

KAPSTONE PAPER & PACKAGING CORP  
Form SC 13G/A  
May 22, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 1)\*

Kapstone Paper and Packaging Corporation  
(Name of Issuer)

Common Stock, \$.0001 par value per share  
(Title of Class of Securities)

48562P103  
(CUSIP Number)

May 19, 2008  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

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

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



CUSIP No 48562P103

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Ned Sherwood

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)   
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

1,178,858

6. SHARED VOTING POWER

2,243,233

7. SOLE DISPOSITIVE POWER

1,178,858

8. SHARED DISPOSITIVE POWER

2,243,233

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,422,091

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

12.1%

12. TYPE OF REPORTING PERSON

IN

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CUSIP No 48562P103

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
  
ZS Crossover II GP, L.L.C.
  2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
  
(a)   
(b)
  3. SEC USE ONLY
  4. CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Delaware
- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
5. SOLE VOTING POWER  
  
0
  6. SHARED VOTING POWER  
  
2,243,233
  7. SOLE DISPOSITIVE POWER  
  
0
  8. SHARED DISPOSITIVE POWER  
  
2,243,233
  9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
  
2,243,233
  10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES
  11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
  
8.2%

12. TYPE OF REPORTING PERSON

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CUSIP No 48562P103

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
  
ZS Crossover II L.P.
  2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
  
(a)   
(b)
  3. SEC USE ONLY
  4. CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Delaware
- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
5. SOLE VOTING POWER  
  
0
  6. SHARED VOTING POWER  
  
2,243,233
  7. SOLE DISPOSITIVE POWER  
  
0
  8. SHARED DISPOSITIVE POWER  
  
2,243,233
  9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
  
2,243,233
  10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES
  11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
  
8.2%

12. TYPE OF REPORTING PERSON

PN

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CUSIP No 48562P103

Item 1. (a). Name of Issuer:

Kapstone Paper and Packaging Corporation

(b). Address of Issuer's Principal Executive Offices:

Kapstone Paper and Packaging Corporation  
1101 Skokie Boulevard, Suite 300  
Northbrook, Illinois 60062

Item 2. (a). Name of Person Filing:

Ned Sherwood  
ZS Crossover II GP, L.L.C.  
ZS Crossover II L.P.

(b). Address of Principal Business Office, or if None, Residence:

Ned Sherwood  
c/o ZS Crossover II GP, L.L.C.  
1133 Avenue of the Americas  
New York, New York 10036  
United States of America

ZS Crossover II GP, L.L.C.  
1133 Avenue of the Americas  
New York, New York 10036  
United States of America

ZS Crossover II L.P.  
1133 Avenue of the Americas  
New York, New York 10036  
United States of America

(c). Citizenship:

Ned Sherwood - United States of America  
ZS Crossover II GP, L.L.C. - Delaware  
ZS Crossover II L.P. - Delaware

(d). Title of Class of Securities:

Common Stock, \$.0001 par value per share

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(e). CUSIP Number:

48562P103

Item 3. If This Statement is filed pursuant to ss.240.13d-1(b) or 240.13d-2(b), or (c), check whether the person filing is a

(a)  Broker or dealer registered under Section 15 of the Exchange Act (15 U.S.C. 78c).

(b)