

COTTERELL SAMUEL K  
 Form 4  
 March 02, 2011

**FORM 4**

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

OMB APPROVAL

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**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 COTTERELL SAMUEL K

(Last) (First) (Middle)

BOISE INC., 1111 WEST  
 JEFFERSON STREET, SUITE 200

(Street)

BOISE, ID 83702-5388

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 BOISE INC. [BZ]

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 02/28/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
 Senior Vice President & CFO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	02/28/2011		M		5,433 A \$ 0	27,587	D
Common Stock	02/28/2011		F		1,861 (1) D \$ 8.98	25,726	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 Security (Instr. 3 and 4)	Amount or Number of Shares
2008 Restricted Stock Units	(2)	02/28/2011		M	5,433	(1) 02/28/2011(1)	Common Stock	5
2008 Restricted Stock Units	(2)	03/01/2011		D	14,800	(3) 02/28/2011(3)	Common Stock	14
2008 Restricted Stock Units	(2)	03/01/2011		D	23,900	(4) 02/28/2011(4)	Common Stock	23
2009 Restricted Stock Units	(2)					(5) 03/15/2012(5)	Common Stock	80
2011 Restricted Stock Units	(2)					03/15/2012(6) 03/15/2013(6)	Common Stock	18

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
COTTERELL SAMUEL K BOISE INC. 1111 WEST JEFFERSON STREET, SUITE 200 BOISE, ID 83702-5388			Senior Vice President & CFO	

## Signatures

/s/ Samuel K.  
Cotterell

03/02/2011

    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) On May 2, 2008, Mr. Cotterell was awarded 55,000 restricted stock units (RSUs) under the Boise Inc. Incentive and Performance Plan. A portion of this 2008 award was service-condition vesting (16,300 RSUs) and the remaining portion was market-condition vesting (38,700 RSUs). The first 1/3 of the service-condition vesting RSUs vested on March 2, 2009, and Mr. Cotterell paid the withholding tax on those shares. The second 1/3 vested on March 1, 2010, and Mr. Cotterell elected to have shares withheld to satisfy his tax withholding obligations. The final 1/3 vested on February 28, 2011, and Mr. Cotterell elected to have shares withheld to satisfy his tax withholding obligations. Pursuant to Mr. Cotterell's Restricted Stock Unit Award Agreement, the company paid cash for the fractional shares.

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

(3) These RSUs would have vested on February 28, 2011, if at some point before that date the company's stock price had closed at or above \$10.00 on 20 of any consecutive 30 trading days. We did not meet this stock price performance measure. Pursuant to Mr. Cotterell's Restricted Stock Unit Award Agreement, these RSUs were forfeited on March 1, 2011.

(4) These RSUs would have vested on February 28, 2011, if at some point before that date the company's stock price had closed at or above \$12.50 on 20 of any consecutive 30 trading days. We did not meet this stock price performance measure. Pursuant to Mr. Cotterell's Restricted Stock Unit Award Agreement, these RSUs were forfeited on March 1, 2011.

(5) On March 16, 2009, Mr. Cotterell was awarded 100,000 restricted stock units (RSUs) under the Boise Inc. Incentive and Performance Plan. These service-condition vesting RSUs vest as follows: 20,000 RSUs vested on March 15, 2010; 20,000 will vest on March 15, 2011; and the remaining 60,000 will vest on March 15, 2012.

(6) On January 1, 2011, Mr. Cotterell was awarded 18,000 restricted stock units (RSUs) upon his election as our senior vice president and chief financial officer. These service-condition vesting RSUs vest as follows: 9,000 RSUs will vest on March 15, 2012, and the remaining 9,000 will vest on March 15, 2013, subject to Mr. Cotterell's Restricted Stock Unit Award Agreement.

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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