Emergence+-+EMPLOYEES+Frequently+Asked+Questions.pdf?MOD=AJPERES\)](#). Verso has 980 employees at the Wisconsin Rapids mill and 240 employees at its Stevens Point mill.

Tennessee-based Verso [bought the Stevens Point and Wisconsin Rapids mills \(/story/news/local/2015/01/07/newpage-verso-merger-now-complete/21396215/\)](#) from NewPage Corp. in 2014 as part of a \$1.4 billion deal. It owns eight paper mills in the United States across the Midwest and Northeast, according to the company's website.

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