

Verso Corp
Form SC 13G
February 14, 2017

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. ____)*

Verso Corporation
(Name of Issuer)

Class A Common Stock
(Title of Class of Securities)

92531L207
(CUSIP Number)

December 31, 2016
(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)

*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
disclosures
provided in a
prior cover
page.

The
information
required on 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. 92531L207 SCHEDULE 13G Page 2 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree SC Reserve 2 LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

131,458 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

131,458 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

131,458 (1)

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

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

0.4% (2)

12 TYPE OF REPORTING PERSON

PN

(1) In its capacity as the direct owner of 131,458 shares of common stock, par value \$0.01 per share (the "Shares") of the Issuer.

(2) All calculations of percentage ownership herein are based upon an aggregate of 33,566,735 Shares, consisting of

(i) an aggregate principal amount of 199,951 warrants to purchase Shares held by the Reporting Person exercisable immediately at an exercise price calculated in accordance with the terms of the warrant and (ii) 33,366,784 Shares outstanding as of October 31, 2016, as reported by the Issuer on its Quarterly Report on Form 10-Q filed with the United States Securities Exchange Commission (the “SEC”) on November 14, 2016 (the “Form 10-Q”).

CUSIP No. 92531L207 SCHEDULE 13G Page 3 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Fund GP IIA, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

131,458 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

131,458 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

131,458 (1)

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

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

0.4%

12 TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the duly elected manager of Oaktree SC Reserve 2 LLC.

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1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Fund GP 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

5 SOLE VOTING POWER

131,458 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING

0

PERSON
WITH

7 SOLE DISPOSITIVE POWER

131,458 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

131,458 (1)

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

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

0.4%

12 TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the duly elected manager of Oaktree Fund GP IIA, LLC.

CUSIP No. 92531L207 SCHEDULE 13G Page 5 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Capital 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

5 SOLE VOTING POWER

131,458 (1)

NUMBER OF
SHARES 6 SHARED VOTING POWER

BENEFICIALLY OWNED 0

BY EACH REPORTING
PERSON 7 SOLE DISPOSITIVE POWER

WITH 131,458 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

131,458 (1)

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

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

0.4%

12 TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the general partner of Oaktree Fund GP II, L.P.

CUSIP No. 92531L207 SCHEDULE 13G Page 6 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Value Opportunities Fund Holdings, 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

5 SOLE VOTING POWER

349,243 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING

0

PERSON
WITH

7 SOLE DISPOSITIVE POWER

349,243 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

349,243 (1)

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

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

1.0%

12 TYPE OF REPORTING PERSON

PN

In its capacity as the direct owner of an aggregate of 349,243 Shares, consisting of (i) 333,705 Shares and (ii) (1) warrants to purchase 15,538 Shares exercisable immediately at an exercise price calculated in accordance with the terms of the warrant.

CUSIP No. 92531L207 SCHEDULE 13G Page 7 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Value Opportunities Fund GP, 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

Cayman Islands

5 SOLE VOTING POWER

349,243 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING

0

PERSON
WITH

7 SOLE DISPOSITIVE POWER

349,243 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

349,243 (1)

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

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

1.0%

12 TYPE OF REPORTING PERSON

PN

(1)Solely in its capacity as the general partner of Oaktree Value Opportunities Fund Holdings, L.P.

CUSIP No. 92531L207 SCHEDULE 13G Page 8 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Value Opportunities Fund GP Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

5 SOLE VOTING POWER

349,243 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING

0

PERSON
WITH

7 SOLE DISPOSITIVE POWER

349,243 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

349,243 (1)

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

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

1.0%

12 TYPE OF REPORTING PERSON

OO

(1)Solely in its capacity as the general partner of Oaktree Value Opportunities Fund GP, L.P.

CUSIP No. 92531L207 SCHEDULE 13G Page 9 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Opps X Reserve 6, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

2,470,813 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

2,470,813 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,470,813 (1)

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

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

7.4%

12 TYPE OF REPORTING PERSON

PN

In its capacity as the direct owner of an aggregate of 2,470,813 Shares, consisting of (i) 2,286,400 Shares and (ii) (1) warrants to purchase 184,413 Shares exercisable immediately at an exercise price calculated in accordance with the terms of the warrant.

CUSIP No. 92531L207 SCHEDULE 13G Page 10 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Fund GP, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

2,470,813 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

2,470,813 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,470,813 (1)

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

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

7.4%

12 TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the duly elected manager of Oaktree Opps X Reserve 6, LLC.

CUSIP No. 92531L207 SCHEDULE 13G Page 11 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Fund GP I, 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

5 SOLE VOTING POWER

2,820,056 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING

0

PERSON
WITH

7 SOLE DISPOSITIVE POWER

2,820,056 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,820,056 (1)

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

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

8.4%

12 TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the managing member of Oaktree Fund GP, LLC and the sole shareholder of Oaktree Value Opportunities Fund GP Ltd.

CUSIP No. 92531L207 SCHEDULE 13G Page 12 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Capital I, 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

5 SOLE VOTING POWER

2,820,056 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

2,820,056 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,820,056 (1)

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

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

8.4%

12 TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the general partner of Oaktree Fund GP I, L.P.

CUSIP No. 92531L207 SCHEDULE 13G Page 13 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

OCM Holdings I, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

2,820,056 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

2,820,056 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,820,056 (1)

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

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

8.4%

12 TYPE OF REPORTING PERSON

PN

(1)Solely in its capacity as the general partner of Oaktree Capital I, L.P.

CUSIP No. 92531L207 SCHEDULE 13G Page 14 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Holdings, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

2,820,056 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

2,820,056 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,820,056 (1)

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

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

8.4%

12 TYPE OF REPORTING PERSON

PN

(1)Solely in its capacity as the general partner of OCM Holdings I, LLC.

CUSIP No. 92531L207 SCHEDULE 13G Page 15 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Capital Management, 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

5 SOLE VOTING POWER

593,077 (1)

NUMBER OF
SHARES 6 SHARED VOTING POWER

BENEFICIALLY OWNED 0

BY EACH REPORTING 7 SOLE DISPOSITIVE POWER

PERSON 593,077 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

593,077 (1)

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

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

1.8%

12 TYPE OF REPORTING PERSON

OO

Solely in its capacity as the sole director of Oaktree Value Opportunities Fund GP Ltd. and as the duly appointed (1) investment manager of certain separate accounts and funds that, in the aggregate, are the direct owners of 243,834 Shares.

CUSIP No. 92531L207 SCHEDULE 13G Page 16 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Holdings, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

724,535 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

724,535 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

724,535 (1)

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

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

2.2%

12 TYPE OF REPORTING PERSON

OO

(1) Solely in its capacity as the general partner of Oaktree Capital Management, L.P. and the general partner of Oaktree Capital II, L.P.

CUSIP No. 92531L207 SCHEDULE 13G Page 17 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Capital Group, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

3,195,348 (1)

NUMBER OF
SHARES

6 SHARED VOTING POWER

BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
WITH

0

7 SOLE DISPOSITIVE POWER

3,195,348 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,195,348 (1)

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

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

9.6%

12 TYPE OF REPORTING PERSON

OO

(1) Solely in its capacity as the managing member of Oaktree Holdings, LLC and as the sole shareholder of Oaktree Holdings, Inc.

CUSIP No. 92531L207 SCHEDULE 13G Page 18 of 29

1 NAME OF REPORTING PERSON OR
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Oaktree Capital Group Holdings GP, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐
(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

3,195,348 (1)

NUMBER OF
SHARES 6 SHARED VOTING POWER

BENEFICIALLY OWNED 0

BY EACH REPORTING
PERSON 7 SOLE DISPOSITIVE POWER

WITH 3,195,348 (1)

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,195,348 (1)

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

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

9.6%

12 TYPE OF REPORTING PERSON

OO

(1)Solely in its capacity as the duly elected manager of Oaktree Capital Group, LLC.

CUSIP No. 92531L207 SCHEDULE 13G Page 19 of 29

ITEM 1. (a) Name of Issuer:

Verso Corporation

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

6775 Lenox Center Court, Suite 400

Memphis, TN 38115-4436

ITEM

2. (a)-(c) Name of Person Filing; Address of Principal Business Office; and Citizenship

This Schedule 13G is filed jointly by each of the following persons (collectively, the "Reporting Persons") pursuant to a joint filing agreement attached hereto as Exhibit 1:

- (1) Oaktree SC Reserve 2, LLC, a Delaware limited liability company ("SC Reserve 2"), in its capacity as the direct owner of 131,458 Shares;
- (2) Oaktree Fund GP IIA, LLC, a Delaware limited liability company ("GP IIA"), in its capacity as the duly elected manager of each of SL Verso and SC Reserve 2.
- (3) Oaktree Fund GP II, LP., a Delaware limited partnership ("Fund GP II"), in its capacity as the duly elected manager of GP IIA.
- (4) Oaktree Capital II, L.P., a Delaware limited partnership ("Capital II"), in its capacity as the general partner of Fund GP II.
- (5) Oaktree Value Opportunities Fund Holdings, L.P., a Delaware limited partnership ("VOF Holdings"), in its capacity as the direct owner an aggregate of 349,243 Shares, consisting of (i) 333,705 Shares and (ii) warrants to purchase 15,538 Shares exercisable immediately at an exercise price calculated in accordance with the terms of the warrant;
- (6) Oaktree Value Opportunities Fund GP, L.P., a Cayman Islands limited partnership ("VOF GP"), in its capacity as the general partner of VOF Holdings;
- (7) Oaktree Value Opportunities Fund GP Ltd., a Cayman Islands exempted company ("VOF GP Ltd."), in its capacity as the general partner of VOF GP;
- (8) Oaktree Opps X Reserve 6, LLC, a Delaware limited liability company ("Reserve 6"), in its capacity as the direct owner of an aggregate of 2,470,813 Shares, consisting of (i) 2,286,400 Shares and (ii) warrants to purchase 184,413 Shares exercisable immediately at an exercise price calculated in accordance with the terms of the warrant;
- (9) Oaktree Fund GP, LLC, a Delaware limited liability company ("Fund GP"), in its capacity as the duly elected manager of Reserve 6.
- (10) Oaktree Fund GP I, L.P., a Delaware limited partnership ("GP I"), in its capacity as the managing member of Fund GP and as the sole shareholder of VOF GP Ltd.;

CUSIP No. 92531L207 SCHEDULE 13G Page 20 of 29

(11) Oaktree Capital I, L.P., a Delaware limited partnership
("Capital I"), in its capacity as the general partner of GP I;

OCM Holdings I, LLC, a Delaware limited liability
(12) company ("Holdings I"), in its capacity as the general
partner of Capital I;

Oaktree Holdings, LLC, a Delaware limited liability
(13) company ("Holdings") in its capacity as the general partner
of Holdings I;

Oaktree Capital Management, L.P., a Delaware limited
partnership ("Management"), in its capacity as the sole
(14) director of VOF GP Ltd. and as the duly appointed
investment manager of certain separate accounts and
funds that are, in the aggregate, the direct owners of
243,834 Shares;

Oaktree Holdings, Inc., a Delaware corporation
(15) ("Holdings, Inc."), in its capacity as the general partner of
Management and the general partner of Capital II;

Oaktree Capital Group, LLC, a Delaware limited liability
(16) company ("OCG"), in its capacity as the managing member
of Holdings and as the sole shareholder of Holdings, Inc.;
and

Oaktree Capital Group Holdings GP, LLC, a Delaware
(17) limited liability company ("OCGH GP"), in its capacity as
the duly elected manager of OCG.

The principal business address of each of the Reporting
Persons is 333 S. Grand Avenue, 28th Floor, Los Angeles,
CA 90071.

(d) Title of Class of Securities:

Common Shares, \$0.01 par value per share (the "Shares")

(e) CUSIP Number: 92531L207

ITEM IF THIS STATEMENT IS FILED PURSUANT TO SS.240.13D-1(B) OR 240.13D-2(B) OR (C), CHECK
3. WHETHER THE PERSON FILING IS A:

- (a) ☐ Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78o)
- (b) ☐ Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c)
- (c) ☐ Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c)
- (d) ☐

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- ☐ Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8)
- (e) ☐ An investment adviser in accordance with ss.240.13d-1(b)(1)(ii)(E)
- (f) ☐ An employee benefit plan or endowment fund in accordance with ss.240.13d-1(b)(1)(ii)(F);
- (g) ☐ A Parent holding company or control person in accordance with ss.240.13d-1(b)(1)(ii)(G);
- (h) ☐ A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813)
- (i) ☐ A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3)
- (j) ☐ Group, in accordance with ss.240.13d-1(b)(1)(ii)(J).
-

ITEM OWNERSHIP
4.

The responses of the Reporting Persons to Rows 5-9 and 11 in each of their respective cover pages to this Schedule 13G are incorporated herein by reference.

SC Reserve 2 directly holds 131,458 Shares constituting approximately 0.4% of the total issued and outstanding Shares and has the sole power to vote and dispose of such shares.

GP IIA, in its capacity as the duly elected manager of SC Reserve 2, has the ability to direct the management of the business of SC Reserve 2, including the power to vote and dispose of securities held by SC Reserve 2; therefore, GP IIA may be deemed to beneficially own the Shares held by SC Reserve 2.

Fund GP II, in its capacity as the duly elected manager of GP IIA, has the ability to direct the management of GP IIA's business, including the power to direct the decisions of GP IIA regarding the vote and disposition of securities held by SC Reserve 2; therefore, Fund GP II may be deemed to have indirect beneficial ownership of the Shares held by SC Reserve 2.

Capital II, in its capacity as the general partner of Fund GP II, has the ability to direct the management of Fund GP II's business, including the power to direct the decisions of Fund GP II regarding the vote and disposition of securities held by SC Reserve 2; therefore, Capital II may be deemed to have indirect beneficial ownership of the Shares held by SC Reserve 2.

VOF Holdings directly holds an aggregate of 349,243 Shares, consisting of (i) 333,705 Shares and (ii) warrants to purchase 15,538 Shares exercisable immediately at an exercise price calculated in accordance with the terms of the warrant, constituting approximately 1.0% of the total issued and outstanding Shares and has the sole power to vote and dispose of such shares.

VOF GP, in its capacity as the general partner of VOF Holdings, has the ability to direct the management of VOF Holdings' business, including the power to vote and dispose of securities held by VOF Holdings; therefore, VOF GP may be deemed to beneficially own the Shares held by VOF Holdings.

VOF GP Ltd., in its capacity as the general partner of VOF GP, has the ability to direct the management of VOF GP's business, including the power to direct the decisions of VOF GP regarding the vote and disposition of securities held by VOF Holdings; therefore, VOF GP Ltd. may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings.

Reserve 6 directly holds an aggregate of 2,470,813 Shares, consisting of (i) 2,286,400 Shares and (ii) warrants to purchase 184,413 Shares exercisable immediately at an exercise price calculated in accordance with the terms of the warrant, constituting approximately 7.4% of the total issued and outstanding Shares and has the sole power to vote and dispose of such Shares.

Fund GP, in its capacity as the managing member of Reserve 6, has the ability to direct the management of Reserve 6's business, including the power to vote and dispose of securities held by Reserve 6; therefore Fund GP may be deemed to beneficially own the Shares held by Reserve 6.

GP I, in its capacity as the sole shareholder of VOF GP Ltd., has the ability to appoint and remove the directors and direct the management of the business of VOF GP Ltd, including the power to direct the decisions of VOF GP Ltd. regarding the vote and disposition of securities held by VOF Holdings. Additionally, GP I, in its capacity as the managing member of Fund GP, has the ability to direct the management of Fund GP's business, including the power to direct the decisions of Fund GP regarding the vote and disposition of securities held by Reserve 6. Therefore, GP I may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings and Reserve 6.

Capital I, in its capacity as the general partner of GP I, has the ability to direct the management of GP I's business, including the power to direct the decisions of GP I regarding the vote and disposition of securities held by VOF Holdings and Reserve 6; therefore, Capital I may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings and Reserve 6.

Holdings I, in its capacity as the general partner of Capital I, has the ability to direct the management of Capital I's business, including the power to direct the decisions of Capital I regarding the vote and disposition of securities held by VOF Holdings and Reserve 6; therefore, Holdings I may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings and Reserve 6.

Holdings, in its capacity as the general partner of Holdings I, has the ability to direct the management of Holding I's business, including the power to direct the decisions of Holdings I regarding the vote and disposition of securities held by VOF Holdings and Reserve 6; therefore, Holdings may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings and Reserve 6.

Management, in its capacity as the sole director of VOF GP Ltd., has the ability to direct the management of VOF GP Ltd., including the power to direct the decisions of VOF GP Ltd. regarding the vote and disposition of securities held by VOF Holdings; therefore, Management may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings.

Holdings, Inc., in its capacity as the general partner of each of Management and Capital II, has the ability to direct the management of the business of each of Management and Capital II, including the power to vote and dispose of securities held by VOF Holdings and SC Reserve 2; therefore, Holdings, Inc. may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings and SC Reserve 2.

OCG, in its capacity as the managing member of Holdings, has the ability to direct the management of Holdings' business, including the power to direct the decisions of Holdings regarding the vote and disposition of securities held by VOF Holdings and Reserve 6. Additionally, OCG, in its capacity as the sole shareholder of Holdings, Inc., has the ability to appoint and remove directors of Holdings, Inc. and, as such, may indirectly control the decisions of Holdings, Inc. regarding the vote and disposition of securities held by VOF Holdings and SC Reserve 2. Therefore, OCG may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings, Reserve 6 and SC Reserve 2.

OCGH GP, in its capacity as the duly elected manager of OCG, has the ability appoint and remove directors of OCG and, as such, may indirectly control the decisions of OCG regarding the vote and disposition of securities held by VOF Holdings, Reserve 6 and SC Reserve 2; therefore, OCGH GP may be deemed to have indirect beneficial ownership of the Shares held by VOF Holdings, Reserve 6 and SC Reserve 2.

Pursuant to Rule 13d-4 of the Exchange Act, the Reporting Persons declare that filing this Statement shall not be construed as an admission that any such person is, for the purposes of Section 13(d) and/or Section 13(g) of the Exchange Act, the beneficial owner of any securities covered by this Statement except to the extent of such person's pecuniary interest in the Shares, and except to the extent of its pecuniary interest, such beneficial ownership is expressly disclaimed by each Reporting Person.

All ownership percentages of the securities reported in this Statement are based on (i) an aggregate principal amount of 199,951 warrants to purchase Shares held by the Reporting Person exercisable immediately at an exercise price calculated in accordance with the terms of the warrant and (ii) 33,366,784 Shares outstanding as of October 31, 2016, as reported by the Issuer on the Form 10-Q.

ITEM
5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

ITEM
6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not Applicable.

ITEM
7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY.

Not Applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP

Not applicable.

ITEM
10. CERTIFICATIONS.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 14, 2017

OAKTREE SC RESERVE 2 LLC

By: Oaktree Fund GP IIA, LLC
Its: Manager

By: Oaktree Fund GP II, L.P.
Its: Managing Member

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Authorized Signatory

OAKTREE FUND GP IIA, LLC

By: Oaktree Fund GP II, L.P.
Its: Managing Member

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Authorized Signatory

OAKTREE FUND GP
II, L.P.

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE CAPITAL II,
L.P.

By: Oaktree Holdings, Inc.
Its: General Partner

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

CUSIP No. 92531L207 SCHEDULE 13G Page 26 of 29

OAKTREE VALUE OPPORTUNITIES FUND
HOLDINGS, L.P.

By: Oaktree Value Opportunities Fund GP, L.P.
Its: General Partner

By: Oaktree Value Opportunities Fund GP Ltd.
Its: General Partner

By: Oaktree Capital Management, L.P.
Its: Director

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE VALUE OPPORTUNITIES FUND
GP, L.P.

By: Oaktree Value Opportunities Fund GP Ltd.
Its: General Partner

By: Oaktree Capital Management, L.P.
Its: Director

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE VALUE OPPORTUNITIES FUND GP
LTD.

By: Oaktree Capital Management, L.P.
Its: Director

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

CUSIP No. 92531L207 SCHEDULE 13G Page 27 of 29

OAKTREE OPPTS X
RESERVE 6, LLC

By: Oaktree Fund GP, LLC
Its: Manager

By: Oaktree Fund GP I, L.P.
Its: Managing Member

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Authorized Signatory

OAKTREE FUND GP, LLC

By: Oaktree Fund GP I, L.P.
Its: Managing Member

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Authorized Signatory

OAKTREE FUND GP
I, L.P.

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE CAPITAL
I, L.P.

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OCM HOLDINGS I,
LLC

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE
HOLDINGS, LLC

By: /s/ Jordan Mikes

Name: Jordan Mikes

Title: Vice President

CUSIP No. 92531L207 SCHEDULE 13G Page 28 of 29

OAKTREE CAPITAL
MANAGEMENT, L.P.

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE
HOLDINGS, INC.

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE CAPITAL
GROUP, LLC

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

OAKTREE CAPITAL
GROUP HOLDINGS
GP, LLC

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President

Exhibit Index

Exhibit Joint Filing Agreement as required by Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as
1. amended (attached hereto).

EXHIBIT 1

JOINT FILING AGREEMENT

Pursuant to Rule 13d-1(k)(1) promulgated under the Securities Exchange Act of 1934, as amended, each of the undersigned acknowledges and agrees that the foregoing statement on this Schedule 13G is filed on behalf of the undersigned and that all subsequent amendments to this statement on Schedule 13G shall be filed on behalf of the undersigned without the necessity of filing additional joint acquisition statements. Each of the undersigned acknowledges that it shall be responsible for the timely filing of such amendments, and for the completeness and accuracy of the information concerning it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning the others, except to the extent that he or it knows or has reason to believe that such information is inaccurate.

Dated: February 14, 2017

OAKTREE SC RESERVE 2 LLC

By: Oaktree Fund GP IIA, LLC
Its: Manager

By: Oaktree Fund GP II, L.P.
Its: Managing Member

By: /s/ Jordan Mikes
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Title: Authorized Signatory

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By: /s/ Jordan Mikes

Name: Jordan Mikes

Title: Vice President

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By: Oaktree Value Opportunities Fund GP Ltd.
Its: General Partner

By: Oaktree Capital Management, L.P.
Its: Director

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GROUP, LLC

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Name: Jordan Mikes
Title: Vice President

OAKTREE CAPITAL
GROUP HOLDINGS
GP, LLC

By: /s/ Jordan Mikes
Name: Jordan Mikes
Title: Vice President
