BOISE INC.
Form 424B3
November 12, 2009
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The information in this preliminary prospectus supplement and the accompanying prospectuses is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectuses are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-157881
Registration No. 333-155595

Subject to Completion. Dated November 11, 2009

17,000,000 Shares

Boise Inc.

Common Stock

This is a public offering of common stock of Boise Inc. All of the 17,000,000 shares of our common stock are being offered by the selling shareholders identified in this prospectus supplement. We will not receive any proceeds from the sale of the shares of common stock by the selling shareholders.

Our common stock is listed on the New York Stock Exchange (NYSE) under the trading symbol BZ. The last reported sale price of our common stock on the NYSE on November 10, 2009 was $5.47 per share.

Investing in our securities involves a high degree of risk. See Risk Factors beginning on page S-12 of this prospectus supplement for a discussion of information that should be considered in connection with an investment in our securities.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public Offering Price	$	$
Underwriting Discount	$	$
Proceeds to Selling Shareholders (before expenses)	$	$

Boise Cascade Holdings, L.L.C., one of the selling shareholders, has granted the underwriters a 30-day option to purchase up to an additional 2,550,000 shares on the same terms and conditions as set forth above if the underwriters sell more than 17,000,000 shares of common stock in this offering.

The underwriters expect to deliver the shares against payment on or about November , 2009.

Sole Bookrunner:
Goldman, Sachs & Co.

Co-Lead Manager:
Lazard Capital Markets

Co-Managers:

Wells Fargo Securities

Sterne Agee

Prospectus Supplement dated , 2009

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You should rely only on the information contained or incorporated by reference or provided in this prospectus supplement or the accompanying prospectuses. We, the selling shareholders and the underwriters have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We, the selling shareholders and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectuses, the documents incorporated by reference or any other offering material is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

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Prospectus Supplement

Prospectus dated February 12, 2009

Prospectus dated March 27, 2009

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectuses are part of registration statements that we filed with the SEC utilizing a shelf registration process. This document contains three parts. The first part consists of this prospectus supplement, which provides you with specific information about the shares of our common stock that the selling shareholders are selling in this offering and about the offering itself. The second and third parts, the accompanying prospectuses dated February 12, 2009 and March 27, 2009, provide more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectuses, you should rely on the information in this prospectus supplement.

Of the 17,000,000 shares of our common stock offered by this prospectus, 15,000,000 shares are being offered by Boise Cascade Holdings, L.L.C. pursuant to registration statement file number 333-155595 and 2,000,000 shares are being offered by the Jason G. Weiss Revocable Trust and the Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000 pursuant to registration statement file number 333-157881.

This prospectus supplement and the accompanying prospectuses include or incorporate by reference important information about us, our common stock and other information you should know before investing in our common stock. Before purchasing any shares of common stock, you should carefully read this prospectus supplement and the accompanying prospectuses, together with the additional information described under the heading Where you can find more information and Incorporation by reference.

You should rely only on the information contained or incorporated by reference in this prospectus supplement. We, the selling shareholders and the underwriters have not authorized anyone to provide you with information different from that contained in this prospectus supplement. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information provided in this prospectus supplement, the accompanying prospectuses, the documents incorporated by reference or any other offering material is accurate as of any date other than the date on the front of those documents, as applicable. Our business, financial condition, results of operations and prospects may have changed since that date.

The selling shareholders and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

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FORWARD-LOOKING STATEMENTS

Some of the information included in this prospectus supplement, the accompanying prospectuses and the other public filings incorporated by reference herein or therein constitute forward-looking statements. You can identify these statements by forward-looking words such as may, expect, anticipate, contemplate, believe, estimate, intends and continue or similar words.

There may be events in the future that we are not able to accurately predict or over which we have little or no control. The following factors, among others, may cause actual results to differ materially from the expectations described by us in our forward-looking statements:

- paper and packaging industry trends, including factors affecting supply and demand;
- our continued ability to meet the requirements of our credit facilities and other indebtedness;
- cost of raw materials and energy;
- legislation or regulatory environments, requirements or changes affecting the businesses in which we are engaged;
- our customer concentration;
- labor and personnel relations;
- successfully realizing the benefits of operational restructurings and capital investments;
- changing interpretations of generally accepted accounting principles;
- credit or currency risks affecting our revenue and profitability;
- continued compliance with government regulations;
- general economic conditions; and
- those factors identified in Risk factors in this prospectus supplement and in the documents incorporated by reference herein.

You should not place undue reliance on these forward-looking statements, which speak only as of the date of this prospectus supplement or the applicable document incorporated by reference herein.

All forward-looking statements included or incorporated by reference herein attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

MARKET AND INDUSTRY DATA

This prospectus supplement includes information with respect to market share and industry conditions, including the size of certain markets and our position and the position of our competitors within these markets, which are based upon internal estimates and various third-party sources, including RISI, Inc. (RISI). While we believe that such data is reliable, we have not independently verified any of the data from third-party sources, nor have we ascertained the underlying assumptions relied upon therein. Similarly, our internal research is based upon management s understanding of industry conditions, and such information has not been verified by any independent sources. Accordingly, such data involve risks and uncertainties and are subject to change based on various factors, including those identified under the heading Risk factors in this prospectus supplement.

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NON-GAAP FINANCIAL MEASURES

The SEC has adopted rules to regulate the use in filings with the SEC and in public disclosures of non-GAAP financial measures , such as net income (loss) before interest (interest expense, interest income and change in fair value of interest rate derivatives), income tax provision (benefit) and depreciation, amortization and depletion (EBITDA). This measure is derived on the basis of methodologies other than in accordance with GAAP. SEC rules govern the manner in which non-GAAP financial measures are publicly presented and prohibit in all filings with the SEC, among other things:

- exclusion of charges or liabilities that require, or will require, cash settlement or would have required cash settlement, absent an ability to settle in another manner, from a non-GAAP liquidity measure;

- adjustment of a non-GAAP financial measure to eliminate or smooth items identified as non-recurring, infrequent or unusual, when the nature of the charge or gain is such that it has occurred in the past two years or is reasonably likely to recur within the next two years; and

- presentation of non-GAAP financial measures on the face of any pro forma financial information.

EBITDA is the primary measure used by our chief operating decision makers to evaluate segment operating performance and to decide how to allocate resources to segments. We believe EBITDA is useful to investors because it provides a means to evaluate the operating performance of our segments and our company on an ongoing basis using criteria that are used by our internal decision makers and because it is frequently used by investors and other interested parties in the evaluation of companies with substantial financial leverage. We believe EBITDA is a meaningful measure because it presents a transparent view of our recurring operating performance and allows management to readily view operating trends, perform analytical comparisons, and identify strategies to improve operating performance. For example, we believe that the inclusion of items such as taxes, interest expense, and interest income distorts management s ability to assess and view the core operating trends in our segments. EBITDA, however, is not a measure of our liquidity or financial performance under generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income (loss), income (loss) from operations, or any other performance measure derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity. The use of EBITDA instead of net income (loss) or segment income (loss) has limitations as an analytical tool, including the inability to determine profitability; the exclusion of interest expense, interest income, change in fair value of interest rate derivatives, and associated significant cash requirements; and the exclusion of depreciation, amortization, and depletion, which represent significant and unavoidable operating costs, given the level of our indebtedness and the capital expenditures needed to maintain our businesses. Management compensates for these limitations by relying on our GAAP results. Our measures of EBITDA are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation. For a presentation of net income (loss) as calculated under GAAP and a reconciliation to EBITDA, see note 6 in Summary Summary historical condensed consolidated financial data.

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SUMMARY

This summary contains a general summary of certain information contained in this prospectus supplement or the accompanying prospectuses. This summary is not complete and does not contain all of the information that is important to you. It is qualified in its entirety by the more detailed information that is included elsewhere in this prospectus supplement, the accompanying prospectuses and the other documents and the financial statements, including the notes thereto, that are part of the reports Boise Inc. files with the SEC and that are incorporated by reference in this prospectus supplement. You should carefully consider the information contained and incorporated by reference in this prospectus supplement and the accompanying prospectuses, including the information set forth in the section entitled Risk factors beginning on page S-12 of this prospectus supplement. Except where otherwise indicated or the context otherwise requires, the words we, us, our and similar terms, as well as references to the Company, Boise or Boise Inc., refer to Boise Inc. (formerly Aldabra 2 Acquisition Corp.) and all of its consolidated subsidiaries.

Company overview

On February 22, 2008, we completed the acquisition (the Acquisition) of Boise Paper Holdings and other assets and liabilities from Boise Cascade, L.L.C. (Boise Cascade) for $1,252.3 million in cash, $58.3 million in a subordinated promissory note and 37.9 million shares of our common stock. The business we acquired is referred to in this prospectus supplement as the Predecessor.

We are a large, diverse U.S.-based manufacturer of packaging products and papers, including corrugated containers, containerboard, label and release and flexible packaging papers, imaging papers for the office and home, printing and converting papers, newsprint and market pulp. We own pulp and paper mill operations in the following locations: Jackson, Alabama; International Falls, Minnesota; St. Helens, Oregon; and Wallula, Washington, all of which manufacture uncoated freesheet paper. We also own a mill in DeRidder, Louisiana, which produces containerboard (linerboard) as well as newsprint. We also have a network of five corrugated container plants located in the Pacific Northwest, a corrugated sheet plant in Nevada and a corrugated sheet feeder plant in Texas. We are headquartered in Boise, Idaho and have approximately 4,100 employees. For the nine months ended September 30, 2009, we had sales of $1,487.9 million and net income of $98.1 million. See Summary historical condensed consolidated financial data.

We operate our business in three reportable segments Paper, Packaging and Corporate and Other (support services). We present information pertaining to each of our three segments in Business in this prospectus supplement.

Nine months ended

September 30, 2009 sales,
by reporting segment[(1)]

(1) Excludes Corporate and Other sales and intersegment eliminations of $24.3 million.

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Paper segment

Through our Paper segment, we manufacture and sell uncoated freesheet paper (including commodity and premium cut-size office papers); a range of packaging papers (including corrugating medium, label and release papers and flexible packaging papers); commodity and premium printing and converting papers (including commercial printing papers, envelope papers and form-related products); and market pulp.

Packaging segment

Through our Packaging segment, we manufacture and sell containerboard (linerboard) and corrugated containers and sheets as well as newsprint. In 2008, we consumed approximately 72% of our linerboard and medium production (including industry trades and the medium production from our Paper group) to make corrugated containers and sheets in this segment.

Company strengths

We believe our principal strengths include the following:

Leading provider of office papers and containerboard packaging. We believe we are the third largest uncoated freesheet manufacturer in North America and a leading manufacturer of packaging products. We operate to maximize our profitability by focusing our two largest uncoated freesheet paper manufacturing machines on cut-size commodity office paper while dedicating our smaller machines largely to the production of premium office papers and specialty packaging papers. We believe our uncoated freesheet market positions are aligned with end markets and niches that offer more favorable trends than the industry overall. We also believe our lower cost virgin linerboard mill, complemented by a strong regional corrugated box position, provides us competitive strength in the containerboard market. Our positioning in these markets has benefited from significant industry consolidation. According to RISI, the North American market share of the top three producers by capacity in the uncoated freesheet and linerboard industries has risen from 36% and 31%, respectively, in 1994, to 70% and 59%, respectively, in 2008. This consolidation has resulted in the divestiture of non-core manufacturing facilities and equipment. We believe the sharpened focus derived from these divestitures will benefit both the uncoated freesheet and containerboard markets, as the industry relies on generating returns on invested capital with fewer core assets.

Transformation has created a focused position in attractive markets with additional strategic optionality. Prior to 2005, our businesses were a small part of a larger diversified company, which derived only 16% of its revenue from paper and packaging products. Today, through acquisitions and targeted capital investments, and an ongoing commitment to cost reduction, supply chain efficiency and operational excellence, we have transformed into a strategically focused paper and packaging company with both the scale and flexibility to react to rapidly changing markets and customer needs. We believe this transformation has positioned us with an attractive growth platform for further growth in commodity and specialty packaging.

Industry leading value proposition in office paper channel. We have a long-term supply relationship with OfficeMax Incorporated (OfficeMax), which is one of the largest and most efficient suppliers of office papers to large office environments through its contract stationer business. This relationship allows us to utilize our largest uncoated freesheet paper machines to produce cut-size office paper in long, high-volume production runs, increasing our capacity utilization and reducing our costs. In addition to improving the profitability of our production assets, our integrated supply chain with OfficeMax and other customers enables us to better align our sales and merchandising efforts with our customers so as to improve their profitability on our products. We operate a national distribution network that provides OfficeMax with industry leading inventory turns and exceptional on time delivery. This relationship is supported by a long-term agreement to supply OfficeMax with all of its North American requirements for cut-size office paper. Additionally, we offer a complete suite of premium cut-size office papers, and we believe we are the largest producer of recycled cut-size office papers, which is an important product offering to our customers whose consumers have become increasingly environmentally sensitive. We believe our value proposition will position us to continue to capture the operational benefits of stable demand and build and improve relationships with our customers.

Cost competitive position with improved margins. The focus of our two largest uncoated freesheet paper machines is on the manufacture of commodity, cutsize office papers, where demand has proven more stable than other uncoated freesheet grades, such as printing and converting papers. The recent restructuring of our St. Helens mill, the increased integration in our packaging business, and the other operational and cost improvement programs we have undertaken have increased our cost-competitiveness and improved our operating margins.

Strong growth potential as the market recovers. We expect to benefit from several industry trends, including permanent capacity reductions in uncoated freesheet and containerboard, stabilizing demand with growth in premium product areas and favorable pricing trends. In addition to these industry dynamics, we have taken actions that should further support our ability to capture this opportunity. We spent approximately $80 million in the aggregate in 2006 and 2007 to modify our uncoated freesheet paper machine at our Wallula, Washington mill, which historically produced a variety of commodity paper grades, to enable it to produce pressure sensitive (label and release) papers as well as commodity grades. We are continuing to fine tune our production processes at Wallula to reduce costs while maintaining or improving product quality. In 2008, we completed an investment of approximately $23 million for a new shoe press for our linerboard machine in DeRidder, Louisiana, increasing our annual capacity by approximately 36,000 to 50,000 tons, depending on grade mix, extending our product range capabilities and reducing our per ton energy usage rates. Additionally, we restructured our St. Helens, Oregon mill in the fourth quarter of 2008, discontinuing production of the least profitable uncoated freesheet papers, eliminating a significant number of products and the associated sales and marketing overhead, improving our system-wide product loading and reducing working capital and ongoing capital investment needs. We are also receiving benefits from pulp integration with the Wallula mill.

Strong management team. Our management team benefits from strong global insight and domestic experience and combines outside perspective with industry expertise. Our management has led our transition from an asset-focused company to a market and customer-focused company. While our management has been able to increase profitability by cutting costs and making investments in projects with high return potential, management has also increased employee engagement and our commercial excellence, which continues to be an important part of the transformation process, driving productivity, cost savings and safety improvements. On average, our senior management team has over 20 years of experience in the industry.

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Strategy

Our business strategy is to continue to align our capital investments and assets with end markets with favorable trends and to lower our costs to improve our overall financial performance and returns on capital.

Grow premium office papers and specialty packaging papers We are increasing our presence in the premium office papers and specialty packaging papers markets, while simultaneously reducing our exposure to more mature and lower margin markets. Specialty packaging papers, such as label and release and flexible packaging, have not been as sensitive to electronic substitution, have greater customer focus on specifications and product quality and offer a price premium to other, more commodity-like uncoated freesheet grades. We have improved the Wallula #3 paper machine and structured our sales and marketing teams to profitably and organically grow our market share in these niche, less commodity-like markets. Sales volumes of premium office papers and specialty packaging papers grew 14% during 2008 compared with 2007.

Increase integration and explore strategic growth in containerboard We operate our containerboard business to optimize cash flow through direct and indirect integration between our containerboard and converting operations, as we believe our system earns a higher return selling corrugated boxes to end customers, as opposed to selling containerboard to converters. We will continue to evaluate opportunities for strategic and organic growth. In the last three years, we purchased Central Texas Corrugated (CTC), a sheet feeder plant in Texas, for $43.8 million and a sheet plant in Sparks, Nevada for $0.8 million to further improve integration.

Increase energy self-sufficiency We believe we can improve our energy self-sufficiency should natural gas and other fossil fuels increase in cost. We have identified a number of potentially high return projects to reduce energy consumption and utilize lower cost renewable sources. We expect to further evaluate and implement these projects if an appropriate return on capital can be achieved.

Pursue opportunities to enhance returns on newsprint paper machines Newsprint currently represents approximately 5% of our total revenues, and our limited newsprint production has a low delivered cost to the southern U.S. markets. We have the ability to restart the currently idled DeRidder #2 machine to produce packaging grades when markets warrant, with a capital investment of approximately $25 million.

Industry

The markets in which we operate are large and highly competitive. Our products and services compete with similar products manufactured and distributed by others both domestically and globally. Many factors influence our competitive position in each of our operating segments, including price, service, quality, product selection, convenience of location and our manufacturing and overhead costs.

The North American uncoated freesheet market had 12.5 million tons of demand in 2008 and has four major manufacturers that account for approximately 68% of capacity, according to RISI and our estimates, as of August 31, 2009. We believe we are the third-largest producer of uncoated freesheet paper in North America. Our largest competitors include Domtar Corporation, International Paper Company and Georgia-Pacific LLC.

Major uncoated freesheet producers, including Boise, have responded to recent declines in demand by closing or significantly curtailing capacity to match lower demand. According to RISI, demand for uncoated freesheet in North America has declined by 1.0 million tons, or 16%, for the first half of 2009 compared to the same period in 2008, while prices of Standard Number 4 92 Brite Xerographic uncoated freesheet paper have increased by $5 per ton from $1,060 per ton in June 2008 to $1,065 per ton in June 2009. During this time period, our sales volumes of uncoated freesheet paper have declined by 17%, in large part due to our restructuring of our St. Helens, Oregon paper mill, and net sales prices for our uncoated freesheet paper have increased by 8%.

The North American containerboard (corrugating medium and linerboard) market had 31.6 million tons of demand in 2008 and has five major manufacturers that account for approximately 72% of capacity, according to RISI and our estimates, as of August 31, 2009. Our largest competitors include International Paper Company, Smurfit-Stone Container Corporation, Georgia-Pacific LLC, Temple-Inland, Inc. and Packaging Corporation of America. Our corrugated container operations in the Pacific Northwest have a leading regional market position and compete with several national and regional manufacturers. According to RISI, the containerboard industry serves a number of end markets, some of which have been impacted by negative real GDP growth in North America. Our corrugated product pricing has remained steady, as packaging demand in agriculture, food and beverage markets, which have historically been less correlated to broad economic activity, have remained relatively stable. These markets constitute over half of our packaging product end-use markets. According to RISI, demand for containerboard in North America has declined by 2.2 million tons, or 13%, for the first half of 2009 compared to the same period in 2008, while prices of eastern U.S. 42 lb. unbleached kraftliner have remained flat at $570 per ton. Through the first half of 2009, our sales volumes of corrugated boxes and sheets declined 8% while sales volumes of linerboard declined by 19%. During the same time period, net sales prices for corrugated boxes and sheets increased 7% while net sales prices for linerboard declined by 18%.

Recent developments

9% Senior Notes Offering

On October 26, 2009, Boise Paper Holdings, L.L.C. (Boise Paper Holdings) and Boise Finance Company, a new entity created to facilitate the debt issuance (Boise Finance), our indirect wholly owned subsidiaries (together, the Issuers), issued $300 million aggregate principal amount of 9% Senior Notes due 2017 (the Notes) through a private placement that was exempt from the registration requirements of the Securities Act. The Notes will mature on November 1, 2017, and bear an interest rate per annum of 9%, payable semiannually in arrears on May 1 and November 1, commencing on May 1, 2010.

The Notes were issued under an indenture, dated as of October 26, 2009 (the Indenture), among the Issuers, the Guarantors (as defined below), and Wells Fargo Bank, National Association, as trustee (the Trustee). The Indenture contains covenants which, subject to certain exceptions, limit the ability of the Issuers, BZ Holdings (as defined below), and its restricted subsidiaries (as defined in the Indenture) to, among other things, incur additional indebtedness, engage in certain asset sales, make certain types of restricted payments, engage in transactions with affiliates, and create liens on assets of the Issuers or Guarantors. Upon a change of control, the Issuers must offer to repurchase the Notes at 101% of the principal amount, plus accrued and unpaid interest. If the Issuers sell certain assets, and the Issuers do not use the proceeds from such sale for specified purposes, they must offer to repurchase the Notes at 100% of the principal amount, plus accrued and unpaid interest.

The Issuers may redeem all or a portion of the Notes at any time on or after November 1, 2013, at a premium decreasing to zero by November 1, 2015, plus accrued and unpaid interest. In addition,

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prior to November 1, 2012, the Issuers may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 109% of the principal amount thereof, with the net proceeds of one or more qualified equity offerings.

The Notes are the Issuers senior unsecured obligations and will rank equally with all of the Issuers present and future senior indebtedness, senior to all of the Issuers future subordinated indebtedness and effectively subordinated to all present and future senior secured indebtedness of the Issuers (including all borrowings with respect to the First Lien Credit Agreement (as defined below)) to the extent of the value of the assets securing such indebtedness.

The Notes are jointly and severally guaranteed by our subsidiary BZ Intermediate Holdings LLC (BZ Holdings), direct parent of Boise Paper Holdings and direct subsidiary of Boise, and all of the domestic majority-owned subsidiaries of BZ Holdings except for the Issuers (the Guarantors). The guarantees of the Notes are senior unsecured obligations of the Guarantors and will rank equally with all of the Guarantors present and future senior indebtedness, senior to all of the Guarantors future subordinated indebtedness and effectively subordinated to all present and future senior secured indebtedness (including all borrowings with respect to the First Lien Credit Agreement) to the extent of the value of the assets securing such indebtedness.

The Indenture contains customary events of default.

In connection with the issuance of the Notes, the Issuers and the Guarantors entered into the Registration Rights Agreement, dated as of October 26, 2009 (the Registration Rights Agreement). The Registration Rights Agreement requires the Company to register under the Securities Act 9% Senior Notes due 2017 (the Exchange Notes) having substantially identical terms to the Notes and to complete an exchange of the privately placed Notes for the publicly registered Exchange Notes or, in certain circumstances, to file and keep effective a shelf registration statement for resale of the privately placed Notes. If the Issuers fail to satisfy these obligations in the time frame required, the Issuers will pay additional interest to holders of the Notes.

Credit Agreement Amendments

Following the sale of the Notes, the Issuers used the net proceeds of the sale, as well as cash on hand, to retire a portion of the existing term loan indebtedness under Boise Paper Holdings senior secured credit facilities pursuant to the previously announced amendments to its credit facilities (Credit Agreement Amendments). Pursuant to the Credit Agreement Amendments, which became effective on October 26, 2009, Boise Paper Holdings repaid $75 million of outstanding secured debt under its Credit and Guaranty Agreement among Boise Paper Holdings, BZ Holdings, certain subsidiaries of BZ Holdings, various lender parties, and Goldman Sachs Credit Partners L.P., as administrative agent (the First Lien Credit Agreement). In addition, pursuant to the Credit Agreement Amendments, Boise Paper Holdings used proceeds of the issuance to repurchase, in its entirety, the indebtedness outstanding under its Second Lien Credit and Guaranty Agreement among Boise Paper Holdings, BZ Holdings, certain subsidiaries, various lender parties, and Lehman Commercial Paper Inc., as administrative agent (the Second Lien Credit Agreement). In consideration of the repurchase of indebtedness under the Second Lien Credit Agreement, Boise Paper Holdings paid to the lender parties thereto 113% of the amount outstanding under the Second Lien Credit Agreement, plus accrued and unpaid interest. Upon the repurchase of all of the indebtedness outstanding under the Second Lien Credit Agreement by Boise Paper Holdings, such indebtedness was cancelled and the Second Lien Credit Agreement terminated.

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Securities Purchase Agreement

On August 4, 2009, we entered into a Securities Purchase Agreement, which allowed us the option to repurchase our 15.75% subordinated promissory note or any portion thereof from the noteholder.

Pursuant to the Securities Purchase Agreement, on October 26, 2009, we used cash on hand to repurchase our outstanding unsecured subordinated promissory note, in its entirety. The Securities Purchase Agreement allowed us the option to purchase a portion or all of the promissory note in one or more transactions during the 181 days after the date of the Securities Purchase Agreement. Pursuant thereto, we purchased the sole promissory note outstanding at a purchase price of 70% of the outstanding value of the promissory note, plus accrued and unpaid interest. Following the purchase of the promissory note, the note was cancelled.

In connection with the repurchase of our second lien term loan and promissory note, we anticipate recognizing a loss on the extinguishment of debt in our fourth quarter 2009 operations of approximately $44 million.

Boise Inc. is incorporated in Delaware, and the address of our principal executive office is 1111 West Jefferson Street, Suite 200, Boise, Idaho 83702-5388. Our telephone number is (208) 384-7000. Our Internet address is www.boiseinc.com. Information found on our Web site is not incorporated into or otherwise part of this prospectus supplement.

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THE OFFERING

Common stock offered by the selling shareholders	17,000,000 shares
Common stock to be outstanding immediately after this offering	84,434,691 shares*
Selling shareholders	Boise Cascade Holdings, L.L.C. (Boise Cascade Holdings). Boise Cascade Holdings, which is controlled by an investment fund managed by Madison Dearborn Partners, LLC (MDP), is our largest shareholder and currently owns approximately 35.9 million shares or 42.5% of our common stock.

Jason G. Weiss Revocable Trust. Jason G. Weiss serves as a trustee and is a beneficiary of the Jason G. Weiss Revocable Trust. Mr. Weiss has served as a director of our Company since its inception and serves as a designee of the Aldabra Majority Holders (as defined in the Investor Rights Agreement) pursuant to the Investor Rights Agreement. He served as Aldabra 2 Acquisition Corp. s chief executive officer and secretary, and has served as a member of our board of directors since inception.

Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000. The children of Mr. Weiss are the beneficiaries of the Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000.

Underwriters option	Up to 2,550,000 shares to be offered by Boise Cascade Holdings if the underwriters sell more than 17,000,000 shares of common stock in this offering.
Use of proceeds	We will not receive any proceeds from the sale of shares of common stock by the selling shareholders in this offering. Please see the section entitled Use of Proceeds.
NYSE symbol	Our common stock is listed on the NYSE under the trading symbol BZ.

* The number of shares of common stock to be outstanding immediately after this offering is based on the number of shares outstanding at November 10, 2009. This figure does not include the 1,689,791 shares underlying outstanding restricted stock units. This figure also does not include 44,400,000 shares issuable upon exercise of outstanding warrants with an exercise price of $7.50 per share.

Risk Factors

In considering whether to purchase our common stock, you should carefully consider all of the information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectuses. In particular, you should consider the section entitled Risk Factors

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beginning on page S-12 of this prospectus supplement as well as the risk factors described in our periodic reports filed with the SEC, including those set forth under the caption Risk Factors in our annual report on Form 10-K for the year ended December 31, 2008 and in our quarterly reports on Form 10-Q for the quarters ended March 31, 2009 and September 30, 2009, which are incorporated by reference in this prospectus supplement.

SUMMARY HISTORICAL CONDENSED CONSOLIDATED FINANCIAL DATA

The following table sets forth summary historical condensed consolidated financial data for Boise Inc. and our Predecessor operations for the periods ended and as of the dates indicated below. We have derived the historical condensed consolidated financial data of the Predecessor as of December 31, 2007 and for the years ended December 31, 2006 and December 31, 2007 and the period from January 1, 2008 through February 21, 2008 from the Predecessor s audited consolidated financial statements incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data of the Predecessor as of December 31, 2006 from the Predecessor s audited consolidated financial statements not incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data of Boise Inc. as of December 31, 2007 and December 31, 2008 and for the period from February 1, 2007 (Inception) through December 31, 2007 and the year ended December 31, 2008 from our audited consolidated financial statements incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data as of September 30, 2009 and for the nine months ended September 30, 2008 and September 30, 2009 from our unaudited consolidated financial statements incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data as of September 30, 2008 from our unaudited consolidated financial statements not incorporated by reference in this prospectus supplement. In the opinion of management, the unaudited financial data appearing below reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of the results as of and for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The following summary historical consolidated financial data should be read in conjunction with Management s discussion and analysis of financial condition and results of operations and the consolidated financial statements and the accompanying notes thereto in our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2009, each of which is incorporated by reference herein.

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(Dollars in thousands)	Predecessor Year Ended December 31, 2006	Predecessor Year Ended December 31, 2007	Predecessor January 1 Through February 21, 2008	Boise Inc. February 1 (Inception) Through December 31, 2007	Boise Inc. Year Ended December 31, 2008	Boise Inc. Nine Months Ended September 30, 2008	Boise Inc. Nine Months Ended September 30, 2009
Statements of income (loss) data:							
Net sales	$ 2,221,957	$ 2,332,603	$ 359,920	$	$ 2,070,632	$ 1,479,513	$ 1,487,917
Costs and expenses (1)	2,128,138	2,172,126	336,784	334	2,030,778	1,451,074	1,276,428
Income (loss) from operations	93,819	160,477	23,136	(334)	39,854	28,439	211,489
Interest expense (2)			(2)	(6)	(91,220)	(65,064)	(64,979)
Other, net (3)	483	1,881	215	10,422	(2,929)	845	2,971
Income (loss) before income taxes	94,302	162,358	23,349	10,082	(54,295)	(35,780)	149,481
Income tax (provision) benefit (4)	(1,381)	(2,767)	(563)	(4,590)	8,772	5,742	(51,359)
Net income (loss)	$ 92,921	$ 159,591	$ 22,786	$ 5,492	$ (45,523)	$ (30,038)	$ 98,122
Other financial data:							
Depreciation, amortization and depletion (5)	$ 116,398	$ 84,649	$ 477	$	$ 109,988	$ 76,862	$ 97,780
Capital expenditures	109,073	141,801	10,168		90,597	58,928	53,562
EBITDA (6)	210,131	246,310	23,667	(334)	145,146	103,790	311,345
Balance sheet data (at end of period):							
Cash and cash equivalents	$ 7	$ 8		$ 186	$ 22,518	$ 27,128	$ 237,604
Short-term investments							10,010
Working capital (7)	330,585	310,518		389,604	327,065	343,223	458,331
Property, net	1,144,537	1,210,187			1,277,461	1,300,663	1,235,967
Total assets	1,758,829	1,845,712		407,612	1,988,286	2,063,903	2,081,359
Long-term debt					1,037,450	1,045,200	954,752
Notes payable					66,606	64,083	74,788
Total capital or Stockholders equity	$ 1,481,232	$ 1,559,779		$ 233,137	$ 449,446	$ 549,630	$ 550,245

(1) Costs and expenses for the Predecessor periods presented include accounts specifically attributed to the acquired businesses and a portion of Boise Cascade s shared corporate general and administrative expenses. These shared services include, but are not limited to, finance, accounting, legal, information technology and human resource functions. Some corporate costs related solely to the Predecessor and were allocated totally to these operations. Shared corporate general and administrative expenses not specifically identifiable to the acquired businesses were allocated primarily based on average sales, assets and labor costs.

Costs and expenses for the year ended December 31, 2006, included a $3.7 million gain for changes in retiree healthcare programs, $2.8 million of expense for special project costs, $2.4 million of expense related to write-downs associated with the sale of the Vancouver, Washington mill and $18.1 million of expense related to the impact of energy hedges.

Costs and expenses for the year ended December 31, 2007, included a $4.4 million gain for changes in retiree healthcare programs, $4.0 million of expense related to the start-up of the reconfigured paper machine at the Wallula, Washington mill, $41.8 million of lower depreciation and amortization expense as a result of discontinuing depreciation and amortization on the assets recorded as held for sale and $8.7 million of expenses related to the impact of energy hedges.

Costs and expenses for the year ended December 31, 2008, included $37.6 million of expense associated with the restructuring of the St. Helens, Oregon mill, $7.4 million of expense related to the impact of energy hedges, and a $2.9 million gain on changes in supplemental pension plans.

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Costs and expenses for the nine months ended September 30, 2008, and the year ended December 31, 2008, included $10.2 million of expense related to inventory purchase accounting adjustments, $19.8 million of expense related to the outage at the DeRidder, Louisiana mill, and $5.5 million of expense related to lost production and costs incurred as a result of Hurricanes Gustav and Ike.

Costs and expenses for the nine months ended September 30, 2008, included $7.5 million of expense related to the impact of energy hedges.

Costs and expenses for the nine months ended September 30, 2009, included $2.9 million of expense related to the indefinite idling of our D-2 newsprint machine at our mill in DeRidder, Louisiana, $4.9 million of income related to the impact of energy hedges and $6.2 million of expense associated with the restructuring of the St. Helens mill.

(2) Interest expense for the Predecessor periods presented does not include an allocation of Boise Cascade s debt, interest and deferred financing costs, because none of these items were specifically identified as corporate advances to, or borrowings by, the Predecessor. Because debt and interest costs are not allocated to the Predecessor, the effects of interest rate swaps are not included in the financial information of the Predecessor.

(3) Other, net includes the impact of foreign exchange gain (loss), interest income and changes in the fair value of interest rate derivatives.

(4) Income tax (provision) benefit during the Predecessor periods presented was calculated as if the Predecessor were a separate taxable entity. For the period of January 1 through February 21, 2008, and the years ended December 31, 2007 and 2006, the majority of the businesses and assets of the Predecessor were held and operated by limited liability companies, which are not subject to entity-level federal or state income taxation. In addition to the businesses and assets held and operated by limited liability companies, the Predecessor had taxable corporations subject to federal, state and local income taxes for which taxes were recorded.

(5) Depreciation, amortization and depletion for the year ended December 31, 2007 had approximately $41.8 million lower depreciation and amortization expense as a result of discontinuing depreciation and amortization on the assets recorded as held for sale.

(6) EBITDA represents income (loss) before interest (interest expense, interest income, and change in fair value of interest rate derivatives), income tax provision (benefit), and depreciation, amortization, and depletion. EBITDA is the primary measure used by our chief operating decision makers to evaluate segment operating performance and to decide how to allocate resources to segments. We believe EBITDA is useful to investors because it provides a means to evaluate the operating performance of our segments and our company on an ongoing basis using criteria that are used by our internal decision makers and because it is frequently used by investors and other interested parties in the evaluation of companies with substantial financial leverage.

We believe EBITDA is a meaningful measure because it presents a transparent view of our recurring operating performance and allows management to readily view operating trends, perform analytical comparisons, and identify strategies to improve operating performance. For example, we believe that the inclusion of items such as taxes, interest expense, and interest income distorts management s ability to assess and view the core operating trends in our segments. EBITDA, however, is not a measure of our liquidity or financial performance under generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income (loss), income (loss) from operations, or any other performance measure derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity.

The use of EBITDA instead of net income (loss) or segment income (loss) has limitations as an analytical tool, including the inability to determine profitability; the exclusion of interest expense, interest income, change in fair value of interest rate derivatives, and associated significant cash requirements; and the exclusion of depreciation, amortization, and depletion, which represent significant and unavoidable operating costs, given the level of our indebtedness and the capital expenditures needed to maintain our businesses. Management compensates for these limitations by relying on our GAAP results. Our measures of EBITDA are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation.

The following is a reconciliation of net income (loss) to EBITDA:

	Predecessor			Boise Inc.			
(Dollars in thousands)	Year Ended December 31, 2006	Year Ended December 31, 2007	January 1 Through February 21, 2008	February 1 (Inception) Through December 31, 2007	Year Ended December 31, 2008	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2009
Net income (loss)	$ 92,921	$ 159,591	$ 22,786	$ 5,492	$ (45,523)	$ (30,038)	$ 98,122
Change in fair value of interest rate derivatives					479	(204)	(620)
Interest expense			2	6	91,220	65,064	64,979
Interest income	(569)	(697)	(161)	(10,422)	(2,246)	(2,152)	(275)
Income tax provision (benefit)	1,381	2,767	563	4,590	(8,772)	(5,742)	51,359
Depreciation, amortization and depletion	116,398	84,649	477		109,988	76,862	97,780
EBITDA	$ 210,131	$ 246,310	$ 23,667	$ (334)	$ 145,146	$ 103,790	$ 311,345

(7) Working capital is defined as total current assets minus total current liabilities.

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RISK FACTORS

In considering whether to purchase our common stock, you should carefully consider all of the information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectuses. In particular, you should consider the risk factors described in our periodic reports filed with the SEC, including those set forth under the caption Risk Factors in our annual report on Form 10-K for the year ended December 31, 2008 and in our quarterly reports on Form 10-Q for the quarters ended March 31, 2009 and September 30, 2009, which are incorporated by reference in this prospectus supplement, as well as the following additional risks described below:

Risks associated with purchasing common stock in this offering

The price of our common stock may fluctuate significantly, which could negatively affect us and holders of our common stock.

The market price of our common stock has fluctuated in the past and may fluctuate in the future significantly as a result of many factors, including:

- investors perceptions of our prospects;
- investors perceptions of the prospects of the paper and packaging industry;
- differences between our actual financial and operating results and those expected by investors and analysts;
- changes in analysts recommendations or projections;
- fluctuations in quarterly operating results;
- announcements by us of significant acquisitions, strategic partnerships or divestitures;
- changes or trends in our industry, including price volatility, trading volumes, competitive or regulatory changes;
- adverse resolution of new or pending litigation against us;
- additions or departures of key personnel;
- changes in general economic conditions; and
- broad market fluctuations.

In particular, announcements of potentially adverse developments, such as proposed regulatory changes, new government investigations or the commencement or threat of litigation against us, as well as announced changes in our business plans could adversely affect the trading price of our stock, regardless of the likely outcome of those developments. Broad market and industry factors may adversely affect the market price of our common stock, regardless of our actual operating performance. As a result, our common stock may trade at prices significantly below the offering price.

Common stock issued pursuant to subsequent offerings or eligible for future issuance or sale may cause the common stock price to decline, which may negatively impact your investment.

We may issue substantial additional shares of common stock or other securities in connection with acquisition transactions or for other purposes, to the extent permitted by our credit facilities. Any such acquisition could be material to us and could significantly increase the size and scope of our business. Issuances or sales of substantial amounts of additional common stock or the perception that such issuances or sales could occur, may cause prevailing market prices for our common stock to decline and could result in dilution to our shareholders.

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We have a large number of outstanding warrants, the exercise of which could dilute the interests of existing stockholders and adversely affect the market price of our common stock.

We currently have a total of 44,400,000 outstanding warrants to purchase our common stock at an exercise price of $7.50 per common share, all of which are exercisable until June 18, 2011. The exercise of a substantial number of the warrants could have an adverse effect on the market price of our common stock, and could result in dilution of the interests of the other holders of our common stock.

Our stock ownership is highly concentrated, and as a result, Boise Cascade Holdings may influence our affairs significantly.

At the time of the Acquisition, Boise Cascade Holdings owned approximately 49% of our common stock and continued to own approximately 42.5% at September 30, 2009. Upon consummation of the sale of common stock offered by this prospectus supplement, Boise Cascade Holdings will own approximately 24.7% of our common stock (21.7% if the underwriters overallotment option is exercised and sold). As a result, Boise Cascade Holdings will continue to have significant representation on our board of directors and will have the voting power to significantly influence our policies, business, and affairs and will also have the ability to influence the outcome of any corporate transaction or other matter, including mergers, consolidations, and the sale of all or substantially all of our assets. This concentration in control may have the effect of delaying, deterring, or preventing a change of control that otherwise could result in a premium in the price of our common stock.

In addition, as long as the holders of Boise Registrable Securities (as such term is defined in the Investor Rights Agreement dated February 22, 2008, entered into by and among us, Boise Cascade and other stockholders named therein (the Investor Rights Agreement) in connection with the Acquisition) control 33% or more of our common stock issued to Boise Cascade at the closing, we will be subject to restrictions on our business activities pursuant to the terms of the Investor Rights Agreement. More specifically, for so long as the 33% ownership threshold is met or exceeded, the Investor Rights Agreement will restrict us from conducting specified activities or taking specified actions without the affirmative written consent of the holders of a majority of the Boise Registrable Securities then outstanding. The restricted activities include, without limitation, making distributions on our equity securities; redemptions, purchases, or acquisitions of our equity securities; issuances or sales of equity securities or securities exchangeable or convertible for equity securities; issuing debt or convertible/exchangeable debt securities; making loans, advances or guarantees; mergers and/or acquisitions; asset sales; liquidations; recapitalizations; nonordinary business activities; making changes to our organizational documents; making changes to arrangements with our officers, directors, employees, and other related persons; incurrence of indebtedness for borrowed money or capital leases above specified thresholds; and consummating the sale of the Company. Additionally, pursuant to affirmative covenants under the Investor Rights Agreement (and subject to the same 33% ownership threshold), unless the holders of a majority of the Boise Registrable Securities then outstanding have otherwise consented in writing, we are required to perform specified activities, including, without limitation, preservation of our corporate existence and material licenses, authorizations and permits necessary to the conduct of our business, maintenance of our material properties, discharge of certain statutory liens, performance under material contracts, compliance with applicable laws and regulations, preservation of adequate insurance coverage, and maintenance of proper books of record and account.

Non-U.S. holders may be subject to U.S. income tax with respect to gain on disposition of their common stock.

If we are or have been a U.S. real property holding corporation (USRPHC) at any time within the shorter of the five-year period preceding a disposition of common stock by a non-U.S. holder or such

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holder s holding period of the stock disposed of, such non-U.S. holder may be subject to United States federal income tax with respect to gain on such disposition. We believe we are not currently a USRPHC and we do not anticipate becoming a USRPHC for United States federal income tax purposes. However, because the determination of whether we are a USRPHC depends on the fair market value of our United States real property interests relative to the fair market value of our other trade or business assets and our non-U.S. real property interests, there can be no assurance that we are not a USRPHC or will not become one in the future. For more information, see Material United States Federal Income Tax Consequences to Non-U.S. Holders of Our Common Stock.

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USE OF PROCEEDS

All of the shares of common stock offered by this prospectus supplement are being sold by the selling shareholders. We will not receive any proceeds from the sale of shares by the selling shareholders.

SELLING SHAREHOLDERS

The selling shareholders are offering and selling the shares of common stock set forth in the table below pursuant to this prospectus supplement. The table sets forth, as of the date of this prospectus supplement, the number of shares of common stock that the selling shareholders may offer under this prospectus supplement.

	Shares Beneficially Owned Prior to this Offering			Shares Beneficially Owned after this Offering	
Name of Selling Shareholder	Number	Percent(4)	Shares Offered in this Offering(5)(6)	Number(5)	Percent(4)
Boise Cascade Holdings, L.L.C.(1)	35,861,910	42.5	15,000,000	20,861,910	24.7
Jason G. Weiss Revocable Trust(2)	3,392,366	4.0	666,667	2,725,699	3.2
Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000(3)	2,824,066	3.3	1,333,333	1,490,733	1.8

(1) Boise Cascade Holdings is controlled by Forest Products Holdings, L.L.C. (FPH), which is controlled by Madison Dearborn Capital Partners IV, L.P. (MDCP IV). Madison Dearborn Partners IV, L.P. (MDP IV) is the general partner of MDCP IV. John A. Canning, Jr., Paul J. Finnegan and Samuel M. Mencoff are the sole members of a limited partner committee of MDP IV that has the power, acting by majority vote, to vote or dispose of the shares beneficially owned by MDCP IV. Each of MDCP IV and MDP IV and the members of the limited partner committee of MDP IV disclaims beneficial ownership of shares held by FPH, except to the extent of its or his respective pecuniary interests therein. The address for FPH is c/o Boise Cascade Holdings, 1111 West Jefferson Street, Suite 300, Boise, Idaho 83702-5389. The address for MDCP IV and MDP IV is c/o Madison Dearborn Partners, LLC, Three First National Plaza, Suite 3800, 70 West Madison Street, Chicago, Illinois 60602.

(2) The 3,392,366 shares beneficially owned by the Jason G. Weiss Revocable Trust consist of (i) 1,892,366 outstanding shares of our common stock; and (ii) 1,500,000 shares of our common stock issuable upon the exercise of the insider warrants beneficially owned by the Jason G. Weiss Revocable Trust. Jason G. Weiss serves as a trustee and is a beneficiary of the Jason G. Weiss Revocable Trust. Mr. Weiss has served as a director of our Company since its inception and serves as a designee of the Aldabra Majority Holders (as defined in the Investor Rights Agreement) pursuant to the Investor Rights Agreement. He had been Aldabra 2 Acquisition Corp. s chief executive officer and secretary. Mr. Weiss also holds 268,658 shares directly. These shares represent Mr. Weiss 2008 and 2009 restricted stock awards for serving as a director of the Company. These shares are not included in this offering.

(3) The children of Mr. Weiss are the beneficiaries of the Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000.

(4) Calculated based on Rule 13d-3(d)(1)(i) of the Securities Exchange Act of 1934, as amended, using 84,434,691 shares of common stock outstanding as of November 10, 2009.

(5) In the event that the underwriters exercise the underwriters overallotment option, then up to an additional 2,550,000 shares may be sold by Boise Cascade Holdings.

(6) The figures specified in the table above assume a gross sale price equal to $5.47, the closing sale price of our common stock on November 10, 2009.

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PRICE RANGE OF COMMON STOCK

Since February 22, 2008, our common stock has been listed for trading on the New York Stock Exchange under the trading symbol BZ. From June 29, 2007 through February 21, 2008, Aldabra 2 Acquisition Corp. s common stock was traded on the American Stock Exchange (AMEX) under the symbol AII. The last reported sale price for our common stock on the NYSE on November 10, 2009 was $5.47 share. To our knowledge, at November 10, 2009, there were 84,434,691 shares of our common stock outstanding (including the shares held by Boise Cascade Holdings) held by 17 shareholders of record. The following table sets forth, for the periods indicated, the high and low closing sales prices per share of our common stock as reported on the New York Stock Exchange, and prior to the Acquisition, the AMEX:

	Price range	
	High	**Low**
2007		
Second quarter(1)	$ 9.15	$ 9.15
Third quarter	$ 9.30	$ 8.98
Fourth quarter	$ 9.87	$ 9.21
2008		
First quarter (January 1 through February 21, 2008)	$ 9.70	$ 8.39
First quarter (February 22 through March 31, 2008)	$ 8.50	$ 6.19
Second quarter	$ 6.73	$ 3.58
Third quarter	$ 4.20	$ 1.56
Fourth quarter	$ 1.45	$ 0.29
2009		
First quarter	$ 0.75	$ 0.24
Second quarter	$ 2.47	$ 0.51
Third quarter	$ 5.40	$ 1.41
Fourth quarter (through November 10, 2009)	$ 6.29	$ 4.71

(1) Our common stock commenced trading on June 29, 2007.

We have not declared or paid any cash or stock dividends during 2009. Our ability to pay dividends is restricted by our senior secured facilities as well as Delaware law and state regulatory authorities. Under Delaware law, our board of directors may not authorize payment of a dividend unless it is either paid out of our capital surplus, as calculated in accordance with the Delaware General Corporation Law, or, if we do not have a surplus, it is paid out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. To the extent we do not have adequate surplus or net profits, we will be prohibited from paying dividends.

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CAPITALIZATION

The following table sets forth Boise s consolidated cash and capitalization as of September 30, 2009, on an actual basis and as adjusted to give effect to the debt restructuring as if it had occurred on such date.

	As of September 30, 2009	
	Actual	As Adjusted
	(in thousands)	
Cash and cash equivalents and short-term investments	$ 247,614	$ 108,318
Debt (including current portion):		
Revolving credit facility, due 2013(1)	$	
Tranche A term loan, due 2013	237,500	206,875
Tranche B term loan, due 2014	456,552	412,177
Second lien term loan, due 2015	260,700	
15.75% subordinated promissory note due 2015	74,788	
9% Senior Notes		300,000
Total debt	1,029,540	919,052
Total stockholders equity(2)	550,245	524,075
Total capitalization	$ 1,579,785	$ 1,443,127

(1) As of September 30, 2009, we had $225.8 million of unused borrowing capacity under the Revolving Credit Facility, net of $24.2 million of letters of credit outstanding.

(2) Stockholders equity as adjusted reflects, on a tax adjusted basis, a net loss on the repurchase of the subordinated promissory note and the repayment of the second lien term loan, the write-off of unamortized, previously-deferred financing fees and expenses related to the second lien term loan and estimated fees and expenses, adjusted for taxes.

BUSINESS

Company overview

We are a large, diverse U.S.-based manufacturer of packaging products and papers, including corrugated containers, containerboard, label and release and flexible packaging papers, imaging papers for the office and home, printing and converting papers, newsprint and market pulp. We own pulp and paper mill operations in the following locations: Jackson, Alabama; International Falls, Minnesota; St. Helens, Oregon; and Wallula, Washington, all of which manufacture uncoated freesheet paper. We also own a mill in DeRidder, Louisiana, which produces containerboard (linerboard) as well as newsprint. We also have a network of five corrugated container plants located in the Pacific Northwest, a corrugated sheet plant in Nevada and a corrugated sheet feeder plant in Texas. We are headquartered in Boise, Idaho and have approximately 4,100 employees. For the nine months ended September 30, 2009, we had sales of $1,487.9 million. See Summary Summary historical condensed consolidated financial data.

We operate our business in three reportable segments Paper, Packaging and Corporate and Other (support services).

Nine months ended

September 30, 2009 sales,
by reporting segment[(1)]

(1) Excludes Corporate and Other sales and intersegment eliminations of $24.3 million.

On February 22, 2008, we completed the Acquisition of Boise Paper Holdings, and other assets and liabilities from Boise Cascade for $1,252.3 million in cash, $58.3 million in a subordinated promissory note and 37.9 million shares of our common stock. See Note 2, Acquisition of Boise Cascade s Paper and Packaging Operations, in our September 30, 2009 Form 10-Q and Note 3, Acquisition of Boise Cascade s Paper and Packaging Operations, of the Notes to Consolidated Financial Statements in Item 8. Financial Statements and Supplementary Data in our 2008 Annual Report on Form 10-K for information related to the Acquisition.

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Corporate structure

The following chart summarizes our corporate structure:

See Note 14, Debt, in our September 30, 2009 Form 10-Q for information related to our debt issuance and restructuring.

Paper

Products

We manufacture and sell uncoated freesheet paper (including commodity and premium cut-size office papers); a range of packaging papers (including corrugating medium, label and release papers and flexible packaging papers); commodity and premium printing and converting papers (including commercial printing papers, envelope papers and form-related products); and market pulp. We operate to maximize our profitability by focusing our two largest uncoated freesheet paper manufacturing machines on cut-size commodity office paper while dedicating as much production as possible on our smaller machines to premium office papers and specialty packaging papers for a variety of markets and end uses. We believe that our uncoated freesheet market positions are aligned with end markets and niches that offer more favorable trends than the industry overall.

Our annual Paper segment production capacity was approximately 1.5 million short tons (a short ton is equal to 2,000 pounds) for the year ending December 31, 2008, and approximately 1.9 million short tons for all other years presented. Many of our paper products are commodity products, while others have specialized features that make these products premium or specialty grades. Our premium office paper grades include 100% recycled, high-bright and colored cut-size office papers, and our specialty grades include custom-developed papers for such uses as label and release and flexible food packaging. We produce commodity-grade paper products primarily on our larger paper machines in long, high-volume production runs that achieve economies of scale. On our smaller paper machines, we manufacture premium and specialty grades, which tend to require shorter production runs, generate higher and more stable prices and have higher margins over time. We ship to customers both directly from our mills and through distribution centers. In 2008, we were the third-largest manufacturer of uncoated freesheet in North America, with annual uncoated freesheet production capacity of approximately 1.3 million short tons. During the combined year ended December 31, 2008, uncoated freesheet accounted for approximately 92% of segment sales.

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In November 2008, we announced the restructuring of our mill in St. Helens, Oregon, permanently closing the pulp mill and two of our three paper machines at that facility. This reduced annual paper production capacity at the St. Helens mill by approximately 200,000 tons and market pulp capacity at the St. Helens and Wallula mills by a total of approximately 138,000 tons.

The following table sets forth the capacity and production by product for the periods indicated:

	Predecessor			Boise Inc.		
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
(Thousands of short tons)	2006	2007	2008	2008	2008	2009
Capacity(1)						
Uncoated freesheet	1,547	1,484		1,300	1,127	939
Containerboard (medium)	134	138		136	102	102
Market pulp	224	229		86	64	149
	1,905	1,851		1,522	1,293	1,190
Production(2)						
Uncoated freesheet	1,520	1,458	208	1,204	1,085	896
Containerboard (medium)	132	134	19	118	104	95
Market pulp	187	221	31	187	170	120
	1,839	1,813	258	1,509	1,359	1,111

(1) Capacity numbers shown for the nine months ended September 30, 2009 and 2008 and the year ended December 31, 2008, reflect the annual capacity as of those dates and include the impact of the November 2008 St. Helens, Oregon mill restructuring. The St. Helens mill restructuring reduced annual paper production capacity by approximately 200,000 tons and market pulp capacity at the St. Helens and Wallula, Washington mills by approximately 138,000 tons. The remaining capacity numbers shown are as of December 31 for the year presented. Capacity assumes production 24 hours per day, 365 days per year, less days allotted for planned maintenance and capital improvements. Accordingly, production can exceed calculated capacity under some operating conditions.

(2) The year ended December 31, 2008, represents operations from the date of the Acquisition, February 22, 2008, through December 31, 2008.

Our strategy is to increase our presence in the label and release, flexible packaging and office paper markets, while reducing our exposure to more mature printing and converting markets. In our Paper segment, sales volumes of label and release, flexible packaging and premium office grades grew 14% during the combined year ended December 31, 2008, compared with 2007. We have made investments in our Wallula #3 paper machine and sales and marketing teams to profitably and organically grow our market share in these niche, less commodity-like markets. We spent approximately $80 million in the aggregate in 2006 and 2007 to modify the Wallula #3 paper machine, which historically produced a variety of commodity paper grades, to enable it to produce pressure sensitive (label and release) papers as well as commodity grades. We are continuing to fine tune our production processes at Wallula to improve product quality and reduce expenses.

Many traditional paper markets have declined as electronic document transmission and storage alternatives have developed. These declines have varied by specific products. For example, the use of business forms has declined significantly, while cut-size office paper consumption has declined more modestly over the past several years as increased printer placements in home and manufacturing environments have offset reductions in office consumption. Some paper markets, such as label and release papers and flexible packaging papers, are not as sensitive to electronic substitution.

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The following table sets forth segment sales; segment income (loss) before interest and taxes; depreciation, amortization and depletion; and EBITDA for the periods indicated:

	Predecessor			Boise Inc.		
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
(Dollars in millions)	**2006**	**2007**	**2008**	**2008**	**2008**	**2009**
Sales	$ 1,494.7	$ 1,596.2	$ 253.5	$ 1,403.7	$ 1,014.1	$ 1,074.4
Segment income (loss) before interest and taxes	63.3	133.5	20.7	32.7	45.0	187.6
Depreciation, amortization and depletion(1)	62.3	45.0	0.3	71.7	50.1	63.6
EBITDA(2)	$ 125.6	$ 178.5	$ 21.1	$ 104.3	$ 95.1	$ 251.2

(1) The year ended December 31, 2007, included approximately $21.7 million of lower depreciation and amortization expense as a result of discontinuing depreciation and amortization on the assets recorded as held for sale.

(2) Segment EBITDA is calculated as segment income (loss) before interest (interest income, interest expense and change in fair value of interest rate derivatives) and income tax provision (benefit), and depreciation, amortization and depletion. See Summary Summary historical condensed consolidated financial data appearing elsewhere in this prospectus supplement for a description of our reasons for using EBITDA, for a discussion of the limitations of such a measure and for a reconciliation of our EBITDA to consolidated net income (loss).

We also manufacture and sell market pulp. In 2008, the quantity of market pulp we sold was approximately equal to the market pulp we purchased across our operating segments; therefore, any changes in the price for and cost of pulp generally tended to offset one another. However, with the November 2008 closure of the St. Helens pulp mill, we are now a net consumer of pulp, purchasing approximately 100,000 tons annually more pulp on the open market than we produce and sell. Additionally, we have approximately 136,000 short tons of containerboard (medium) production capacity and we primarily sell this containerboard production to our Packaging division for the conversion into corrugated boxes.

Facilities

We manufacture our uncoated freesheet paper at four mills in the United States. After considering the effect of the St. Helens mill restructuring, these mills had an annual capacity of 1.3 million short tons of uncoated freesheet as of December 31, 2008. Our uncoated freesheet paper mills are supported by converting machines that, on a net basis, can produce approximately 0.9 million short tons of cut-size sheets annually.

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The following table sets forth the annual capacities of manufacturing locations in our Paper segment as of December 31, 2008, and production for the combined year then ended:

(Thousands of short tons)	Number of Machines	Current Capacity (1)	2008 Production
Pulp and paper mills			
Jackson, Alabama			470
Uncoated freesheet	2	492	
International Falls, Minnesota			505
Uncoated freesheet	4	528	
St. Helens, Oregon(2)			253
Uncoated freesheet	1	68	
Market pulp			88
Wallula, Washington			184
Uncoated freesheet	1	212	
Market pulp(2)	1	86	130
Containerboard (medium)	1	136	137
	10	1,522	1,767
Annual capacity by product			
Uncoated freesheet		1,300	
Containerboard (medium)		136	
Market pulp		86	
		1,522	

(1) Capacity assumes production 24 hours per day, 365 days per year, less days allotted for planned maintenance and capital improvements. Accordingly, production can exceed capacity under some operating conditions.

(2) In November 2008, we announced the restructuring of our paper mill in St. Helens, Oregon. This reduces our annual paper production capacity by approximately 200,000 tons and market pulp capacity by 88,000 tons. An additional 50,000 tons of market pulp capacity will be reduced at our Wallula mill due to the restructuring. The reduction in capacity related to the restructuring is reflected in the table above.

Raw materials and input costs

Wood fiber is our principal raw material in this segment. The primary sources of logs and wood fiber are timber and byproducts of timber, such as wood chips, wood shavings and sawdust. Most of our manufacturing facilities are located in close proximity to active wood markets. We have long-term market-based contracts for a portion of our fiber needs. We obtain some of our wood residuals from Boise Cascade s sawmills and wood product facilities in the Pacific Northwest and, to a lesser extent, in the South, and the remainder of the wood residuals are purchased from other outside sources. Because of the decline in the housing and construction markets, a significant number of building products manufacturers have curtailed or closed their facilities. These curtailments and closures affect the availability and price of wood fiber, particularly in the Pacific Northwest. As a result, we have increased our ability to manufacture wood chips from whole logs, which we purchase from third parties.

All of our paper mills, except St. Helens, have on-site pulp production facilities. Some of our paper mills also purchase pulp from third parties pursuant to contractual arrangements. We negotiate these arrangements periodically, and terms can fluctuate based on prevailing pulp market conditions, including pricing and supply dynamics.

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We generally purchase raw materials through contracts or open-market purchases. Our contracts are generally with suppliers located in closest proximity to the specific facility they supply, and they generally contain price adjustment mechanisms to account for market price and expense volatility.

Our Paper segment consumes substantial amounts of energy, such as electricity, natural gas and a modest amount of fuel oil. During the combined year ended December 31, 2008, energy costs accounted for approximately 16% of the aggregate amount of materials, labor and other operating expenses in this segment. We purchase substantial portions of our natural gas and electricity under supply contracts, most of which are between a specific plant and a specific local provider. Under most of these contracts, the providers are bound to provide us with all of our needs for a particular type of energy at a specific facility. Most of these contracts have pricing mechanisms that adjust or set prices based on current market prices. In addition, we use derivative instruments such as three-way collars, natural gas caps, call spreads and swaps, or a combination of these instruments, to mitigate price risk for our energy requirements. We also have been increasing our use of renewable biomass fuels to displace fossil fuels. Some of this shift has required capital investment to convert power boilers for handling biomass fuels.

Should natural gas and other fossil fuels increase in cost, we have identified a number of potentially high return projects to reduce energy consumption and utilize lower cost renewable sources. We expect to further evaluate and implement these projects if an appropriate return on capital can be achieved.

We consume a significant amount of chemicals in the production of paper. Important chemicals we use include starch, sodium chlorate, caustic, precipitated calcium carbonate, dyestuffs and optical brighteners. During the combined year ended December 31, 2008, chemical costs accounted for approximately 15% of the aggregate amount of materials, labor and other operating expenses in this segment. Many of our chemicals are purchased under long-term contracts, which provide more stability than open-market purchases. However, many of these contracts are renegotiated at the end of each year at prevailing rates. Higher prevailing rates may result in increases to overall chemical costs.

Sales, marketing and distribution

Our uncoated freesheet is sold primarily by our own sales personnel. We ship to customers both directly from our mills and through distribution centers. This allows us to respond quickly to customer requirements.

The following table sets forth sales volumes of paper and paper products for the periods indicated:

	Predecessor				Boise Inc.	
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
(Thousands of short tons)	**2006**	**2007**	**2008**	**2008**	**2008**	**2009**
Commodity	999	995	164	768	554	635
Premium and specialty	498	480	72	432	314	308
Uncoated freesheet	1,497	1,475	236	1,200	868	943
Containerboard (medium)	132	134	19	118	85	95
Market pulp	112	145	20	102	86	37
	1,741	1,754	275	1,420	1,039	1,075

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Customers

Our largest customer in this segment is OfficeMax. During the combined year ended December 31, 2008, sales to OfficeMax accounted for $584.7 million of Paper segment sales. Sales to OfficeMax constitute 39% of total uncoated freesheet sales volume and 70% of our office papers sales volume. In October 2004, OfficeMax agreed to purchase from our Predecessor its full North American requirements for cut-size office paper, to the extent Boise chooses to supply such paper to them, through December 2012. OfficeMax s purchase obligations under the agreement will phase out over a four-year period (25% per year) beginning one year after the delivery of notice of termination, but in no event will the purchase obligation be reduced prior to December 31, 2012. The price for paper sold under this supply agreement approximates market prices. However, due to the structure of the contract, price changes to OfficeMax lag the market by approximately 60 days.

In addition to OfficeMax, we have approximately 800 uncoated freesheet paper customers, none of which individually represents a material portion of our sales. Our customers include paper merchants, commercial and financial printers, paper converters such as envelope and form manufacturers and customers who use our paper for specialty applications such as label and release products. The majority of these customers purchase products through individual purchase orders. In addition to the paper supply agreement with OfficeMax, we have long-term relationships with other customers, although no single relationship, other than the one with OfficeMax, is material to our business.

Business plan

Our strategy in our Paper segment is to maximize profitability by operating our two largest paper manufacturing machines at full capacity in the production of cut-size commodity office paper while dedicating as much production as possible on our smaller machines to premium and specialty papers for a variety of markets and end uses. However, we may choose to take economic downtime or slow production on any of our machines as market conditions dictate.

We work closely with our customers to develop and manufacture innovative premium and specialty papers and to provide related service programs that respond to their changing needs and technical requirements. We spent approximately $80 million in the aggregate during 2006 and 2007 to modify the Wallula #3 paper machine, which historically produced a variety of commodity paper grades, to enable it to produce pressure sensitive (label and release) papers as well as commodity grades. Significant to the execution of our strategy is the ability to produce and sell pressure sensitive papers from the Wallula #3 paper machine and the ability to develop, produce and sell other premium and specialty grades on our smaller machines. Increasing our presence in the pressure sensitive, flexible packaging and office paper markets reduces our exposure to more mature printing and converting markets, which have declined over the last five years.

Our long-term supply agreement with OfficeMax allows us to focus our largest uncoated freesheet paper machines on producing cut-size office paper in long, high-volume production runs, increasing our capacity utilization and reducing our costs. In addition to improving the profitability of our production assets, our integrated supply chain with OfficeMax and other customers has enabled us to better align sales and merchandising efforts with our customers so as to improve their profitability on our products. We operate a distribution network that we believe to be an industry leader in on-time delivery performance, allowing our customers to reduce their inventory and augment their returns on capital. Additionally, we offer a complete suite of premium cut-size office papers and we believe that we are the largest producer of recycled cut-size office papers, which is an important product offering to our customers whose consumers have become increasingly environmentally sensitive. We believe that this value proposition will position us to continue to capture the operational benefits of stable demand and build and improve relationships with our customers.

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Packaging

Products

We manufacture and sell containerboard (linerboard) and corrugated containers and sheets as well as newsprint. In 2008, we consumed approximately 72% of our linerboard and medium production (including industry trades and the medium production from our Paper group) to make corrugated containers and sheets in this segment.

The following table sets forth the capacity and production by product for the periods indicated:

	Predecessor			Boise Inc.		
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
(Thousands of short tons)	2006	2007	2008	2008	2008	2009
Capacity(1)						
Containerboard (linerboard)	559	575		600	450	455
Newsprint(2)	426	425		410	308	288
	985	1,000		1,010	758	743
Production(3)						
Containerboard (linerboard)	554	573	83	446	389	394
Newsprint	415	409	59	331	288	132
	969	982	142	777	677	526

(1) Capacity numbers shown for the nine months ended September 30, 2009 and 2008 reflect the annual capacity as of that date. The remaining capacity numbers are shown as of December 31 for the year presented. Capacity assumes production 24 hours per day, 365 days per year, less days allotted for planned maintenance and capital improvements. Accordingly, production can exceed calculated capacity under some operating conditions.

(2) In April 2009, we indefinitely idled our DeRidder #2 newsprint machine. The idled machine has an annual capacity of 186,000 tons.

(3) The year ended December 31, 2008, represents operations from February 22, 2008, through December 31, 2008.

The following table sets forth segment sales; segment income (loss) before interest and taxes; depreciation, amortization and depletion; and EBITDA for the periods indicated:

	Predecessor			Boise Inc.		
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
(Dollars in millions)	2006	2007	2008	2008	2008	2009
Sales	$ 766.5	$ 783.1	$ 113.5	$ 703.7	$ 489.9	$ 437.8
Segment income (loss) before interest and taxes	45.3	40.1	5.7	21.1	(5.0)	43.7
Depreciation, amortization and depletion(1)	50.8	37.7	0.1	35.1	24.5	31.1
EBITDA(2)	$ 96.1	$ 77.8	$ 5.7	$ 56.2	$ 19.5	$ 74.9

(1) The year ended December 31, 2007, included approximately $19.1 million of lower depreciation and amortization expense as a result of discontinuing depreciation and amortization on the assets recorded as held for sale.

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(2) Segment EBITDA is calculated as segment income (loss) before interest (interest income, interest expense, and change in fair value of interest rate derivatives) and income tax provision (benefit), and depreciation, amortization and depletion. See Summary Summary historical condensed consolidated financial data appearing elsewhere in this prospectus supplement, for a description of our reasons for using EBITDA, for a discussion of the limitations of such a measure and for a reconciliation of our EBITDA to consolidated net income (loss).

Containerboard is used in the production of corrugated containers and sheets. Our corrugated containers are used in the packaging of fresh fruit and vegetables, processed food, beverages and other industrial and consumer products. Corrugated sheets are sold primarily to converting operations, which finish the sheets into corrugated container products. For the combined year ended December 31, 2008, our Packaging segment produced approximately 529,000 short tons of linerboard, and our Paper segment produced approximately 137,000 tons of corrugating medium, both of which are used in the production of corrugated containers. During the combined year ended December 31, 2008, our Paper and Packaging segments produced 666,000 short tons of linerboard and medium, while our corrugated container and sheet feeder plants consumed approximately 477,000 tons of containerboard (including both linerboard and corrugating medium) or the equivalent of 72% of our containerboard production.

We manufactured approximately 390,000 tons of newsprint during the combined year ended December 31, 2008, for use primarily in printing daily newspapers and other publications in North America. In April 2009, we announced we had indefinitely idled the #2 newsprint machine at our mill in DeRidder, Louisiana. The #2 newsprint machine had been idle since February 9, 2009, due to lack of orders. We currently expect to continue to operate the #3 newsprint machine and the #1 linerboard machine at the DeRidder mill. The idled machine has an annual capacity of 186,000 tons of newsprint. By idling the machine, we can reduce operating and capital costs during this period of declining newsprint demand, while preserving the asset for potential future use. The #2 newsprint machine is being preserved, enabling us to restart it within a short period should the need arise. We may also pursue future opportunities to convert the newsprint machines to packaging products.

Facilities

We manufacture containerboard (linerboard) and newsprint at our mill in DeRidder, Louisiana. This mill is one of the largest paper mills in North America, with approximate annual production capacity of 1.0 million short tons as of December 31, 2008. We also manufacture corrugated containers and sheets at five corrugated container plants and one sheet plant in the Northwest and one sheet feeder plant in Texas, with an aggregate annual capacity of approximately 7.3 billion square feet (which assumes operating the plants five days a week, 24 hours a day).

The following table sets forth annual capacities of our containerboard (linerboard) and newsprint mill in DeRidder, Louisiana, as of December 31, 2008, and production for the combined year then ended:

(Thousands of short tons)	Number of Machines	Current Capacity(1)	2008 Production
Pulp and paper mill			
DeRidder, Louisiana			
Containerboard (linerboard)	1	600	529
Newsprint(2)	2	410	390
	3	1,010	919

(1) Capacity assumes production 24 hours per day, 365 days per year, less days allotted for planned maintenance and capital improvements. Accordingly, production can exceed calculated capacity under some operating conditions.

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(2) In April 2009, we indefinitely idled our DeRidder #2 newsprint machine. The idled machine has an annual capacity of 186,000 tons.

Raw materials and input costs

Wood fiber is the principal raw material in this segment. The primary sources of wood fiber are timber and its byproducts, such as wood chips. Our DeRidder manufacturing facility is located in close proximity to active wood markets. We rely on market-based contracts for a significant portion of our fiber needs. We obtain some of our wood residuals from Boise Cascade s wood products plants in the South, and the remainder of the wood residuals are purchased from outside sources.

We generally purchase raw materials through contracts or open-market purchases. Our contracts are generally with suppliers located in close proximity to the specific facility they supply, and they generally contain price adjustment mechanisms to account for market price and expense volatility.

Our Packaging segment consumes substantial amounts of energy, such as electricity and natural gas. During the combined year ended December 31, 2008, energy costs accounted for approximately 15% of the sum of materials, labor and other operating expenses in this segment. We purchase substantial portions of our natural gas and electricity under supply contracts. Under most of these contracts, the providers are bound to supply us with all of our needs for a particular type of energy at a specific facility. Our gas contracts have pricing mechanisms based primarily on current market prices, and our electricity contracts have pricing mechanisms based primarily on published tariffs. We also use derivative instruments such as three-way collars, natural gas caps, call spreads and swaps, or a combination of these instruments, to mitigate price risk. For more information about our derivative instruments, see Disclosures of financial market risks in Management s discussion and analysis of financial condition and results of operations appearing in our annual report on Form 10-K for the year ended December 31, 2008.

We consume chemicals in the production of linerboard within our Packaging segment. Important chemicals we use include pulping and bleaching chemicals such as caustic, sulfuric acid and sodium chlorate. During the combined year ended December 31, 2008, chemical costs accounted for approximately 6% of materials, labor and other operating expenses in this segment. Many of our chemicals are purchased under long-term contracts, which provide more stability than open-market purchases. However, many of these contracts are renegotiated at the end of each year at prevailing rates. Higher prevailing rates may result in increases to overall chemical costs.

Sales, marketing and distribution

Our containerboard (linerboard) and corrugated containers and sheets are sold by our own sales personnel or brokers.

The following table sets forth sales volumes of containerboard (linerboard), newsprint, and corrugated containers and sheets for the periods indicated:

	Predecessor			Boise Inc.		
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
	2006	2007	2008	2008	2008	2009
(Thousands of short tons)						
Containerboard (linerboard)	266	239	36	194	176	169
Newsprint	411	415	56	326	288	141
(Millions of square feet)						
Corrugated containers and sheets	6,599	6,609	914	5,337	4,723	4,415

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Customers

During the combined year ended December 31, 2008, we sold approximately 44% of our linerboard sales volume in the open market, both domestically and in the export market. We sell our finished corrugated containers to over 1,000 active customers, including large agricultural producers and food and beverage processors. We sell corrugated sheets to over 200 converters, who use the sheets to manufacture corrugated containers for a variety of customers.

We have a focused position for corrugated boxes in the agricultural and food industries. We service these less cyclical end markets with our five strategically-located corrugated container plants and one sheet plant. With our regional focus and footprint, we are better able to service our customer needs from multiple plants, schedule operating runs to maximize productivity and reduce waste and better utilize different sized paper rolls. We believe this position in favorable end markets has contributed to increases in our profitability and has made us more resistant to economic downturns.

We sell newsprint through our own sales personnel, primarily to newspaper publishers located in regional markets near our DeRidder, Louisiana manufacturing facility.

Business plan

We operate our Packaging segment to optimize cash flow through integration between our containerboard and converting operations and operational improvements in our facilities to lower costs and improve efficiency. We plan to grow strategically and organically, increase our integration levels and leverage our corrugated box position in the agricultural and food markets. We are a low-volume producer of newsprint, and our strategy is to reduce exposure to the declining newsprint market by identifying opportunities to convert current newsprint production capacity to serve packaging markets.

We believe that our newsprint production has a low delivered cost to the southern U.S. markets. We will continue to operate the DeRidder #3 newsprint machine in its current configuration, so long as it generates free cash flow and earns a better return on capital than our other alternatives, which includes converting one or both of our newsprint machines to another paper grade.

Corporate and Other

Our Corporate and Other segment includes primarily corporate support services, related assets and liabilities and foreign exchange gains and losses. During the Predecessor periods presented, the Corporate and Other segment included primarily an allocation of Boise Cascade corporate support services and related assets and liabilities. These support services included, but were not limited to, finance, accounting, legal, information technology and human resource functions. This segment also includes transportation assets, such as rail cars and trucks, which we use to transport our products from our manufacturing sites. Rail cars and trucks are generally leased. We provide transportation services not only to our own facilities but also, on a limited basis, to third parties when geographic proximity and logistics are favorable. During the year ended December 31, 2008, segment sales related primarily to our rail and truck business were $67.7 million. During the Predecessor period of January 1, 2008 through February 21, 2008, and for the years ended December 31, 2007 and December 31, 2006, these sales were $8.5 million, $58.9 million and $61.4 million, respectively.

In connection with the Acquisition, we entered into an outsourcing services agreement under which we provide a number of corporate staff services to Boise Cascade at our cost. These services include information technology, accounting and human resource services. The initial term of the agreement is for three years. It will automatically renew for one-year terms unless either party provides notice of termination to the other party at least 12 months in advance of the applicable term. For the year ended December 31, 2008, we recorded $12.1 million in Sales, Related parties and the same amounts in Costs and expenses in our Consolidated Statements of Income (Loss) related to this agreement.

The following table sets forth segment sales; segment income (loss) before interest and taxes; depreciation, amortization and depletion; and EBITDA for the periods indicated:

	Predecessor			Boise Inc.		
	Year Ended December 31		January 1 Through February 21,	Year Ended December 31,	Nine Months Ended September 30,	Nine Months Ended September 30,
(Dollars in millions)	2006	2007	2008	2008	2008	2009
Sales	$ 61.4	$ 58.9	$ 8.5	$ 67.7	$ 49.8	$ 47.0
Segment income (loss) before interest and taxes	(14.9)	(11.9)	(3.2)	(18.6)	(13.1)	(17.7)
Depreciation, amortization and depletion(1)	3.3	1.9	0.1	3.2	2.3	3.1
EBITDA(2)	$ (11.6)	$ (10.0)	$ (3.1)	$ (15.4)	$ (10.8)	$ (14.7)

(1) The year ended December 31, 2007, included approximately $1.0 million of lower depreciation and amortization expense as a result of discontinuing depreciation and amortization on the assets recorded as held for sale.

(2) Segment EBITDA is calculated as segment income (loss) before interest (interest income, interest expense and change in fair value of interest rate derivatives) and income tax provision (benefit), and depreciation, amortization and depletion. See Summary Summary historical condensed consolidated financial data appearing elsewhere in this prospectus supplement for a description of our reasons for using EBITDA, for a discussion of the limitations of such a measure and for a reconciliation of our EBITDA to consolidated net income (loss).

Competition and industry

The markets in which we operate are large and highly competitive. Our products and services compete with similar products manufactured and distributed by others both domestically and globally. Many factors influence our competitive position in each of our operating segments, including price, service, quality, product selection and convenience of location as well as our manufacturing and overhead costs.

Some of our competitors in each of our segments are larger than we are and have greater financial resources. These resources afford those competitors greater purchasing power, increased financial flexibility and more capital resources for expansion and improvement, which may enable those competitors to compete more effectively than can we.

Paper. The markets in which our Paper segment competes are large and highly competitive. Commodity grades of uncoated freesheet are globally traded, with a number of worldwide manufacturers, and as a result, these products compete primarily on the basis of price. All of our paper manufacturing facilities are located in the United States, and although we compete largely in the domestic market, we do face competition from foreign producers, some of which have lower operating costs than we do. The level of this competition varies depending on domestic and foreign demand and foreign currency exchange rates. In general, paper production does not rely on proprietary processes or formulas, except in highly specialized or custom grades.

The North American uncoated freesheet market had 12.5 million tons of demand in 2008 and has four major manufacturers that account for approximately 68% of capacity, according to RISI and our estimates, as of August 31, 2009. We believe that we are the third-largest producer of uncoated freesheet paper in North America. Our largest competitors include Domtar Corporation, International Paper Company and Georgia-Pacific LLC. Our uncoated freesheet papers compete with electronic data transmission, document storage alternatives and paper grades we do not produce. Increasing shifts to these alternatives and increasing use of the Internet have had and are likely to continue to have an adverse effect on traditional print media and paper usage. These secular trends are in addition to the current demand decline driven by a weak economy and reduced white collar employment.

Major uncoated freesheet producers, including Boise, have responded to declining demand by closing or significantly curtailing capacity to match lower demand. According to RISI, demand for uncoated freesheet in North America has declined by 1.0 million tons, or 16%, for the first half of 2009 compared to the same period in 2008, while prices of Standard Number 4 92 Brite Xerographic uncoated freesheet paper have increased by $5 per ton, from $1,060 per ton in June 2008 to $1,065 per ton in June 2009. During this time period, our sales volumes of uncoated freesheet paper have declined by 17%, in large part due to our restructuring of our St. Helens, Oregon paper mill, and prices for our uncoated freesheet paper have increased by 8%.

Packaging. The North American containerboard (corrugating medium and linerboard) market had 31.6 million tons of demand in 2008 and has five major manufacturers that account for approximately 72% of capacity, according to RISI and our estimates, as of August 31, 2009. Our largest competitors include International Paper Company, Smurfit-Stone Container Corporation, Georgia-Pacific LLC, Temple-Inland, Inc. and Packaging Corporation of America. Our corrugated container operations in the Pacific Northwest have a leading regional market position and compete with several national and regional manufacturers. According to RISI, the containerboard industry serves a number of end markets, some of which have been impacted by negative real GDP growth in North America. Our corrugated product pricing has remained steady, as packaging demand in agriculture, food and beverage markets, which have historically been less correlated to broad economic activity, have remained relatively stable. These markets constitute over half of our packaging product end-use markets. According to RISI, demand for containerboard in North America has declined by 2.2 million tons, or 13%, for the first half of 2009 compared to the same period in 2008, while prices of eastern U.S. 42 lb. unbleached kraftliner have remained flat at $570 per ton. Through the first half of 2009, our sales volumes of corrugated boxes and sheets declined 8% while sales volumes of linerboard declined by 19%. During the same time period, net sales prices for corrugated boxes and sheets increased 7% while net sales prices for linerboard declined by 18%.

The North American newsprint market had 7.7 million metric tonnes of demand in 2008 and has three major manufacturers that account for approximately 80% of capacity, according to RISI and our estimates, as of August 31, 2009. Our largest competitors include AbitibiBowater, Inc., White Birch Paper and Kruger. In April 2009, AbitibiBowater, Inc., North America s largest maker of newsprint, sought bankruptcy protection in the United States and Canada.

Demand for newsprint has declined dramatically in the last several years and may continue to decline as electronic media replaces newspapers. Major producers have closed capacity and taken downtime, including AbitibiBowater, which announced in December a total of approximately 1.1 million metric tonnes of permanent and temporary curtailments for 2009. According to RISI, demand for newsprint in North America has declined by 1.2 million metric tonnes, or 30%, for the first half of 2009 compared to the same period in 2008, while prices for newsprint have declined by $196 per metric tonne, or 28%, from $691 per metric tonne in June 2008 to $495 per metric tonne in June 2009.

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Seasonality

Our businesses experience some seasonality, based primarily on buying patterns associated with particular products. For example, the demand for our corrugated containers is influenced by changes in agricultural demand in the Pacific Northwest. In addition, seasonally cold weather increases costs, especially energy consumption, at all of our manufacturing facilities. Seasonality also affects working capital levels as described below.

Working capital

Working capital levels fluctuate throughout the year and are affected by seasonality, maintenance shutdowns and changing sales patterns. Typically, we build working capital in our Paper segment at the end of the fourth quarter as we build finished goods inventory in preparation for first quarter sales. Finished goods inventories are also increased prior to scheduled annual maintenance shutdowns to maintain sales volumes while production is stopped. Inventories for some raw materials, such as fiber, exhibit seasonal swings as we increase log and chip inventories to ensure ample supply of fiber to our mills throughout the winter. In our Packaging segment, agricultural demand influences working capital as finished good inventory levels are increased in preparation for the harvest season in the third and fourth quarters. Changes in sales volumes can affect accounts receivable levels in both our Paper and Packaging segments, influencing overall working capital levels. We believe our management practices with respect to working capital conform to common business practices in the United States.

Acquisitions and divestitures

We may engage in acquisition and divestiture discussions with other companies and make acquisitions and divestitures from time to time. We review our operations and dispose of assets that fail to meet our criteria for return on investment or cease to warrant retention for other reasons. For more information about our acquisitions and divestitures, see Management s discussion and analysis of financial condition and results of operations in our 2008 Annual Report on Form 10-K and our September 30, 2009, Quarterly Report on Form 10-Q incorporated by reference herein.

Employees

We have approximately 4,100 employees. Approximately 60% of these employees work pursuant to collective bargaining agreements. We are currently negotiating the labor contract at our packaging plant in Salem, Oregon (92 employees represented by the Association of Western Pulp & Paper Workers, or AWPPW), which expired in December 2008. The parties have agreed to operate under the existing bargaining agreement at Salem while negotiations proceed. We are also negotiating the labor contract at our paper mill in Wallula, Washington (332 employees represented by the AWPPW), which expired in mid-March 2009 and was terminated by the AWPPW on October 31, 2009. We are currently working without a contract at that location. During labor negotiations with our collective bargaining units, we could experience work interruptions or labor strikes, which could significantly affect or curtail our mill operations, increase our labor costs, prevent us from meeting customer demands, or reduce our sales and profitability. Approximately 33% of our employees, including those at Salem and Wallula, are working pursuant to collective bargaining agreements that have expired or will expire within one year.

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MATERIAL UNITED STATES FEDERAL INCOME TAX

CONSEQUENCES TO NON-U.S. HOLDERS OF OUR COMMON STOCK

The following is a summary of the material United States federal income tax consequences to non-U.S. holders (as defined below) of the acquisition, ownership and disposition of our common stock issued pursuant to this offering. This discussion is not a complete analysis of all of the potential United States federal income tax consequences relating thereto, nor does it address any estate and gift tax consequences or any tax consequences arising under any state, local or foreign tax laws, or any other United States federal tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the IRS), all as in effect as of the date of this offering. These authorities may change, possibly retroactively, resulting in United States federal income tax consequences different from those discussed below. No ruling has been or will be sought from the IRS with respect to the matters discussed below, and there can be no assurance that the IRS will not take a contrary position regarding the tax consequences of the acquisition, ownership or disposition of our common stock, or that any such contrary position would not be sustained by a court.

This discussion is limited to non-U.S. holders who purchase our common stock issued pursuant to this offering and who hold our common stock as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the United States federal income tax consequences that may be relevant to a particular holder in light of such holder s particular circumstances. This discussion also does not consider any specific facts or circumstances that may be relevant to holders subject to special rules under the United States federal income tax laws, including, without limitation:

- financial institutions, banks and thrifts;
- insurance companies;
- tax-exempt organizations;
- S corporations, partnerships or other pass-through entities;
- traders in securities that elect to mark to market;
- stockholders subject to the alternative minimum tax;
- regulated investment companies and REITs;
- broker-dealers or dealers in securities or currencies;
- United States expatriates;
- persons subject to the alternative minimum tax;

- controlled foreign corporations;
- passive foreign investment companies; and
- persons holding our stock as a hedge against currency risks or as a position in a straddle.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR UNITED STATES FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS AND ANY OTHER UNITED STATES FEDERAL TAX LAWS.

Definition of Non-U.S. Holder

For purposes of this discussion, a non-U.S. holder is any beneficial owner of our common stock that is not a U.S. person for United States federal income tax purposes. A U.S. person is any of the following:

- an individual citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income tax regardless of its source; or
- a trust (1) whose administration is subject to the primary supervision of a United States court and that has one or more United States persons who have the authority to control all substantial decisions of the trust, or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Distributions on Our Common Stock

If we make cash or other property distributions on our common stock, such distributions generally will constitute dividends for United States federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under United States federal income tax principles. Amounts not treated as dividends for United States federal income tax purposes will constitute a return of capital and will first be applied against and reduce a holder s tax basis in the common stock, but not below zero. Distributions in excess of our current and accumulated earnings and profits and in excess of a non-U.S. holder s tax basis in its shares will be taxable as capital gain realized on the sale or other disposition of the common stock and will be treated as described under Dispositions of Our Common Stock below.

Dividends paid to a non-U.S. holder of our common stock generally will be subject to United States federal withholding tax at a rate of 30% of the gross amount of the dividends, or such lower rate specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish to us or our paying agent a valid IRS Form W-8BEN (or applicable successor form) certifying such holder s qualification for the reduced rate. This certification must be provided to us or our paying agent prior to the payment of dividends and must be updated periodically. Non-U.S. holders that do not timely provide us or our paying agent with the required certification, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

If a non-U.S. holder holds our common stock in connection with the conduct of a trade or business in the United States, and dividends paid on the common stock are effectively connected with such holder s United States trade or business, the non-U.S. holder will be exempt from United States federal withholding tax. To claim the exemption, the non-U.S. holder must generally furnish to us or our paying agent a properly executed IRS Form W-8ECI (or applicable successor form).

Any dividends paid on our common stock that are effectively connected with a non-U.S. holder s United States trade or business (or if required by an applicable income tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be subject to United States federal income tax on a net income basis at the regular graduated United States federal income tax rates in much the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders should consult any applicable income tax treaties that may provide for different rules.

A non-U.S. holder who claims the benefit of an applicable income tax treaty generally will be required to satisfy applicable certification and other requirements prior to the distribution date. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty.

For withholding purposes, we expect to treat all distributions as made out of our current or accumulated earnings and profits. However, amounts withheld should generally be refundable if it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits.

Dispositions of Our Common Stock

A non-U.S. holder generally will not be subject to United States federal income tax on any gain realized upon the sale or other disposition of our common stock, unless:

- the gain is effectively connected with the non-U.S. holder s conduct of a trade or business in the United States, or if required by an applicable income tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States;

- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition, and certain other requirements are met; or

- our common stock constitutes a United States real property interest by reason of our status as a United States real property holding corporation (USRPHC), for United States federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder s holding period for our common stock.

Gain described in the first bullet point above will be subject to United States federal income tax on a net income basis at the regular graduated United States federal income tax rates in much the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation (or maintains a permanent establishment in the United States) also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders should consult any applicable income tax treaties that may provide for different rules.

Gain described in the second bullet point above will be subject to United States federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by United States source capital losses (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we are not currently a USRPHC and we do not anticipate becoming a USRPHC for United States federal income tax purposes. However, because the determination of whether we are a USRPHC depends on the fair market value of our United States real property interests relative to the fair market value of our other trade or business assets and our non-U.S. real property interests, there can be no assurance that we are not a USRPHC or will not become one in the future. Even if we are or become a USRPHC, gain arising from the sale or other taxable disposition by a non-U.S. holder of our common stock will not be subject to tax as a sale of a United States Real Property Interest if such class of stock is regularly traded, as defined by applicable Treasury Regulations, on an established securities market, and such non-U.S. holder owned, actually or constructively, 5% or less of such class of our stock throughout the shorter of the five-year period ending on the date of the sale or exchange or the non-U.S. holder s holding period for such stock. Our common stock currently is regularly traded on an established securities market, although we cannot guarantee that it will be so traded in the future. If gain on the sale or other taxable disposition of our stock were subject to taxation, the non-U.S. holder would be subject to regular United States federal income tax with respect to such gain in the same manner as a U.S. person (subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals).

Information Reporting and Backup Withholding

We must report annually to the IRS and to each non-U.S. holder the amount of distributions on our common stock paid to such holder and the amount of any tax withheld with respect to those distributions. These information reporting requirements apply even if no withholding was required because the distributions were effectively connected with the holder s conduct of a United States trade or business, or withholding was reduced or eliminated by an applicable income tax treaty. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. Backup withholding, currently at a 28% rate, however, generally will not apply to distribution payments to a non-U.S. holder of our common stock provided the non-U.S. holder furnishes to us or our paying agent the required certification as to its non-U.S. status, such as by providing a valid IRS Form W-8BEN or IRS Form W-8ECI, or certain other requirements are met. Notwithstanding the foregoing, backup withholding may apply if either we or our paying agent has actual knowledge, or reason to know, that the holder is a U.S. person that is not an exempt recipient.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder s United States federal income tax liability, provided the required information is timely furnished to the IRS.

UNDERWRITING

The Company, the selling shareholders and the underwriters named below have entered into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares indicated in the following table. Goldman, Sachs & Co. is the representative of the underwriters.

Underwriters	Number of Shares
Goldman, Sachs & Co.	
Lazard Capital Markets LLC	
Wells Fargo Securities, LLC	
Sterne, Agee & Leach, Inc.	
Total	17,000,000

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

If the underwriters sell more shares than the total number set forth in the table above, the underwriters have an option to buy up to an additional 2,550,000 shares from Boise Cascade Holdings, L.L.C., one of the selling shareholders. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by the selling shareholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters option to purchase 2,550,000 additional shares.

Paid by the Selling Shareholders

	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Shares sold by the underwriters to the public will initially be offered at the initial price to public set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. If all the shares are not sold at the initial public offering price, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters right to reject any order in whole or in part.

The Company, certain of the Company s officers and directors, and the selling shareholders have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus supplement continuing through the date 90 days after the date of this prospectus supplement, except with the prior written consent of the representatives. This agreement does not apply to any existing employee benefit plans or the exercise of currently outstanding warrants.

In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Shorts sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Covered short sales are sales made in an amount not greater than the underwriters option to purchase additional shares from the selling shareholders in the offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option granted to them. Naked short sales are any sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the company s stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on the NYSE, in the over-the-counter market or otherwise.

The Company may 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, including in short sale transactions. If so, the third party may use securities pledged by the Company or borrowed from the Company or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from the Company in settlement of those derivatives to close out any related open borrowings of stock. The third party in such sale transactions will be an underwriter or will be identified in a post-effective amendment.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000 and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

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(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or

(d) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of shares to the public in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (FSMA)) received by it in connection with the issue or sale of the shares in circumstances in which Section 21(1) of the FSMA would, if the Issuer was not an authorised person, not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

The Company and the selling shareholders estimate that their share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $.

The Company and the selling shareholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Company, for which they received or will receive customary fees and expenses. Goldman, Sachs Credit Partners, L.P., an affiliate of Goldman, Sachs & Co., is a lender under our senior secured credit facilities and is the administrative agent and collateral agent under our first lien senior secured credit facilities. Goldman, Sachs Credit Partners, L.P. also acted as joint lead arranger, joint bookrunner and syndication agent under our senior secured credit facilities. Lazard Frères & Co. LLC referred this transaction to Lazard Capital Markets LLC and will receive a referral fee from Lazard Capital Markets LLC in connection therewith.

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LEGAL MATTERS

Certain legal matters with respect to the common stock offered by this prospectus supplement will be passed upon for us by K&L Gates LLP and Karen Gowland, our General Counsel. As of November 10, 2009, Ms. Gowland owns 12,633 shares of our common stock. Latham & Watkins LLP is representing the underwriters in connection with this offering. From time to time, K&L Gates LLP provides legal services for us in connection with matters unrelated to the offering described herein, including general securities matters.

EXPERTS

The consolidated financial statements of Boise Inc. as of December 31, 2008, and for the year ended December 31, 2008, and management s assessment of the effectiveness of internal control over financial reporting as of December 31, 2008, have been incorporated herein by reference from our Annual Report on Form 10-K for the year ended December 31, 2008 in reliance upon the report of KPMG LLP, an independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in auditing and accounting.

The financial statements of Boise Inc. at December 31, 2007 incorporated herein by reference from our Annual Report on Form 10-K for the year ended December 31, 2008 have been audited by McGladrey & Pullen, LLP, an independent registered public accounting firm, as stated in their report referenced therein. The financial statements and the report of McGladrey & Pullen, LLP are included in reliance upon their report given upon the authority of McGladrey & Pullen, LLP as experts in auditing and accounting.

The consolidated financial statements of BPP as of December 31, 2007, and for the period from January 1, 2008 through February 21, 2008, and for each of the years in the two-year period ended December 31, 2007, have been incorporated by reference herein from our Annual Report on Form 10-K for the year ended December 31, 2008 in reliance upon the report of KPMG LLP, independent auditors, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

Boise Inc. files annual, quarterly and current reports, proxy statements and other information with the SEC. Such SEC filings can be read and copied at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Boise Inc. s SEC filings are also available over the Internet at the SEC s Web site at http://www.sec.gov. You may obtain a copy of any of these documents at no cost by writing us at the following address or telephoning us at the following telephone number:

Boise Inc.

1111 West Jefferson Street, Suite 200

Boise, Idaho 83702-5388

Attention: Investor Relations

Phone: (208) 384 7456

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INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC. This means that we can disclose important information to you by referring you to another filed document. Any information referred to in this way is considered part of this prospectus supplement from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus supplement and before the date that the offering of the securities by means of this prospectus supplement is terminated will automatically update and, where applicable, supersede any information contained in this prospectus supplement or incorporated by reference in this prospectus supplement. Accordingly, we incorporate by reference the following documents or information filed with the SEC:

- Boise Inc. s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009, as filed with the SEC on May 5, 2009, Boise Inc. s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009, as filed with the SEC on August 5, 2009, and Boise Inc. s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2009, as filed with the SEC on November 3, 2009;

- Boise Inc. s Annual Report on Form 10-K for the fiscal year ended December 31, 2008, as filed with the SEC on February 24, 2009;

- Boise Inc. s Definitive Proxy Statement on Schedule 14A, as filed with the SEC on March 17, 2009;

- Boise Inc. s Current Reports on Form 8-K, as filed with the SEC on January 7, 2009, April 24, 2009, June 26, 2009, August 5, 2009 (as amended on September 1, 2009), October 6, 2009, October 15, 2009, October 16, 2009, and October 28, 2009; and

- the description of our common stock contained in our Form S-1 originally filed on March 19, 2007 (File No. 333-141398), as amended through June 13, 2008, which was incorporated by reference into our Form 8-A filed with the SEC on June 13, 2007.

We are also incorporating by reference additional documents that Boise Inc. files with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus supplement through the completion of this offering. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed filed with the SEC, including Boise Inc. s compensation committee report (included in Boise Inc. s Definitive Proxy Statement on Schedule 14A) or any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

Information about us, including our SEC filings, is also available on our Web site at http://www.boiseinc.com; however, that information is not a part of this prospectus supplement.

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39,035,777 Shares of Common Stock

This prospectus relates to the resale from time to time of up to 39,035,777 shares of common stock of Boise Inc. by the selling shareholders identified in this prospectus. We are not selling any shares of our common stock pursuant to this prospectus, and we will not receive any proceeds from the sale of shares of common stock offered by this prospectus. We have agreed to pay certain expenses in connection with the registration of the shares of common stock and to indemnify the selling shareholders against certain liabilities.

The selling shareholders identified in this prospectus, or their pledgees, donees, transferees or other successors-in-interest, may offer the shares of common stock offered by this prospectus from time to time through public or private transactions at prevailing market prices, at prices related to prevailing market prices or at privately negotiated prices.

Our common stock and warrants are listed on the New York Stock Exchange NYSE under the symbol BZ and BZ-WT, respectively. On February 11, 2009 on the NYSE, the closing price of the common stock was $.40 per share and the closing price of the warrants was $.02 per warrant.

Investing in our securities involves a high degree of risk. See Risk Factors beginning on page 4 of this prospectus for a discussion of information that should be considered in connection with an investment in our securities.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 12, 2009.

You should rely only on the information incorporated by reference or provided in this prospectus. We have not authorized anyone to provide you with different information. You should not assume that the information provided in this prospectus, any prospectus supplement, the documents incorporated by reference or any other offering material is accurate as of any date other than the date on the front of those documents, as applicable.

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PROSPECTUS

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PROSPECTUS SUMMARY

This summary highlights certain information appearing elsewhere in this prospectus. For a more complete understanding of the offering, you should read the entire prospectus carefully, including the risk factors and the financial statements incorporated herein by reference. Unless otherwise stated in this prospectus references to we or our Company refer to Boise Inc. In addition, this prospectus gives retroactive effect to stock dividends of 0.5 and 0.2 shares of common stock for each outstanding share of common stock on June 12, 2007 and June 19, 2007, respectively.

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different information. Our securities are listed on the New York Stock Exchange. We are not making an offer of these securities in any jurisdiction where the offer is not permitted.

Company Overview

We were originally a blank check company organized under the laws of the State of Delaware on February 1, 2007. We were formed with the purpose of effecting a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business. From inception through February 21, 2008, we did not have any business or operations. Our activities were limited to raising capital in our initial public offering, which we refer to as our IPO. We focused on identifying and acquiring an operating business.

On February 22, 2008, we completed the acquisition (the Acquisition) of Boise White Paper, L.L.C., (Boise White Paper), Boise Packaging & Newsprint, L.L.C (BP&N), Boise Cascade Transportation Holdings Corp. (Boise Transportation) (collectively, the Paper Group) and other assets and liabilities related to the operation of the paper, packaging and newsprint, and transportation businesses of the Paper Group and most of the headquarters operations of Boise Cascade, L.L.C. (Boise Cascade or the Seller) for cash and securities. Subsequent to the Acquisition, Boise Cascade transferred the shares of our common stock it received pursuant to the Acquisition to its parent company, Boise Cascade Holdings, L.L.C. (Boise Cascade Holdings). The business so acquired from the Seller is referred to in this prospectus as Boise Paper Products, BPP or the Predecessor. The Acquisition was accomplished through our acquisition of Boise Paper Holdings, L.L.C. The Acquisition was approved by our shareholders on February 5, 2008. In conjunction with the completion of the Acquisition, we changed our name from Aldabra 2 Acquisition Corp. to Boise Inc.

The Business

Headquartered in Boise, Idaho, we manufacture packaging products and papers, including corrugated containers, containerboard, label and release and flexible packaging papers, imaging papers for the office and home, printing and converting papers, newsprint, and market pulp. We have approximately 4,350 employees.

We are the third largest North American manufacturer of uncoated free sheet paper. We own pulp and paper mill operations in the following locations: Jackson, Alabama; International Falls, Minnesota; and Wallula, Washington, all of which manufacture uncoated free sheet paper. In November 2008, we restructured our paper mill in St. Helens, Oregon and closed its on-site pulp production facilities. We also own a mill in DeRidder, Louisiana, which produces containerboard (linerboard) as well as newsprint and is one of the largest paper mills in North America. We also have a network of six corrugated converting plants, located in the Pacific Northwest and Texas, which manufacture corrugated containers and sheets.

Additional Information

Our principal executive offices are located at 1111 West Jefferson Street, Suite 200, Boise, ID 83702-5388.

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THE OFFERING

Securities Offered:	39,035,777 shares of common stock held by selling shareholders.
	Our common stock and warrants began trading on the NYSE on February 25, 2008.
Number of shares outstanding before the offering:	79,716,130 shares of common stock.
Number of shares outstanding after the offering:	79,716,130 shares of common stock.
New York Stock Exchange symbol for our common stock:	BZ[BC]

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FORWARD-LOOKING STATEMENTS

We believe that some of the information in this prospectus constitutes forward-looking statements within the definition of the Private Securities Litigation Reform Act of 1995. You can identify these statements by forward-looking words such as may, expect, anticipate, contemplate, believe, estimate, intends, and continue or similar words. You should read statements that contain these words carefully because they:

- discuss future expectations;
- contain information that could impact future results of operations or financial condition; or
- state other forward-looking information.

We believe it is important to communicate our expectations to our stockholders. However, there may be events in the future that we are not able to accurately predict or over which we have little or no control. The following factors, among others, may cause actual results to differ materially from the expectations described by us in our forward-looking statements:

- paper and packaging industry trends, including factors affecting supply and demand;
- credit or currency risks affecting our revenue and profitability;
- cost of raw materials and energy;
- continued compliance with government regulations;
- legislation or regulatory environments, requirements or changes affecting the businesses in which we are engaged;
- our customer concentration;
- labor and personnel relations;
- changing interpretations of generally accepted accounting principles;
- our ability to meet the continued listing standards of the NYSE;
- our continued ability to meet the requirements of our credit facilities;

- the liquidity of our common stock; and
- general economic conditions.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this prospectus.

All forward-looking statements included herein attributable to us, BPP or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

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RISK FACTORS

You should carefully consider the following risk factors, together with all of the other information included in this prospectus. If any of these factors actually occur, the business, financial condition or results of operations of Boise Inc. could be affected materially and adversely, the value of our common stock could decline, and stockholders could lose all or part of their investment.

Risks Associated with the Acquisition and our Financial Condition

Since the Acquisition, the market price of our common stock has declined significantly, and we face possible delisting from the NYSE.

Shares of our common stock are currently listed on the NYSE. The market price of our common stock has declined significantly since the Acquisition. On the date of the Acquisition, February 22, 2008, the closing price of our common stock was $8.50 per share. As of February 11, 2009, the closing price of our common stock price was $.40 per share and our market capitalization was approximately $34 million.

The NYSE s quantitative listing standards require NYSE listed companies to have an average market capitalization of at least $75.0 million over any consecutive 30-trading-day period. In addition, the average closing price of any listed security must not fall below $1.00 per share for any consecutive 30-trading-day period. On November 5, 2008, we received written notice from the NYSE that we do not currently comply with these two continued listing standards. As of October 31, 2008, the company s 30-trading-day average market capitalization was approximately $74.8 million based on an average share price of $0.94. The notice also indicated that the NYSE would provide on the consolidated tape an indicator, BC , to put investors on notice that the company is below the NYSE quantitative continued listing standards.

As required by the NYSE, we submitted a business plan to demonstrate our ability to achieve compliance with the market capitalization requirement within 18 months from the receipt of the notice. The NYSE has notified us that it has accepted our plan to regain compliance. We must cure the share price deficiency by May 2009 and the market capitalization deficiency by May 2010. If we are not compliant by either date, our common stock will also be subject to suspension by the NYSE and delisting. Although we intend to cure the deficiencies and to return to compliance with the NYSE continued listing requirements, there can be no assurance that we will be able to do so.

If our common stock is delisted, or if it becomes apparent to us that we will be unable to meet the NYSE s continued listing standards in the near future, we intend to seek to have our common stock listed or quoted on another national securities exchange or quotation system. However, we may be unable to list or quote our common stock on another national securities exchange or quotation system. Even if our common stock is listed or quoted on such other exchange or system, a delisting by the NYSE could hurt our investors by reducing the liquidity and market price of our common stock. Additionally, a delisting could negatively affect us by reducing the number of investors willing to hold or acquire our common stock, which could negatively affect our ability to access public capital markets.

Our indebtedness could adversely affect our financial condition and impair our ability to operate the Business.

At December 31, 2008, we had approximately $1,104 million of outstanding indebtedness (consisting of approximately $1,037 million under senior secured credit facilities and approximately $67 million under subordinated promissory notes). This level of indebtedness could have important consequences on our business, financial condition and operating results, including the following:

- it may limit our ability to borrow money or sell stock to fund our working capital, capital expenditures, acquisitions, debt service requirements and other financing needs;
- our interest expense would increase if interest rates generally rise because a substantial portion of our indebtedness, including all of our indebtedness under our senior secured credit facilities, bears interest at floating rates;

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it may limit our flexibility in planning for, or reacting to, changes in our business and future business opportunities;

we are subject to debt covenants that may restrict management s ability to make certain business decisions;

we are more highly leveraged than some of our competitors, which places us at a competitive disadvantage;

it makes us more vulnerable to a downturn in our business, our industry or the economy in general;

a substantial portion of our cash flow from operations will be dedicated to the repayment of indebtedness, including indebtedness we may incur in the future, and will not be available for other business purposes; and

there would be a material adverse effect on our business and financial condition if we were unable to service our indebtedness or obtain additional financing as needed.

Our operations may not be able to generate sufficient cash flows to meet our debt service obligations.

Our ability to make payments on and to refinance our indebtedness and to fund planned capital expenditures depends on our ability to generate cash from our future operations. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. As a result, it is possible that we may not generate sufficient cash flow from operations to enable us to repay our indebtedness, make interest payments and to fund other liquidity needs. To the extent we do not generate sufficient cash flow to meet these requirements, it would impact our ability to operate as a going concern.

Our expected debt service obligation, assuming interest rates stay at December 31, 2008, levels, is estimated to be approximately $65.7 million in cash interest payments and fees per annum, which amount will be reduced each year in accordance with scheduled debt amortization payments, if made. In addition, debt service requirements will also include scheduled principal payments totaling $24.3 million for 2009 and rising to a maximum of $447.7 million for 2014. If we became unable to meet our debt service requirements, we would be required to refinance or restructure all or a portion of our indebtedness; however, we may not be able to refinance any of our indebtedness on commercially reasonable terms, or at all.

If we cannot service or refinance our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, any of which could have a material adverse effect on our operations and financial condition.

A default under our indebtedness may have a material adverse effect on our business and financial condition.

In the event of a default under our senior secured credit facilities, the lenders generally would be able to declare all of such indebtedness, together with interest, to be due and payable. In addition, borrowings under the senior secured credit facilities are secured by first- and second-priority liens, as applicable, on all of our assets and our subsidiaries assets, and in the event of a default under those facilities, the lenders generally would be entitled to seize the collateral. Moreover, upon the occurrence of an event of default, the commitment of the lenders to make any further loans would be terminated. Accordingly, a default under any debt instrument, unless cured or waived, would likely have a material adverse effect on our overall business, the results of our operations and our financial condition.