

GOWLAND KAREN E  
 Form 4  
 March 17, 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 \*  
**GOWLAND KAREN E**

(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)  
**03/15/2011**

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**

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	03/15/2011		A		8,608 (1)	A	\$ 0 234,146 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)**

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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)
2011 Restricted Stock Units	(2)	03/15/2011		A	10,898	03/15/2013 <sup>(3)</sup> 03/17/2014 <sup>(3)</sup>	Common Stock 10
2011 Stock Option	\$ 8.55	03/15/2011		A	21,472	03/15/2013 <sup>(4)</sup> <sup>(4)</sup>	Common Stock 21

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOWLAND KAREN E BOISE INC. 1111 WEST JEFFERSON STREET, SUITE 200 BOISE, ID 83702-5388			Senior Vice President	

## Signatures

/s/ Karen E.  
Gowland

03/17/2011

\*\*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).

- The company declared a special cash dividend payable on December 3, 2010, to shareholders of record on November 17, 2010. On the record date, our executive officers held unvested restricted stock or restricted stock units that, pursuant to the terms of their award agreements, did not accrue dividends. On February 23, 2011, the compensation committee of our board of directors approved a supplemental equity award to our executive officers to align management and shareholder interests regarding dividend strategy. Accordingly, on March 15, 2011, Ms. Gowland was awarded a supplemental one-year, service-condition vesting equity award equivalent in value to the dividends she would have received on her restricted stock held as of the record date.
- (1) Each restricted stock unit represents a contingent right to receive one share of Boise Inc. common stock.
  - (2) On March 15, 2011, Ms. Gowland was awarded 10,898 restricted stock units (RSUs) under the Boise Inc. Incentive and Performance Plan. These service-condition vesting RSUs vest as follows: 5,449 RSUs will vest on March 15, 2013, and the remaining 5,449 will vest on March 17, 2014.
  - (3)
  - (4)

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On March 15, 2011, Ms. Gowland was awarded a nonqualified stock option under the Boise Inc. Incentive and Performance Plan. This stock option award will vest and become exercisable as follows: 10,736 shares will vest and become exercisable on March 15, 2013; and the remaining 10,736 will vest and become exercisable on March 17, 2014. This award, to the extent vested, must be exercised on or before the earliest of the following: the tenth anniversary of the award date; five years after the date of Ms. Gowland's retirement; three years after Ms. Gowland's death or total and permanent disability; or one year after Ms. Gowland's termination pursuant to her stock option 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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