

# CLEARWATER PAPER CORPORATION OFFICER STOCK OWNERSHIP GUIDELINES

Effective September 20, 2012

## Policy

In the interest of promoting and increasing equity ownership in Clearwater Paper Corporation by our executive officers and to further align our executives' long-term interests with those of our stockholders, the Company will require executive officers to acquire and hold Clearwater Paper stock in accordance with the guidelines established by the Compensation Committee of the Board of Directors as follows:

<u>Position</u>	<u>Shares To Be Acquired</u>
Chief Executive Officer	5 x Base Salary
Chief Operating Officer	3 x Base Salary
Division President	2 x Base Salary
Senior Vice President	2 x Base Salary

## Acquisition Period

Executive officers have five years from the time of their initial election, appointment, or promotion (in the case of incremental guidelines) as an executive officer to achieve their stock ownership guideline. If an officer does not meet the ownership requirements or the ownership requirement is not maintained after it is initially met, awards to be made under the company's annual incentive program will be paid 50% in cash and 50% in stock, and any performance share award that is earned, on an after-tax basis, would have to be retained by the officer to the extent necessary to meet the stock ownership guidelines.

## Applicable Shares

Shares held in a brokerage account, an account with our transfer agent or in our 401(k) Plan, common stock units owned as a result of deferred awards paid under our incentive programs, and any vested restricted stock units (RSUs) all count towards the ownership requirement. Shares subject to unexercised stock options, unvested RSUs or unearned performance shares, however, do not count toward the ownership guidelines.

## Value of Share Holdings

The value of the shares held by an officer will be measured by the greater of the value of the shares at the (i) time acquired or vested or (ii) the applicable measurement date, based on the Company's twenty-day average closing stock price prior to the measurement date.

### **Disposition of Shares**

An executive officer subject to these stock ownership guidelines may request to sell shares for financial hardship reasons before his or her ownership guideline is achieved. The Compensation Committee will evaluate whether exceptions should be made for any such executive officer.

### **Report to the Committee**

Annually a report will be presented to the Compensation Committee detailing each executive officer's stock ownership and performance towards meeting these guidelines.