

sappi

March 8, 2006

Fine Paper
North America

Deborah E. Hennessey
Section Chief
Rapid Response Section
Bureau of Workforce Programs
Michigan Department of Labor & Economic Growth
Victor Office Center - 5th Floor
201 N. Washington Square
Lansing, Michigan 48913

S.D. Warren Company
2400 Lakeshore Drive
Muskegon MI 49441
Tel +1 231 755 3761

**VIA FACSIMILE
517-373-6468
& FIRST CLASS MAIL**

**Re: Sappi Fine Paper – Muskegon mill
2400 Lakeshore Drive, Muskegon, MI 49441**

Dear Ms. Hennessey:

There is a possibility that Sappi may outsource maintenance functions at its Muskegon mill to ABB, a subcontractor. This subcontracting will be implemented if: 1) Sappi finalizes the terms of a subcontracting relationship with ABB and 2) Sappi is unable to reach an agreement with the United Steelworkers that retains the maintenance functions within the Muskegon mill's bargaining unit.

In the event ABB and Sappi finalize a subcontracting relationship, and in the absence of an agreement with the Union on the subcontracting issue, it is anticipated that thirty six employees represented by the Union and eight non-union employees will be permanently laid off from their employment *with Sappi* in the 14-day period from April 1, 2006 to April 14, 2006 (ABB has extended offers of employment to the vast majority of these employees, contingent upon Sappi's decision to actually outsource maintenance).

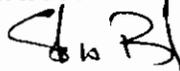
As indicated, Union employees are represented by United Steelworkers Local 1015. Local 1015's address is: 2320 Sanford, Muskegon Heights, MI 49444; its President is Howard Ross. Affected Union employees are subject to collectively bargained bumping and layoff procedures, to the extent they apply. No bumping and layoff procedures exist with respect to any affected non-union employees.

Sappi has compiled, and will produce on request, a list of the job titles of positions to be affected and the number of affected employees in each job classification. Please note that the anticipated schedule for these layoffs could be extended as events develop. As required, we will keep you advised of changes in the timing of any layoffs.

Please contact me at (231) 759-5216 if you have any questions or require additional information.

Sincerely,

SAPPI FINE PAPER



Steve Busch
Human Resources Director

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WORKFORCE ISS & DEV DIV
WORKFORCE PROGRAMS

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July 28, 2005

Fine Paper
North America

Ms. Deborah Hennessey
Workforce Transition Unit
Michigan Department of Career Development
Workforce Programs
Victor Office Center - 5th Floor
201 North Washington Square
Lansing, Michigan 48913

S.D. Warren Company
2400 Lakeshore Drive
Muskegon MI 49441
Tel +1 231 755 3761

Re: S. D. Warren Company, d.b.a. Sappi Fine Paper North America
Muskegon, Michigan

Dear Ms. Hennessey:

S. D. Warren Company, d.b.a. Sappi Fine Paper North America ("Sappi") is expecting to engage in a mass lay-off at its facility located at 2400 Lakeshore Drive, Muskegon Michigan 49441. Due to the anticipated mass lay-off, approximately 272 employees represented by United Steel Workers (Local 1015) and 79 employees not represented by the Union will be permanently laid off.

The first phase of layoffs will occur between August 3, 2005 and August 17, 2005 and will impact approximately 70 union and non union employees. Additional permanent layoffs are anticipated between September 1, 2005 and September 14, 2005 and will impact approximately 100 union and non union employees. The final phase of permanent layoffs will occur after October 2005 and will continue into 2006. We will provide you more information on the specific timing of the permanent layoffs that will occur after the September timeframe.

Howard Ross is the Local Union President and can be reached at 2320 Sanford Street, Muskegon, Michigan 49441.

A listing of the job titles of job positions affected and the number of affected employees in each job classification has been prepared and will be made available to you upon request. Some affected employees have bumping rights under the parties' collective bargaining agreement. Due to the sudden decision, Sappi is compensating those affected employees who will not remain employed 60 days beyond this notice. Upon their permanent layoff, the affected employees will be provided full pay and benefits through the remainder of the 60-day notice period.

The anticipated schedule for the mass lay-off could be extended should the production requirements of Sappi's customers change. As required, we will advise you of any change in the anticipated lay-off schedule.

Please contact me at (231) 759-5216 if you have any questions or require additional information.

Sincerely,



Steve Busch
Human Resources Director

CC: Howard Ross - Local 1015 President

sappi

Fine Paper
North America

Muskegon Mill

September 19, 2006

2400 Lakeshore Drive
Muskegon MI 49441
231 755 3761

Michigan Department of Career Development
Workforce Transition Unit
5th Floor - Victor Office Center
201 North Washington Square
Lansing, Michigan 48913

VIA FACSIMILE
(517) 373-4648
& First Class Mail

Re: Sappi Fine Paper
Muskegon, Michigan

Dear Workforce Transition Unit:

Sappi Fine Paper is expecting further lay-offs at its facility located at 2400 Lakeshore Drive, Muskegon, Michigan 49441 as a result of its decision last year to close its Pulp Mill Operations and Paper Machine Number 4. Due to the anticipated mass lay-off, 20 employees represented by United Steelworkers, Local 1015 will be permanently laid off between September 29, 2006 and October 14, 2006. Howard Ross is the Local Union President and can be reached at 2320 Sanford Street, Muskegon, MI 49441.

A listing of the job titles of job positions affected and the number of affected employees in each job classification has been prepared and will be made available to you upon request. Some affected employees have bumping rights under the parties' collective bargaining agreement. Given the timing of this notice, the affected employees will not remain employed 60 days beyond this notice. Upon their permanent layoff, the affected employees will be provided back pay and benefits through the remainder of the 60-day notice period.

The anticipated schedule for the mass lay-off could be extended should the production requirements of Sappi's customers change. As required, we will advise you of any change in the anticipated lay-off schedule.

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SEP 25 2006

RAPID RESPONSE
WORKFORCE PROGRAMS

Michigan Department of Career Development
September 19, 2006
Page 2

Please contact me at (231) 759-5216 if you have any questions or require additional information.

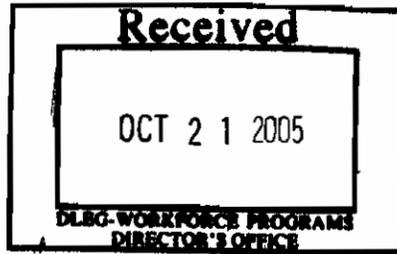
Sincerely,

SAPPI FINE PAPER

A handwritten signature in black ink, appearing to read "S. Busch", written over the printed name.

Steve Busch
Human Resources Director

sappi



Fine Paper
North America

2400 Lakeshore Drive
Muskegon MI 49441
Tel +1 231 755 3761

October 14, 2005

Michigan Department of Career Development
Workforce Transition Unit
5th Floor - Victor Office Center
201 North Washington Square
Lansing, Michigan 48913

Re: S.D. Warren, d.b.a. Sappi Fine Paper North America

Dear Workforce Transition Unit:

Sappi is following up on its July 28, 2005, letter notifying the Workforce Transition Unit of its anticipated mass lay-off at its facility located at 2400 Lakeshore Drive, Muskegon, Michigan 49441. Of the 100 employees originally identified for layoff during the period from September 1, 2005 to September 14, 2005, 32 employees represented by United Steelworkers Local 1015 have had their anticipated layoff date extended to the 14 day period from October 29, 2005 through November 11, 2005. As Sappi comes closer to closing down its No. 4 Paper Machine and pulp mill, it has identified the need to retain these employees to facilitate their shutdown.

If you have any questions regarding this matter or require additional information, please contact me at (231) 759-5216. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "S Busch".

Steve Busch
Human Resources Director

cc: Mayor Steve Warmington – via fax