Tarbox Andrea K
Form 4
June 01, 2010

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
OMB Number: 3235-0287
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Tarbox Andrea K

(Last) (First) (Middle)

1101 SKOKIE BLVD., SUITE 300

(Street)

NORTHBROOK, IL 60062

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
KAPSTONE PAPER & PACKAGING CORP [KPPC]

3. Date of Earliest Transaction (Month/Day/Year)
05/27/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Vice President & CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/27/2010 (1)		A		12,764	A	(2)	29,091 (3)	D	

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy) (4)	$ 11.36	05/27/2010		A		34,498		(5)	05/27/2020	Common Stock	34,498
Stock Option (Right to Buy) (4)	$ 6.76							04/05/2009 (5)	04/05/2014	Common Stock	57,650
Stock Option (Right to Buy) (4)	$ 6.9							04/10/2010 (5)	04/10/2018	Common Stock	60,548
Stock Option (Right to Buy) (4)	$ 3.7							05/13/2011 (5)	05/13/2019	Common Stock	60,548

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Tarbox Andrea K 1101 SKOKIE BLVD. SUITE 300 NORTHBROOK, IL 60062			Vice President & CFO	

Signatures

By: /s/ Andrea Tarbox as Attorney-in-Fact	06/01/2010
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The restricted stock units vest in their entirety on the third anniversary of the grant date.

(2) Each restricted stock unit represents a contingent right to receive one share of Kapstone common stock.

(3) Does not include number of restricted stock units acquired in 2008 and 2009.

(4) Represents options granted pursuant to the Kapstone Paper and Packaging 2006 Incentive Plan.

(5) The options vest 50% on the second anniversary of the grant date and 50% on the third anniversary of the grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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