

BEARINGPOINT INC
Form 10-Q
June 29, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2006.

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Commission File Number 001-31451

BEARINGPOINT, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

22-3680505
(IRS Employer
Identification No.)

1676 International Drive, McLean, VA
(Address of principal executive offices)

22102
(Zip Code)

(703) 747-3000

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of common stock of the Registrant outstanding as of June 1, 2007 was 201,641,999.

BEARINGPOINT, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2006
EXPLANATORY NOTE

As a result of significant delays in completing our consolidated financial statements for the year ended December 31, 2006 (fiscal 2006), we were unable to timely file with the Securities and Exchange Commission (the SEC) our Annual Report on Form 10-K for the fiscal year ended December 31, 2006 (the 2006 Form 10-K), this Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006 and September 30, 2006. In addition, we were unable to timely file with the SEC our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007.

We filed the 2006 Form 10-K on June 28, 2007. Due to the delay in the filing of this Quarterly Report, certain information presented in this Quarterly Report relates to significant events that have occurred subsequent to June 30, 2006.

Contemporaneous with the filing of this Quarterly Report, we are filing our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006 and September 30, 2006.

BEARINGPOINT, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2006
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PART I, ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)
BEARINGPOINT, INC.
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2006	2005	2006	2005
Revenue	\$ 892,680	\$ 895,245	\$ 1,726,424	\$ 1,766,578
Costs of service:				
Professional compensation	423,693	406,344	852,942	882,918
Other direct contract expenses	214,009	247,139	456,403	530,981
Lease and facilities restructuring charge	2,488		5,288	19,605
Other costs of service	60,929	64,459	121,756	130,821
Total costs of service	701,119	717,942	1,436,389	1,564,325
Gross profit	191,561	177,303	290,035	202,253
Amortization of purchased intangible assets	515	566	1,030	1,132
Selling, general and administrative expenses	176,384	164,360	365,297	327,801
Operating income (loss)	14,662	12,377	(76,292)	(126,680)
Interest income	2,313	1,682	4,564	3,033
Interest expense	(8,978)	(8,834)	(17,944)	(16,890)
Insurance settlement			38,000	
Other income (expense), net	1,314	(5,270)	1,692	(10,353)
Income (loss) before taxes	9,311	(45)	(49,980)	(150,890)
Income tax expense	12,164	4,841	25,586	86,554
Net loss	\$ (2,853)	\$ (4,886)	\$ (75,566)	\$ (237,444)
Loss per share basic and diluted	\$ (0.01)	\$ (0.02)	\$ (0.36)	\$ (1.18)
Weighted average shares basic and diluted	211,899,862	201,235,807	211,802,616	200,799,624

The accompanying Notes are an integral part of these Consolidated Condensed Financial Statements.

BEARINGPOINT, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(in thousands, except share amounts)
(unaudited)

	June 30, 2006	December 31, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 223,194	\$ 255,340
Restricted cash	30,332	121,247
Accounts receivable, net of allowances of \$5,888 at June 30, 2006 and \$9,326 at December 31, 2005	403,210	432,415
Unbilled revenue	431,571	355,137
Income tax receivable	7,956	10,867
Deferred income taxes	9,587	18,991
Prepaid expenses	53,714	35,875
Other current assets	68,617	40,345
 Total current assets	 1,228,181	 1,270,217
Property and equipment, net	155,185	170,133
Goodwill	452,495	427,688
Other intangible assets, net	515	1,545
Deferred income taxes, less current portion	26,095	20,915
Other assets	81,231	81,928
 Total assets	 \$ 1,943,702	 \$ 1,972,426
 LIABILITIES AND STOCKHOLDERS DEFICIT		
Current liabilities:		
Current portion of notes payable	\$ 1,727	\$ 6,393
Accounts payable	259,500	286,273
Accrued payroll and employee benefits	304,429	309,510
Deferred revenue	134,481	166,647
Income tax payable	44,619	41,839
Current portion of accrued lease and facilities charges	12,366	12,515
Deferred income taxes	14,896	10,095
Accrued legal settlements	85,083	38,601
Other current liabilities	145,371	169,624
 Total current liabilities	 1,002,472	 1,041,497
 Notes payable, less current portion	 669,686	 668,367
Accrued employee benefits	105,521	92,338
Accrued lease and facilities charges, less current portion	36,898	38,082
Deferred income taxes, less current portion	12,360	22,876
Income tax reserve	99,865	89,530
Other liabilities	91,186	65,308

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Total liabilities	2,017,988	2,017,998
Commitments and contingencies (note 9)		
Stockholders' deficit:		
Preferred stock, \$.01 par value 10,000,000 shares authorized		
Common stock, \$.01 par value 1,000,000,000 shares authorized, 205,350,249 shares issued and 201,537,999 shares outstanding on June 30, 2006 and December 31, 2005	2,044	2,044
Additional paid-in capital	1,283,312	1,261,797
Accumulated deficit	(1,559,765)	(1,484,199)
Notes receivable from stockholders	(7,580)	(7,578)
Accumulated other comprehensive income	243,430	218,091
Treasury stock, at cost (3,812,250 shares)	(35,727)	(35,727)
Total stockholders' deficit	(74,286)	(45,572)
Total liabilities and stockholders' deficit	\$ 1,943,702	\$ 1,972,426

The accompanying Notes are an integral part of these Consolidated Condensed Financial Statements.

BEARINGPOINT, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended	
	June 30,	
	2006	2005
Cash flows from operating activities:		
Net loss	\$ (75,566)	\$ (237,444)
Adjustments to reconcile net loss to net cash used in operating activities:		
Deferred income taxes	4,101	60,938
(Benefit) provision for doubtful accounts	(2,250)	174
Stock-based compensation	21,515	5,134
Depreciation and amortization of property and equipment	36,703	35,808
Amortization of purchased intangible assets	1,030	1,133
Lease and facilities restructuring charges	5,288	19,605
Amortization of debt issuance costs and debt accretion	4,358	8,604
Other	(37)	8,895
Changes in assets and liabilities:		
Accounts receivable	39,530	(26,919)
Unbilled revenue	(70,922)	(61,546)
Income tax receivable, prepaid expenses and other current assets	(41,670)	14,112
Other assets	(639)	(8,270)
Accounts payable, accrued legal settlements and other current liabilities	(12,438)	90,271
Accrued payroll and employee benefits	(12,663)	896
Deferred revenue	(34,335)	13,635
Income tax reserve and other liabilities	35,632	(23,618)
Net cash used in operating activities	(102,363)	(98,592)
Cash flows from investing activities:		
Purchases of property and equipment	(22,197)	(18,411)
Decrease (increase) in restricted cash	90,915	(92,838)
Net cash provided by (used in) investing activities	68,718	(111,249)
Cash flows from financing activities:		
Proceeds from issuance of common stock		14,897
Proceeds from issuance of notes payable		244,253
Repayments of notes payable	(5,130)	(5,765)
Decrease in book overdrafts	(756)	(1,479)
Net cash (used in) provided by financing activities	(5,886)	251,906
Effect of exchange rate changes on cash and cash equivalents	7,385	(8,513)
Net (decrease) increase in cash and cash equivalents	(32,146)	33,552
Cash and cash equivalents beginning of period	255,340	244,810

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Cash and cash equivalents	end of period	\$ 223,194	\$ 278,362
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The accompanying Notes are an integral part of these Consolidated Condensed Financial Statements.

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BEARINGPOINT, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)
(unaudited)

Note 1. Basis of Presentation and Liquidity

Basis of Presentation

The accompanying unaudited interim Consolidated Condensed Financial Statements of BearingPoint, Inc. (the Company) have been prepared pursuant to the rules and regulations of the SEC for Quarterly Reports on Form 10-Q. These statements do not include all of the information and Note disclosures required by accounting principles generally accepted in the United States of America, and should be read in conjunction with our Consolidated Financial Statements and notes thereto for the year ended December 31, 2006, included in the Company's Annual Report on Form 10-K and filed with the SEC on June 28, 2007 (the 2006 Form 10-K). The accompanying Consolidated Condensed Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America and reflect adjustments (consisting solely of normal, recurring adjustments, except as noted below) which are, in the opinion of management, necessary for a fair presentation of results for these interim periods. The results of operations for the three and six months ended June 30, 2006 are not necessarily indicative of the results that may be expected for any other interim period or the entire fiscal year.

The interim Consolidated Condensed Financial Statements reflect the operations of the Company and all of its majority-owned subsidiaries. Upon consolidation, all significant intercompany accounts and transactions are eliminated. Certain of the Company's consolidated foreign subsidiaries reported their results on a one-month reporting lag, which allowed additional time to compile results.

During 2005, the Company identified certain errors in its previously reported financial statements. Because these changes are not material to the Company's financial statements for the periods prior to 2005 or to 2005 taken as a whole, the Company corrected these errors in the first quarter of 2005. These adjustments included entries to correct errors in accounting for revenue, certain foreign tax withholdings, income taxes, and other miscellaneous items. Had these errors been recorded in the proper periods, the impact of the adjustments on the six months ended June 30, 2005 would have been an increase to revenue and gross profit of \$726 and \$4,927, respectively, and a decrease to net loss of \$15,445.

Liquidity

The interim Consolidated Condensed Financial Statements of the Company are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will realize its assets and discharge its liabilities in the ordinary course of business. The Company has recently experienced a number of factors that have negatively impacted its liquidity, including the following:

The Company has experienced significant recurring net losses. At June 30, 2006, the Company had an accumulated deficit of \$1,559,765 and a total stockholders' deficit of \$74,286.

The Company's business has not generated positive cash from operating activities in certain quarters during fiscal years 2006 and 2005.

Due to the material weaknesses in its internal controls, the Company continues to experience significant delays in completing its consolidated financial statements and filing periodic reports with the SEC on a timely basis. Accordingly, the Company continues to devote substantial additional internal and external resources, and experience higher than expected fees for audit services.

BEARINGPOINT, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (Continued)

(in thousands, except share and per share amounts)

(unaudited)

Through December 31, 2006, the Company incurred cumulative losses of \$139,882 under a significant contract and a final settlement in 2007 with Hawaiian Telcom Communications, Inc. (HT), which consequently resulted in significantly less cash from operating activities in 2006 and, management believes, 2007.

The Company currently is a party to a number of disputes that involve or may involve litigation or other legal or regulatory proceedings. See Note 9, Commitments and Contingencies.

During 2006 and into 2007, the Company engaged in a number of activities intended to further improve its cash balances and their accessibility. The Company's continued focus during 2006 on reducing days sales outstanding (DSOs) and improving profitability has improved cash flows from operations. In addition, as discussed in Note 3, Notes Payable, during May 2007, the Company entered into the 2007 Credit Facility, as defined herein, which includes term loans in the aggregate principal amount of \$250,000. In June 2007, the 2007 Credit Facility was amended to, among other things, increase the aggregate principal amount under the term loans by \$50,000. All term loans have been drawn down. Management believes the terms of these term loans have been structured to eliminate the risk of any event of default occurring with respect to the production of financial statements or SEC periodic reports prior to October 2008.

Based on the foregoing and its current state of knowledge of the outlook for its business, the Company currently believes that cash provided from operations, existing cash balances and borrowings under its 2007 Credit Facility will be sufficient to meet its working capital needs through the end of 2007. The Company's management may seek alternative strategies, intended to further improve the Company's cash balances and their accessibility, if current estimates for cash uses for 2007 prove incorrect. These activities include: initiating further cost reduction efforts, seeking improvements in working capital management, reducing or delaying capital expenditures, seeking additional debt or equity capital and selling assets. However, actual results may differ from current expectations for many reasons, including losses of business that could result from the Company's continuing failure to timely file periodic reports with the SEC, the occurrence of any event of default that could provide the Company's lenders with a right of acceleration (e.g., non-payment), possible delisting from the New York Stock Exchange, further downgrades of its credit ratings or unexpected demands on its current cash resources (e.g., to settle lawsuits).

Note 2. Stock-Based Compensation and Employee Stock Purchase Plan

Long-Term Incentive Plan

The Company is authorized to grant stock options and other awards to its employees and directors under its 2000 Long-Term Incentive Plan (the LTIP). On December 14, 2006, the Company amended its LTIP which included the elimination of the formula used to determine the number of shares available for issuance under the LTIP. Previously, the number of shares of common stock authorized for issuance under the LTIP was determined by a formula equal to the greater of (i) 35,084,158 shares of common stock and (ii) 25% of the sum of (x) the number of issued and outstanding shares of the Company's common stock and (y) the authorized shares. The amendment to the LTIP eliminated this formulaic determination of the number of shares of common stock authorized for issuance under the LTIP and replaced this formula with the specified number of authorized shares of 92,179,333, an aggregate increase of 25 million shares available for awards under the LTIP.

Stock options are granted with an exercise price equal to the common stock's fair market value at the date of grant. Generally, stock options granted have 10-year contractual terms and vest over three to four years from the date of grant. Stock-based awards, including shares of restricted stock, restricted stock units (RSUs) and performance share units (PSUs), may be issued under the LTIP for consideration as determined by the Compensation Committee of the Board of Directors and will be settled with the existing authorized share base. As of June 30, 2006, the Company had stock options, restricted stock awards and RSUs outstanding.

Activity for stock awards and options granted under the LTIP during the six months ended June 30, 2006 was as follows:

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BEARINGPOINT, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (Continued)
(in thousands, except share and per share amounts)
(unaudited)

	Options/Shares Available	Options Outstanding Number	Weighted Average Exercise Price per Share
	for Grant	Number	
Balance at December 31, 2005	7,609,567	45,676,141	\$ 11.33
Additional shares authorized			
Options granted	(400)	400	8.95
Options exercised			
Options forfeited/canceled	7,153,720	(7,153,720)	12.54
Restricted stock awards, net of forfeitures	(451,210)	n/a	9.29
Balance at June 30, 2006	14,311,677	38,522,821	\$ 11.10

The Company adopted the modified prospective transition method permitted under Statement of Financial Accounting Standards (SFAS) No. 123(R), Share-Based Payment (SFAS 123(R)), and consequently has not adjusted results from prior years. Under the modified prospective transition method, compensation costs associated with awards for the three and six months ended June 30, 2006 now include the expense relating to the remaining unvested awards granted prior to December 31, 2005 and the expense relating to any awards issued subsequent to December 31, 2005. For grants which vest based on certain specified performance criteria, the grant date fair value of the shares is recognized over the requisite period of performance once achievement of criteria is deemed probable. For grants that vest through the passage of time, the grant date fair value of the award is recognized over the vesting period. The amount of stock-based compensation recognized during the period is based on the value of the portion of the award that is ultimately expected to vest. SFAS 123(R) requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The pre-tax effect of the change in accounting associated with the adoption of SFAS 123(R) was \$7,893 and \$15,990 for the three and six months ended June 30, 2006, respectively, and the application of a forfeiture rate to compensation expense recognized in prior years was not considered significant for disclosure. The Consolidated Condensed Statements of Operations for the three and six months ended June 30, 2006 include stock-based compensation expense of \$11,531 and \$21,515, respectively, related to stock option awards, restricted stock awards, RSUs, and the Company's Employee Stock Purchase Plan (ESPP) and BE an Owner programs.

The Company elected the alternative transition method as outlined in Financial Accounting Standards Board (FASB) Staff Position 123(R)-3, Transition Election Related to Accounting for the Tax Effects of Share-Based Payment Awards, to calculate the pool of excess tax benefits available to absorb tax deficiencies recognized subsequent to the adoption of SFAS 123(R). There was no impact to the windfall tax benefit in 2006, as the Company was in a net operating loss carryforward position.

The after-tax stock-based compensation impact of adopting SFAS 123(R) for the quarter ended June 30, 2006 was \$7,591 and a \$0.04 per share reduction to earnings per share. The after-tax stock-based compensation impact of adopting SFAS 123(R) for the six months ended June 30, 2006 was \$15,387 and a \$0.07 per share reduction to earnings per share. Prior to the adoption of SFAS 123(R), the Company used the intrinsic value method of accounting prescribed by Accounting Principles Board Opinion (APB) No. 25, Accounting for Stock Issued to Employees (APB 25), and related interpretations, including FASB Interpretation (FIN) No. 44, Accounting for Certain Transactions Involving Stock Compensation, for its plans. Under this accounting method, stock-option awards that are granted with

the exercise price at the current fair value of the Company's common stock as of the date of the award generally did not require compensation expense to be recognized in the Consolidated Statements of Operations.

As of June 30, 2006, unrecognized compensation costs and related weighted-average lives over which the costs will be amortized were as follows:

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BEARINGPOINT, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (Continued)
(in thousands, except share and per share amounts)
(unaudited)

	Unrecognized Compensation Costs	Weighted- Average Life in Years
Stock options	\$ 20,083	2.2
Restricted stock and stock unit awards	14,566	4.0
ESPP	7,031	1.5
Total	\$ 41,680	2.7

The following table illustrates the pro forma effect on net loss and loss per share had the Company applied the fair value recognition provisions of SFAS 123 for the Company's stock-based compensation plans for all of the periods shown:

	Three Months Ended June 30, 2005	Six Months Ended June 30, 2005
Net loss	\$ (4,886)	\$ (237,444)
Add back:		
Total stock-based compensation expense recorded under intrinsic value method for all stock awards, net of tax effects	3,414	5,134
Deduct:		
Total stock-based compensation expense recorded under fair value method for all stock awards, net of tax effects	(26,029)	(51,144)
Pro forma net loss	\$ (27,501)	\$ (283,454)
Loss per share:		
Basic and diluted as reported	\$ (0.02)	\$ (1.18)
Basic and diluted pro forma	\$ (0.14)	\$ (1.41)

Certain of the Company's stock-based compensation awards continue to vest and do not accelerate vesting upon retirement or at the attainment of retirement eligibility, therefore, the requisite service period subsequent to attaining such eligibility is considered non-substantive. With the adoption of SFAS 123(R), the Company recognizes compensation expense related to stock-based awards issued on or after January 1, 2006 over the shorter of the requisite service period or the period to attainment of retirement eligibility. Certain awards granted to retirement-eligible employees prior to January 1, 2006 have not been accelerated and will continue to be amortized over their original vesting periods, until employment with the Company has terminated, at which point the compensation expense associated with any remaining unvested awards will be recognized. Had the Company adopted the retirement eligibility provisions of SFAS 123(R) to awards granted prior to January 1, 2006, the cumulative impact of the change in accounting would have been a reduction to expense of \$639 and \$565 for the three months ended

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June 30, 2006 and 2005 (pro forma), respectively, and \$1,515 and \$1,876 for the six months ended June 30, 2006 and 2005 (pro forma), respectively.

The fair value of each option award was estimated on the date of grant using the Black-Scholes option pricing model. The Company determined the expected volatility of the options based on a blended average of the Company's historical volatility and the volatility from its peer group, due to the limited trading experience of the Company and its current filing status. For 2006 awards, the expected life was approximated by averaging the vesting term and the contractual term in accordance with the simplified method described in Staff Accounting Bulletin (SAB) No. 107, Share-Based Payment. The risk-free interest rate is the yield currently available on U.S. Treasury zero-coupon issues with a remaining term approximating the expected term used as the input to the Black-Scholes model. The relevant data used to determine the value of the stock option grants, in the respective periods, is as follows:

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BEARINGPOINT, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (Continued)
(in thousands, except share and per share amounts)
(unaudited)

	Stock Price Expected Volatility	Risk-Free Interest Rate	Expected Life	Expected Dividend Yield	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value
Three months ended June 30, 2006	n/a	n/a	n/a	n/a	n/a	n/a
Three months ended June 30, 2005	50.70%	3.93%	6		\$7.46	\$ 3.94
Six months ended June 30, 2006	50.80%	4.59%	6		\$8.95	\$ 4.82
Six months ended June 30, 2005	51.27%	3.96%	6		\$7.77	\$ 4.73

The grant date fair value of the Company's common stock purchased and/or expected to be purchased under the ESPP was estimated for the three and six months ended June 30, 2006 and 2005 using the Black-Scholes option-pricing model with an expected volatility ranging between 30.4% and 70.0%, risk-free interest rates ranging from 1.03% to 3.29%, an expected life ranging from 6 to 24 months and an expected dividend yield of zero. For the six months ended June 30, 2006 and 2005, the weighted average grant date fair value of shares purchased under the ESPP was \$0 and \$3.21, respectively.

Stock Option Plans

The following table details the weighted average remaining contractual life of options outstanding at June 30, 2006 by range of exercise prices:

Options Exercisable⁽¹⁾

**Weighted
Average
Exercise
Price**

es, if any, we will pay additional amounts on any debt securities held by a person who is not a U.S. person for U.S. federal income tax p

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- the annual interest rate, which may be fixed or variable, or the method for determining such rate, the date interest will begin to accrue, the date interest will be payable and the regular record dates for interest payment dates or the method for determining such dates;
- whether or not the debt securities will be secured or unsecured, and the terms of any secured debt;
- whether or not the debt securities will be senior or subordinated, and the terms of the subordination of any series of subordinated debt and the applicable definition of “senior indebtedness”;
- whether the debt securities will be guaranteed;
- the place where payments will be payable;
- restrictions on transfer, sale or other assignment, if any;
- our right, if any, to defer payment of interest and the maximum length of any such deferral period;
- the date, if any, after which, the conditions upon which, and the price at which we may, at our option, redeem the series of debt securities pursuant to any optional or provisional redemption provisions, and any other applicable terms of those redemption provisions;
- provisions for a sinking fund, purchase or other analogous fund, if any;
- the date, if any, on which, and the price at which we are obligated, pursuant to any mandatory sinking fund or analogous fund provisions or otherwise, to redeem, or at the holder’s option to purchase, the series of debt securities;
- provisions relating to discharge and covenant defeasance and legal defeasance and any additional means of defeasance of the debt securities, any additional conditions or limitations to defeasance of the debt securities or any changes to those conditions or limitations;
- whether the indenture will restrict our ability and/or the ability of our subsidiaries to:
 - incur additional indebtedness;
 - issue additional securities;
 - create liens;
 - pay dividends and make distributions in respect of our capital stock and the capital stock of our subsidiaries;
 - redeem capital stock;
 - place restrictions on our subsidiaries’ ability to pay dividends, make distributions or transfer assets;
 - make investments or other restricted payments;
 - sell or otherwise dispose of assets;
 - enter into sale-leaseback transactions;
 - engage in transactions with shareholders and affiliates;
 - issue or sell stock of our subsidiaries; and/or
 - effect a consolidation or merger;
- whether the indenture will require us to maintain any interest coverage, fixed charge, cash flow-based, asset-based or other financial ratios;
- a discussion of any material or special U.S. federal income tax considerations applicable to the debt securities;
- information describing any book-entry features;
- the procedures for any auction and remarketing;

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- the denominations in which we will issue the series of debt securities, if other than denominations of \$1,000 and any integral multiple thereof;
 - if other than U.S. dollars, the currency in which the series of debt securities will be denominated;
 - the events of defaults applicable to the debt securities;
 - securities exchange(s) on which the debt securities will be listed, if any;
 - whether any underwriter(s) will act as market maker(s) for the debt securities;
 - the extent to which a secondary market for the securities is expected to develop;
 - provisions relating to form, registration, exchange and transfer of the debt securities;
 - the designation of any agents with respect to the debt securities;
 - modification, waiver and amendment provisions of the indenture for the debt securities;
 - terms for the conversion or exchange (if any) of debt securities for other securities issued by us;
 - the name and location of the corporate trust office of the applicable trustee under the indenture for the debt securities;
- and
- any other specific terms, preferences, rights or limitations of, or restrictions on, the debt securities, including any covenants with respect to the debt securities that are in addition to, or a modification or deletion of, any terms described herein.

We may sell debt securities at a discount below their stated principal amount. Any such discount may be substantial. Debt securities we sell may bear no interest or may bear interest at a rate that at the time of issuance is above or below market rates.

Governing Law

The indentures and the debt securities will be governed by and construed in accordance with the laws of the State of New York, without giving effect to applicable principles of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby, except to the extent that the Trust Indenture Act is applicable.

Description of Warrants

General

We may issue warrants for the purchase of our debt securities, preferred stock, common stock, or any combination thereof. Warrants may be issued independently or together with our debt securities, preferred stock or common stock and may be attached to or separate from any offered securities. The following description, together with the additional information we may include in any applicable prospectus supplement, summarizes the material terms and provisions of the warrants that we may offer under this prospectus and the related warrant agreements and warrant certificates.

While the terms summarized below will apply generally to any warrants that we may offer, we will describe the particular terms of any series of warrants in more detail in the applicable prospectus supplement. The terms of any warrants offered under a prospectus supplement may differ from the terms described below.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of warrant agreement, including a form of warrant certificate, that describes the terms of the particular warrants we are offering before the issuance of the related warrants. The description of the terms of the warrants in the related prospectus supplement will not be complete. You should refer to the provisions of the warrant agreement and warrant certificates applicable to the warrants for complete information about the warrants. See “Where You Can Find More Information.”

Debt Warrants

The prospectus supplement relating to a particular issue of warrants to purchase debt securities will describe the terms of the debt warrants, including the following:

- the title of the debt warrants;

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- the offering price for the debt warrants, if any;
- the aggregate number of the debt warrants;
- the designation and terms of the debt securities, including any conversion rights, purchasable upon exercise of the debt warrants;
- if applicable, the date from and after which the debt warrants and any debt securities issued with them will be separately transferable;
- the principal amount of debt securities that may be purchased upon exercise of a debt warrant and the exercise price for the warrants, which may be payable in cash, securities or other property;
- the dates on which the right to exercise the debt warrants will commence and expire;
- if applicable, the minimum or maximum amount of the debt warrants that may be exercised at any one time;
- whether the debt warrants represented by the debt warrant certificates or debt securities that may be issued upon exercise of the debt warrants will be issued in registered or bearer form;
- information with respect to book–entry procedures, if any;
- the currency or currency units in which the offering price, if any, and the exercise price are payable;
- if applicable, a discussion of material U.S. federal income tax considerations of owning or exercising the warrants;
- the antidilution provisions of the debt warrants, if any;
- the redemption or call provisions, if any, applicable to the debt warrants;
- any provisions with respect to the holder’s right to require us to repurchase the debt warrants upon a change in control or similar event; and
- any additional terms of the debt warrants, including procedures and limitations relating to the exchange, exercise, and settlement of the debt warrants.

Prior to the exercise of their debt warrants, holders of debt warrants may have no rights of holders of the debt securities purchasable upon such exercise, including any right to payment of principal premium or interest on the relevant debt securities.

Equity Warrants

The prospectus supplement relating to a particular series of warrants to purchase our common stock or preferred stock will describe the terms of the warrants, including the following:

- the title of the warrants;
- the offering price for the warrants, if any;
- the aggregate number of warrants;
- the designation and terms of the common stock or preferred stock that may be purchased upon exercise of the warrants;
- if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each security;
- if applicable, the date from and after which the warrants and any securities issued with the warrants will be separately transferable;
- the number of shares of common stock or preferred stock that may be purchased upon exercise of a warrant and the exercise price for the warrants;
- the dates on which the right to exercise the warrants shall commence and expire;
- if applicable, the minimum or maximum amount of the warrants that may be exercised at any one time; the currency or currency units in which the offering price, if any, and the exercise price are payable;

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- if applicable, a discussion of material U.S. federal income tax considerations of owning or exercising the warrants;
- the antidilution provisions of the warrants, if any;
- the redemption or call provisions, if any, applicable to the warrants;
- any provisions with respect to a holder's right to require us to repurchase the warrants upon a change in control or similar event; and
- any additional terms of the warrants, including procedures and limitations relating to the exchange, exercise and settlement of the warrants.

Prior to the exercise of their equity warrants, holders of equity warrants may have no rights of holders of the securities purchasable upon such exercise, including, in the case of warrants to purchase our common stock, the right to receive dividends, if any; the right to vote on or consent to matters to be voted on or consented to by our stockholders; the right to receive notice as stockholders with respect to any meeting of our stockholders for the election of our directors or any other matter; and the right to receive payments upon our liquidation, dissolution or winding up, if any.

Exercise of Warrants

Each warrant will entitle the holder to purchase our debt securities, preferred stock, common stock, or any combination thereof at the exercise price that we describe in the applicable prospectus supplement. Holders of the warrants may exercise the warrants at any time up to the specified time on the expiration date that we set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void.

Holders of the warrants may exercise the warrants by delivering the warrant certificate representing the warrants to be exercised together with specified information, and paying the required amount to the warrant agent in immediately available funds, as provided in the applicable prospectus supplement. If we so indicate in the applicable prospectus supplement, the warrants may also provide that they may be exercised on a "cashless" or net basis. We will set forth on the reverse side of the warrant certificate, if applicable, and in the applicable prospectus supplement the information that the holder of the warrant will be required to deliver to us or a warrant agent in order to exercise a warrant.

Upon receipt of the required payment and the warrant certificate properly completed and duly executed at our offices, the corporate trust office of a warrant agent or any other office indicated in the applicable prospectus supplement, we will issue and deliver the principal amount of debt securities or shares of our common stock or preferred stock purchasable upon such exercise. If fewer than all of the warrants represented by the warrant certificate are exercised, then we will issue a new warrant certificate for the remaining amount of warrants. If we so indicate in the applicable prospectus supplement, holders of the warrants may surrender the applicable offered security as all or part of the exercise price for warrants.

Enforceability of Rights by Holders of Warrants

Each series of warrants (if any) will be issued under a separate warrant agreement to be entered into between us and a bank or trust company, as warrant agent. A single bank or trust company may act as warrant agent for more than one issue of warrants. The warrant agent will act solely as our agent in connection with the warrants. The warrant agent will not have any obligation or relationship of agency or trust for or with any holders or beneficial owners of any warrant. A warrant agent will have no duty or responsibility in case of any default by us under the applicable warrant agreement or warrant, including any duty or responsibility to initiate any proceedings at law or otherwise, or to make any demand upon us. Any holder of a warrant may, without the consent of the related warrant agent or the holder of any other warrant, enforce by appropriate legal action its right to exercise, and receive the securities purchasable upon exercise of, its warrants.

Description of Rights

This summary, together with the additional information we include in any applicable prospectus supplements, summarizes the material terms and provisions of the rights that we may offer under this prospectus, which consist of rights to purchase our common stock, preferred stock and/or debt securities in one or more series. Rights may be offered independently or together with our common stock, preferred stock, debt securities and/or warrants offered by any prospectus supplement, and may be attached to or separate from those securities. While the terms we have summarized below will generally apply to any future rights we may offer pursuant to this prospectus, we will describe

the particular terms of any rights that we may offer in more detail in the applicable prospectus supplements. The terms of any rights we offer under a prospectus supplement may differ from the terms we describe

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below. Each series of rights will be issued under a separate rights agreement to be entered into between a rights agent and us. The rights agent will act solely as our agent in connection with the rights and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of rights.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of rights agreement, including a form of rights certificate, that describes the terms of the particular rights we are offering before the issuance of the related rights. The description of the terms of the rights in the related prospectus supplement will not be complete. You should refer to the provisions of the rights agreement and rights certificate applicable to the rights for complete information about the rights. See “Where You Can Find More Information.”

The applicable prospectus supplements relating to any rights that we offer will include specific terms of any offering of rights for which this prospectus is being delivered, including the following, to the extent applicable:

- the date for determining the persons entitled to participate in the rights distribution;
- the price, if any, per right;
- the exercise price payable for each share of common stock or preferred stock or other securities upon the exercise of the rights;
- the number of rights issued or to be issued to each holder;
- the number and terms of the shares of common stock or preferred stock or other securities that may be purchased per each right;
- the extent to which the rights are transferable;
- the respective dates on which the holder’s ability to exercise the rights will commence and will expire;
- the number of rights outstanding, if any;
- a discussion of any material U.S. federal income tax considerations of owning or exercising the rights;
- the extent to which the rights may include an over-subscription privilege with respect to unsubscribed securities;
- if applicable, the material terms of any standby underwriting or purchase arrangement entered into by us in connection with the offering of such rights; and
- any other terms of the rights, including terms, procedures and limitations relating to the distribution, exchange and exercise of the rights.

Each right will entitle the holder of rights to purchase for cash the principal amount of shares of common stock or preferred stock or other securities at the exercise price provided in the applicable prospectus supplement. Unless otherwise provided in the applicable prospectus supplement, rights may be exercised at any time up to the close of business on the expiration date for the rights provided in the applicable prospectus supplement. Rights will be issued in registered form only.

In the case of rights to purchase shares of our capital stock, certain provisions may allow or require the exercise price payable and/or the number of shares of stock purchasable upon exercise of the rights to be adjusted upon the occurrence of events described in the applicable prospectus supplement, including the issuance of a stock dividend or a combination, subdivision or reclassification of stock; the issuance of rights, warrants or options to all common and preferred stockholders entitling them to purchase our capital stock for an aggregate consideration per share less than the current market price per share of such stock; and any other events described in the prospectus supplement.

Exercise of Rights

Holders may exercise rights as described in the applicable prospectus supplement. Upon receipt of payment and the rights certificate properly completed and duly executed at the corporate trust office of the rights agent or any other office indicated in the prospectus supplement, we will, as soon as practicable, forward the shares of common stock, preferred stock or other securities, as applicable, purchasable upon exercise of the rights. If less than all of the rights issued in any rights offering are exercised, we may offer any unsubscribed securities directly to stockholders or to persons other than stockholders, to or through agents, underwriters or dealers or through a combination of such methods, including pursuant to standby arrangements, as described in the applicable prospectus supplement.

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Description of Units

We may issue units consisting of some or all of the other offered securities, in any combination, including common stock, preferred stock, warrants and/or debt securities. The terms of the units will be set forth in a prospectus supplement. The description of the terms of the units in the related prospectus supplement will not be complete. You should refer to the applicable form of unit and unit agreement for complete information with respect to the units. See “Where You Can Find More Information.”

Plan of Distribution

We may sell the securities offered pursuant to this prospectus and any accompanying prospectus supplements from time to time in one or more transactions:

- to or through one or more underwriters or dealers;
- to investors or purchasers directly;
- through agents; or
- through any combination of these methods of sale.

Our securities may be offered and sold from time to time in one or more transaction at:

- a fixed price or prices, which may be changed;
- market prices prevailing at the time of sale;
- prices related to the prevailing market prices; or
- negotiated prices.

Any of the prices at which we sell securities may be at a discount to market prices. Broker-dealers or the purchasers of the securities, as applicable, may also receive from us compensation that is not expected to exceed that customary for the types of transactions involved.

Each prospectus supplement, to the extent applicable, will describe the number and terms of the securities to which such prospectus supplement relates, including:

- any over-allotment options under which underwriters, if any, may purchase additional securities;
- the name or names of any underwriters or agents with whom we have entered into an arrangement with respect to the sale of such securities;
- the public offering or purchase price of such securities;
- any underwriting discounts or commissions or agency fees or other items constituting underwriter or agent compensation;
- any discounts, commissions or concessions allowed or reallocated or paid to dealers;
- any securities exchanges or markets on which the securities may be listed; and
- the net proceeds we will receive from such sale.

Underwritten Offerings

If underwriters are used in the sale of any securities, the securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions described above. The applicable prospectus supplement will name any underwriter involved in a sale of securities. Such securities may be either offered to the public through underwriting syndicates represented by managing underwriters, or directly by underwriters.

Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts. Generally, the underwriters’ obligations to purchase the securities will be subject to conditions precedent and the underwriters will be obligated to purchase all of the securities if they purchase any of the securities. We may use underwriters with whom we have a material relationship. We will describe any such underwriters in the applicable prospectus supplement, naming the underwriter and the nature of any such relationship.

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Direct Sales and Sales through Agents

We may sell securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any sale of those securities. We also may, from time to time, authorize dealers or agents to offer and sell these securities, upon such terms and conditions as may be set forth in the applicable prospectus supplement, if applicable. In order to comply with the securities laws of certain states, if applicable, the securities offered will be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states securities may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and complied with. This prospectus, one or more prospectus supplements, and the registration statement of which this prospectus forms a part may be used in conjunction with one or more other registration statements to the extent permitted by the Securities Act and the rules and regulations promulgated thereunder.

Rights Offerings

We may also sell securities in one or more of the following transactions:

- block transactions (which may involve crosses) in which a broker-dealer may sell all or a portion of the shares as agent but may position and resell all or a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its own account;
- ordinary brokerage transactions and transactions in which a broker-dealer solicits purchasers;
- sales “at the market” to or through a market maker or into an existing trading market, on an exchange or otherwise, for securities; and
- sales in other ways not involving a market maker or established trading markets, including direct sales to purchasers

We may also enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. In connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third party may use securities pledged by us or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of stock. The third party in such sale transactions may be an underwriter and will be identified in the applicable prospectus supplement or in a post-effective amendment to the registration statement of which this prospectus forms a part.

Any dealers or agents that participate in the distribution of securities may be deemed to be underwriters under the Securities Act, and in such event, any discounts or commissions received by them and any profit realized by them on the resale of securities they realize may be deemed to be underwriting discounts and commissions under the Securities Act.

Indemnification

Underwriters, dealers and agents and remarketing firms may be entitled, under agreements entered into with us, to indemnification against and contribution toward certain civil liabilities, including liabilities under the Securities Act, or to contributions with respect to payments that the agents, dealers, underwriters or remarketing firms may be required to make.

Stabilization

In connection with any offering of the offered securities, certain underwriters and selling group members and their respective affiliates may engage in transactions that stabilize, maintain or otherwise affect the market price of the applicable securities. These transactions may include stabilization transactions pursuant to which these persons may bid for or purchase securities for the purpose of stabilizing their market price.

The underwriters in an offering of securities may also create a “short position” for their account by selling more securities in connection with the offering than they are committed to purchase from us. In that case, the underwriters could cover all or a portion of the short position by either purchasing securities in the open market following completion of the offering of these securities or by exercising any over-allotment option granted to them by us. In addition, the managing underwriter may impose “penalty bids” under contractual arrangements with other underwriters, which means that it can reclaim from an underwriter (or any selling group member participating in the offering) for the account of the other underwriters, the selling concession for the securities that are distributed in the offering but

subsequently purchased for the account of the underwriters in the open market. Any of the transactions described in this paragraph or comparable transactions that are described in any accompanying prospectus supplement may result in the maintenance of the price of the securities at a level above that which might otherwise prevail in the

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open market. None of the transactions described in this paragraph or in an accompanying prospectus supplement will be required to be taken by an underwriter and, if they are undertaken, may be discontinued at any time.

Under applicable rules and regulations under the Exchange Act, under certain circumstances a person engaged in the distribution of the offered securities may not be able to simultaneously engage in market making activities with respect to the applicable securities for a specified period prior to the commencement of such distribution.

Remarketing Arrangements

Offered securities may also be offered and sold in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more remarketing firms, acting as principals for their own accounts or as agents for us. We will identify any remarketing firm and describe the terms of its agreements, if any, with us and its compensation in the applicable prospectus supplement.

Delayed Delivery Contracts

If indicated in the applicable prospectus supplement, we may authorize dealers acting as our agents to solicit offers by institutions to purchase offered securities from us at the public offering price set forth in the relevant prospectus supplement under delayed delivery contracts providing for payment and delivery on the date or dates stated in the relevant prospectus supplement. Any delayed delivery contract will be for an amount not less than, and the aggregate principal amount of securities sold pursuant to delayed delivery contracts shall be not less nor more than, the respective amounts stated in the applicable prospectus supplement. Institutions with whom delayed delivery contracts, when authorized, may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions, and other institutions, but will in all cases be subject to our approval. Delayed delivery contracts will not be subject to any conditions except (i) the purchase by an institution of the securities covered by its delayed delivery contracts may not at the time of delivery be prohibited under the laws of any jurisdiction in the United States to which the institution is subject, and (ii) if the securities are being sold to underwriters, we will be required to have sold to such underwriters the total principal amount of the securities less the principal amount thereof covered by delayed delivery contracts. The underwriters and any other agents will not have any responsibility in respect of the validity or performance of any delayed delivery contracts.

The anticipated date of delivery of offered securities will be set forth in the prospectus supplement relating to such securities.

Other Relationships

Underwriters, dealers, agents and remarketing firms may engage in transactions with, or perform services for, us and our affiliates in the ordinary course of business. Unless we specify otherwise in the related prospectus supplement, each class or series of offered securities will be a new issue with no established trading market, other than shares of our common stock, which are listed on the NYSE under the symbol "RYAM." It is possible that one or more underwriters may make a market in our securities, but will not be obligated to do so and may discontinue any market making at any time without notice. Therefore, no assurance can be given as to the liquidity of the trading market for our securities.

Legal Matters

Unless otherwise indicated in the applicable prospectus supplement, certain legal matters in connection with the securities offered hereby will be passed upon for us by Michael R. Herman, Senior Vice President, General Counsel and Corporate Secretary of the Company.

Experts

The consolidated financial statements of the registrant, for the year ended December 31, 2015, appearing in the registrant's Annual Report on Form 10-K (File No. 001-36285), including the schedule appearing therein, and the effectiveness of the registrant's internal control over financial reporting as of December 31, 2015, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon included therein, and incorporated herein by reference. Such consolidated financial statements are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP pertaining to such financial statements and the effectiveness

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of our internal control over financial reporting as of the respective dates (to the extent covered by consents filed with the SEC) given on the authority of such firm as experts in accounting and auditing.

Indemnification for Securities Act Liabilities

Our certificate of incorporation and bylaws include provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as a director or officer of the Company, or for serving at the Company's request as a director or officer or another position at another corporation or enterprise, as the case may be. Our certificate of incorporation and bylaws also provide that the Company must indemnify and advance reasonable expenses to its directors and officers, subject to its receipt of an undertaking from the indemnified party as may be required under the DGCL. Our certificate of incorporation expressly authorizes the Company to carry directors' and officers' insurance to protect it, its directors, officers and certain employees for some liabilities. We have obtained insurance covering our directors and officers against losses arising from any claim against them as such for wrongful acts or omissions, subject to certain limitations. These policies include coverage for liabilities arising under the Securities Act.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, the registrant has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

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Part II

Information Not Required in the Prospectus

Item 14. Other Expenses of Issuance and Distribution

The following table shows the costs and expenses payable by the Registrant in connection with the issuance and distribution of the securities being registered. All amounts reflected below are estimated.

Securities and Exchange Commission Registration Fee	\$50,350
Accounting Fees and Expenses	10,000
Legal Fees and Expenses	*
Printing Fees, Marketing and Expenses	*
Transfer Agent Fees and Expenses	*
Trustee Fees and Expenses	*
Rating Agency Fees and Expenses	*
Miscellaneous	*
Total	

* These fees are calculated based on the number of issuances, type and amount of offered securities and accordingly cannot be estimated at this time.

Item 15. Indemnification of Directors and Officers

The registrant is incorporated under the laws of the State of Delaware.

Delaware law provides that directors of a corporation will not be personally liable to the corporation or its stockholders for monetary damages for breach of their fiduciary duties as directors, except for liability:

- for any breach of their duty of loyalty to the corporation or its stockholders;
- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- under Section 174 of the Delaware General Corporation Law (“DGCL”) relating to unlawful payments of dividends or unlawful stock;
- for repurchases or redemptions; or
- for any transaction from which the director derived an improper personal benefit.

The limitation of liability does not apply to liabilities arising under the federal or state securities laws and does not affect the availability of equitable remedies, such as injunctive relief or rescission.

The registrant’s amended and restated certificate of incorporation and bylaws include provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as a director or officer of the registrant, or for serving at the registrant’s request as a director or officer or another position at another corporation or enterprise, as the case may be. The registrant’s amended and restated certificate of incorporation and bylaws also provide that the registrant must indemnify and advance reasonable expenses to its directors and officers, subject to its receipt of an undertaking from the indemnified party as may be required under the DGCL. The registrant’s amended and restated certificate of incorporation expressly authorizes the registrant to carry directors’ and officers’ insurance to protect it, its directors, officers and certain employees for some liabilities. We have obtained insurance covering our directors and officers against losses arising from any claim against them as such for wrongful acts or omissions, subject to certain limitations. These policies include coverage for liabilities arising under the Securities Act.

The foregoing is only a general summary of certain aspects of Delaware law and the registrant’s amended and restated certificate of incorporation and bylaws dealing with indemnification of directors and officers and does not purport to be complete.

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Item 16. Exhibits Index

Exhibit Number	Description
1.1	Form of Underwriting Agreement *
3.1	Amended and Restated Certificate of Incorporation of Rayonier Advanced Materials Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 30, 2014)
3.2	Amended and Restated Bylaws of Rayonier Advanced Materials Inc. (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on June 30, 2014)
4.1	Form of Senior Debt Indenture between the registrant and one or more trustees to be named
4.2	Form of Subordinated Debt Indenture between the registrant and one or more trustees to be named
4.3	Form of Specimen Stock Certificate for Common Stock *
4.5	Form of Common Stock Warrant Agreement and Warrant Certificate *
4.6	Form of Preferred Stock Warrant Agreement and Warrant Certificate *
4.7	Form of Certificate of Designation for Preferred Stock *
4.8	Form of Specimen Stock Certificate for Preferred Stock *
4.9	Form of Senior Note *
4.10	Form of Subordinated Note *
4.11	Form of Rights Agreement and Certificate *
4.12	Form of Unit Agreement *
5.1	Opinion and consent of Michael R. Herman, Senior Vice President, General Counsel, Corporate Secretary
12.1	Computation of Consolidated Ratio of Earnings to Fixed Charges (incorporated herein by reference to Exhibit 12 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015 filed on February 26, 2016)
23.1	Consent of Michael R. Herman (set forth in Exhibit 5.1)
23.2	Consent of Ernst & Young LLP
24.1	Power of Attorney (included on the signature pages to this Registration Statement)
25.1	Form of Statement of Eligibility under the Trust Indenture Act of 1939 *

* To be filed, if necessary, by amendment or as an exhibit to a Current Report on Form 8-K and incorporated by reference herein.

Item 17. Undertakings

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

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provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) above do not apply if the registration statement is on Form S-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporate or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for purposes of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for the purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) If applicable, the undersigned registrant hereby undertakes to supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any

subsequent reoffering

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thereof. If any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the prospectus, a post-effective amendment will be filed to set forth the terms of such offering.

(d) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(e) The undersigned also hereby undertakes that:

(1) For the purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For purposes of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(f) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act ("Act") in accordance with the rules and regulations prescribed by the Commission under section 305(b)(2) of the Act.

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Signatures

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Jacksonville, Florida, on this 26 day of February 2016.

Rayonier Advanced Materials Inc.
(Registrant)

By: /s/ Paul G. Boynton
Paul G Boynton
Chairman of the Board, President and Chief Executive
Officer

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Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints each of Paul G. Boynton and Frank A. Ruperto as his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities to sign any and all amendments (including all pre-effective and post-effective amendments) to this registration statement (and to any registration statement filed pursuant to Rule 462 under the Securities Act of 1933, as amended), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or their substitutes, each acting alone, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on February 26, 2016.

Signature	Title	Date
/s/ Paul G. Boynton Paul G. Boynton	Chairman of the Board Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	February 26, 2016
/s/ Frank A. Ruperto Frank A. Ruperto	Chief Financial Officer (Principal Financial and Accounting Officer)	February 26, 2016
/s/ C. David Brown, II C. David Brown, II	Lead Director	February 26, 2016
/s/ Charles E. Adair Charles E. Adair	Director	February 26, 2016
/s/ DeLyle W. Bloomquist DeLyle W. Bloomquist	Director	February 26, 2016
/s/ Mark E. Gaumond Mark E. Gaumond	Director	February 26, 2016
/s/ James F. Kirsch James F. Kirsch	Director	February 26, 2016
/s/ Lisa M. Palumbo Lisa M. Palumbo	Director	February 26, 2016
/s/ Thomas I. Morgan Thomas I. Morgan	Director	February 26, 2016
/s/ Ronald Townsend Ronald Townsend	Director	February 26, 2016

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Exhibits Index

Exhibit Number	Description
1.1	Form of Underwriting Agreement *
3.1	Amended and Restated Certificate of Incorporation of Rayonier Advanced Materials Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 30, 2014)
3.2	Amended and Restated Bylaws of Rayonier Advanced Materials Inc. (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on June 30, 2014)
4.1	Form of Senior Debt Indenture between the registrant and one or more trustees to be named
4.2	Form of Subordinated Debt Indenture between the registrant and one or more trustees to be named
4.3	Form of Specimen Stock Certificate for Common Stock *
4.5	Form of Common Stock Warrant Agreement and Warrant Certificate *
4.6	Form of Preferred Stock Warrant Agreement and Warrant Certificate *
4.7	Form of Certificate of Designation for Preferred Stock *
4.8	Form of Specimen Stock Certificate for Preferred Stock *
4.9	Form of Senior Note *
4.10	Form of Subordinated Note *
4.11	Form of Rights Agreement and Certificate *
4.12	Form of Unit Agreement *
5.1	Opinion and consent of Michael R. Herman, Senior Vice President, General Counsel, Corporate Secretary
12.1	Computation of Consolidated Ratio of Earnings to Fixed Charges (incorporated herein by reference to Exhibit 12 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015 filed on February 26, 2016)
23.1	Consent of Michael R. Herman (set forth in Exhibit 5.1)
23.2	Consent of Ernst & Young LLP
24.1	Power of Attorney (included on the signature pages to this Registration Statement)
25.1	Form of Statement of Eligibility under the Trust Indenture Act of 1939 *

* To be filed, if necessary, by amendment or as an exhibit to a Current Report on Form 8-K and incorporated by reference herein.