

STONE ROGER W
Form SC 13D/A
August 20, 2009

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

SCHEDULE 13D/A

**Under the Securities Exchange Act of 1934
(Amendment No. 2)***

KapStone Paper and Packaging Corporation

(Name of Issuer)

Common Stock, par value \$.0001 per share

(Title of Class of Securities)

48562P103

(CUSIP Number)

Timothy P. Davisson

KapStone Paper and Packaging Corporation

1101 Skokie Blvd., Suite 300

Northbrook, IL 60062

847-239-8817

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

August 17, 2009

(Date of Event Which Requires Filing of this Statement)

Edgar Filing: STONE ROGER W - Form SC 13D/A

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Edgar Filing: STONE ROGER W - Form SC 13D/A

CUSIP No. 48562P103

1. Names of Reporting Persons
Roger Stone
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

| | |
|-----|----------------------------------|
| (a) | <input type="radio"/> |
| (b) | <input checked="" type="radio"/> |
 3. SEC Use Only
 4. Source of Funds (See Instructions)
OO
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
U.S.A.
- | | |
|-----|--|
| 7. | Sole Voting Power 637,811 |
| 8. | Shared Voting Power 3,573,400(1) |
| 9. | Sole Dispositive Power 637,811 |
| 10. | Shared Dispositive Power 3,573,400(1) |
- Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With
11. Aggregate Amount Beneficially Owned by Each Reporting Person
4,211,211 (1)
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
14.8% (2)
 14. Type of Reporting Person (See Instructions)
IN

(1) Includes 1,573,400 shares of Common Stock held by the Roger and Susan Stone Family Foundation (the Foundation) and 2,000,000 million shares of Common Stock held by the Roger W. Stone 2009 GRAT dated June 3, 2009 (the GRAT).

(2) Based on 28,370,348 shares of Common Stock outstanding as of July 24, 2009 (as reported in the Issuer s Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009).

Edgar Filing: STONE ROGER W - Form SC 13D/A

CUSIP No. 48562P103

1. Names of Reporting Persons
Roger and Susan Stone Family Foundation
N4952-435-8
2. Check the Appropriate Box if a Member of a Group (See Instructions)
(a)
(b)
3. SEC Use Only
4. Source of Funds (See Instructions)
OO
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Illinois
- | | | |
|---|-----|---------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. | Sole Voting Power |
| | 8. | Shared Voting Power 1,573,400 |
| | 9. | Sole Dispositive Power |
| | 10. | Shared Dispositive Power 1,573,400 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,573,400
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
5.5% (1)
14. Type of Reporting Person (See Instructions)
CO

(1) Based on 28,370,348 shares of Common Stock outstanding as of July 24, 2009 (as reported in the Issuer's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009).

Edgar Filing: STONE ROGER W - Form SC 13D/A

CUSIP No. 48562P103

1. Names of Reporting Persons
Roger W. Stone, and his successors in trust, as Trustee of the Roger W. Stone 2009 GRAT dated June 3, 2009
2. Check the Appropriate Box if a Member of a Group (See Instructions)
(a)
(b)
3. SEC Use Only
4. Source of Funds (See Instructions)
OO
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Illinois
7. Sole Voting Power
8. Shared Voting Power
2,000,000
9. Sole Dispositive Power
10. Shared Dispositive Power
2,000,000
11. Aggregate Amount Beneficially Owned by Each Reporting Person
2,000,000
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
7% (1)
14. Type of Reporting Person (See Instructions)
CO

(1) Based on 28,370,348 shares of Common Stock outstanding as of July 24, 2009 (as reported in the Issuer's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009).

Item 1. Security and Issuer

This statement on Schedule 13D (this Statement) relates to the Common Stock, par value \$.0001 per share (the Common Stock), of KapStone Paper and Packaging Corporation, a Delaware corporation (the Issuer or the Company), the principal executive offices of which are located at 1101 Skokie Boulevard, Suite 300, Northbrook, IL 60062. This Schedule 13D/A amends the Schedule 13D filed by Roger Stone on June 9, 2008, as amended by the Schedule 13D/A filed June 9, 2009, to reflect the expiration of warrants to purchase Common Stock of the Company (Warrants). Upon exercise, each Warrant entitled the Warrant holder to purchase, at an exercise price of \$5.00 per share, one share of Common Stock of the Company. Mr. Stone was the holder of 1,702,000 shares of Common Stock issuable upon the exercise of the Warrants, and the Foundation was the holder of 260,000 shares of Common Stock issuable upon the exercise of the Warrants.

Item 2. Identity and Background

(a)-(c) This statement is being filed on behalf of (i) Roger Stone, (ii) the Roger and Susan Stone Family Foundation, an Illinois not-for-profit corporation (the Foundation), and (iii) the Roger W. Stone 2009 GRAT dated June 3, 2009, (the GRAT). Mr. Stone, the Foundation and the GRAT are herein together sometimes called the Reporting Persons. The Reporting Persons may be deemed to be members of a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended. The filing of this Statement, however, should not be deemed an admission that the Reporting Persons comprise a group for purposes of Section 13(d)(3) or for any other purpose.

Mr. Stone is Chairman of the Company's Board of Directors and Chief Executive Officer, and his principal business address is c/o KapStone Paper and Packaging Corporation, 1101 Skokie Boulevard, Suite 300, Northbrook, Illinois 60062. Mr. Stone is president and director of the Foundation and is the trustee of the GRAT.

The principal business of the Foundation is to make contributions exclusively for charitable, religious, literary and educational purposes, for the relief of the conditions of the poor and the aged, the homeless and the afflicted, or other persons in unfortunate circumstances for the advancement of learning, science, and for the prevention of cruelty to children and animals. The principal address of the Foundation is 1101 Skokie Boulevard, Suite 300, Northbrook, Illinois 60062.

The GRAT is a trust. The principal address of the GRAT is 1101 Skokie Boulevard., Suite 300, Northbrook, IL 60062.

(d) and (e) During the last five years, none of the Reporting Persons have been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or funding any violation with respect to such laws.

(f) Mr. Stone is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration

Not applicable.

Item 4. Purpose of Transaction

Effective August 17, 2009, the Warrants expired. The revised securities ownership amounts set forth herein reflect the expiration of Warrants to purchase 1,702,000 shares of Common Stock owned by Mr. Stone and Warrants to purchase 260,000 shares of Common Stock owned by the Foundation.

The information set forth in Items 3 and 6 is hereby incorporated by reference into this Item 4. Acquisitions of Common Stock by Mr. Stone were made for investment purposes and also as compensation for his service as an officer of the Issuer. Mr. Stone is the Chairman of the Board, Chief Executive Officer and a founder of the Issuer.

Mr. Stone may purchase additional shares of Common Stock or similar securities from time to time, either in brokerage transactions, in over-the-counter market, in privately-negotiated transactions, or upon exercise of stock options, warrants or similar securities. Mr. Stone holds stock options to acquire additional shares of Common Stock granted to him as compensation for his service to the Company. Mr. Stone may, from time to time, exercise such options or be granted additional stock options or other equity awards by the Company in connection with such service. Any decision to increase his holdings of Common Stock will depend on various factors, including, but not limited to, the price of the shares of Common Stock, the terms and conditions of the transaction and prevailing market conditions. The Foundation and/or GRAT may purchase additional shares of Common Stock or similar securities from time to time, either in brokerage transactions, in over-the-counter market, or in privately negotiated transactions. In addition, the Foundation and/or GRAT may acquire beneficial ownership of additional shares of Common Stock from time to time in connection with any future gifts by Mr. Stone.

Each Reporting Person also may, at any time, subject to compliance with applicable securities laws, dispose of some or all of its/his Common Stock depending on various factors, including, but not limited to, the price of the shares of Common Stock, the terms and conditions of the transaction and prevailing market conditions, as well as liquidity and diversification objectives. In addition, Mr. Stone may make gifts (which may include gifts to the GRAT and/or Foundation and other charities) of Common Stock from time to time.

The Reporting Persons intend to participate in and influence the affairs of the Issuer through the exercise of their voting rights with respect to their shares of Common Stock. In addition, Mr. Stone is the Chairman of the Board and Chief Executive Officer of the Issuer and, as a result, in the ordinary course or otherwise, may take actions to influence the management, business, and affairs of the Issuer.

None of the Reporting Persons, as stockholders of the Company, has any plans or proposals other than as described herein that relate to or would result in any of the transactions or other matters specified in clauses (a) through (j) of Item 4 of Schedule 13D. Each Reporting Person may, at any time and from time to time, review or reconsider its/his position and/or its/his purpose and/or formulate plans or proposals with respect thereto. Notwithstanding the foregoing, Mr. Stone, in his positions as the Company's Chairman of the Board and Chief Executive Officer, intends to approve such matters and take such actions as he deems to be in the best interests of the Company, which matters and actions could potentially involve items referenced in the first sentence of this paragraph.

Item 5. Interest in Securities of the Issuer

(a)-(b) Based on 28,370,348 shares of Common Stock outstanding as of July 24, 2009, as reported in the Issuer's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009, filed with the SEC on July 30, 2009, the 4,211,211 shares of Common Stock beneficially owned by Mr. Stone represent approximately 14.8% of the outstanding Common Stock. This total also includes the 1,573,400 shares of Common Stock beneficially owned by the Foundation, and 2,000,000 shares of Common Stock beneficially owned by the GRAT, of which Mr. Stone may be deemed to have beneficial ownership by virtue of the relationship described in Item 2 above.

Except for the shares of Common Stock beneficially owned by the Reporting Persons as of the date hereof, disclosed in this Statement, none of the Reporting Persons owns any Common Stock of the Issuer or has any right to acquire, directly or indirectly, any beneficial ownership of other Common Stock of the Issuer.

Mr. Stone has the sole power to vote or direct the vote of, and to dispose or direct the disposition of, all of the securities shown above as being directly owned by him. In addition, Mr. Stone, as Director, President and Treasurer of the Foundation, has shared power to vote or direct the vote of, and to dispose or direct the disposition of, all of the securities held by the foundation, and Mr. Stone, as trustee of the GRAT, has shared power to vote or direct the vote of, and to dispose or direct the disposition of, all of the securities held by the GRAT. Pursuant to the terms of the

Edgar Filing: STONE ROGER W - Form SC 13D/A

Foundation's organizational documents, actions with respect to the Common Stock held by the Foundation, including the exercise of voting rights and any action to sell, option, exchange or otherwise dispose of the shares, require the approval of Mr. Stone. Pursuant to the terms of the GRAT's organizational document, action with respect to the Common Stock held by the GRAT, including the exercise of voting rights and any action to sell, option, exchange or otherwise dispose of the shares, require the approval of Mr. Stone.

(c) Except as set forth below, none of the Reporting Persons has made any purchase, sale or any other transaction in the Common Stock during the 60 days preceding the filing of this Schedule 13D/A.

Mr. Stone made the following donation transfers to the GRAT:

| Date | Number of Shares of Common Stock |
|--------------|----------------------------------|
| June 3, 2009 | 2,000,000 |

(d) As to each Reporting Person, no person other than the Reporting Person has the right to receive or the power to direct the receipt of dividends from or the proceeds from the sale of any of the shares referred to in Item 5(a) above.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Other than as described in Items 3 and 4 of this Statement and herein (and the Joint Filing Agreement filed as an Exhibit to this Statement), there are no contracts, arrangements or understandings between any of the Reporting Persons or between any of the Reporting Persons and any other person with respect to any securities of the Issuer, including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, and the Reporting Person has not pledged securities of the Issuer nor are the securities of the Issuer held by the Reporting Person subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities.

Mr. Stone has been granted non-qualified stock options, restricted stock and restricted stock units pursuant to the Issuer's equity incentive plan. As of the date hereof, Mr. Stone has: (a) 159,650 options, all of which are scheduled to vest in accordance with their respective terms between April 5, 2009, and April 5, 2010, at an exercise price of \$6.76 per share and (b) 167,671 options, all of which are scheduled to vest in accordance with their respective terms between April 10, 2010, and April 10, 2011, at an exercise price of \$6.90 per share; and (c) 167,671 options, all of which are scheduled to vest in accordance with their respective terms between May 13, 2011, and May 13, 2012, at an exercise price of \$3.70 per share. Mr. Stone has: (a) 54,300 shares of restricted stock with restrictions that are scheduled to lapse on April 5, 2010; and (b) 53,217 restricted stock units with restrictions that are scheduled to lapse on April 10, 2011.

Item 7. Material to be Filed as Exhibits

See Exhibit Index appearing elsewhere herein, which is incorporated herein by reference.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

August 18 ,2009
Date

/s/ Roger Stone
Roger Stone

ROGER AND SUSAN STONE FAMILY FOUNDATION

/s/ Roger Stone
Roger Stone, President

ROGER W. STONE 2009 GRAT 06/03/09

/s/ Roger Stone
Roger Stone, Trustee

EXHIBIT INDEX

| Number | Description |
|---------------|--|
| 1 | Joint Filing Agreement dated as of August 18, 2009, by and among Roger Stone, the Roger W. Stone 2009 GRAT 6/30/09, and the Roger and Susan Stone Family Foundation. |