Keneally Timothy P Form 4 May 14, 2009

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB APPROVAL** 

OMB 3235-0287 Number:

January 31, Expires: 2005

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response... 0.5

if no longer subject to Section 16. Form 4 or Form 5

obligations

Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \*

Keneally Timothy P

2. Issuer Name and Ticker or Trading

Symbol

**KAPSTONE PAPER &** 

PACKAGING CORP [KPPC]

(Month/Day/Year)

05/13/2009

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

(Last)

(First)

(Middle)

Director 10% Owner X\_ Officer (give title Other (specify

below) Vice President

ONE NORTHFIELD PLAZA, STE.

(Street)

480

Security

(Instr. 3)

4. If Amendment, Date Original

3. Date of Earliest Transaction

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

NORTHFIELD, IL 60093

(City) (State) (Zip) 1. Title of 2. Transaction Date 2A. Deemed

4. Securities 3. (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Code (Month/Day/Year) (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

(A)

or

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (Instr. 4) (Instr. 4)

Reported Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative

Conversion

3. Transaction Date 3A. Deemed

(Month/Day/Year) Execution Date, if

5. Number of TransactionDerivative

6. Date Exercisable and **Expiration Date** 

7. Title and Amount of **Underlying Securities** 

#### Edgar Filing: Keneally Timothy P - Form 4

Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Unit	(1)	05/13/2009		A	19,217		(2)	(2)	Common Stock	19,217
Stock Option (rights to buy) (3)	\$ 3.7	05/13/2009		A	60,548		<u>(4)</u>	05/13/2019	Common Stock	60,548

# **Reporting Owners**

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Keneally Timothy P

ONE NORTHFIELD PLAZA STE. 480

Vice President

NORTHFIELD, IL 60093

## **Signatures**

Timothy P. Keneally by Power of

Attorney 05/14/2009

\*\*Signature of Reporting Person Date

# **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Each restricted stock unit represents a contingent right to receive one share of KapStone common stock.
- (2) The restricted stock units vest in their entirety on the third anniversary of the grant date.
- (3) Represents options granted pursuant to the KapStone Paper and Packaging Corporation 2006 Incentive Plan.
- (4) The options vest 50% on the second anniversary of the grant date and 50% on the third anniversary of the grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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