PACIFIC CAPITAL MANAGEMENT INC
Form SC 13G/A
February 17, 2009

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

OMB APPROVAL
OMB Number: 3235-0145

Expires: December 31, 2009
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SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. 2)

KapStone Paper and Packaging Corporation

—

(Name of Issuer)

Common Stock

—

(Title of Class of Securities)

48562P103

—

(CUSIP Number)

December 31, 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)

[**X**] 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 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).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

CUSIP No. 48562P103

1. Names of Reporting Persons.

Jonathan M. Glaser

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) **X**

3. SEC Use Only _____

4. Citizenship or Place of Organization **U.S.A.**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**59,670**
	6.	Shared Voting Power	**2,518,834**
	7.	Sole Dispositive Power	**59,670**
	8.	Shared Dispositive Power	**2,518,834**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **2,578,504**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **8.3%**

12. Type of Reporting Person (See Instructions) **IN, HC**

CUSIP No. 48562P103

1. Names of Reporting Persons.

JMG Capital Management, Inc.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

3. SEC Use Only _____

4. Citizenship or Place of Organization **California**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**0**
	6.	Shared Voting Power	**1,234,583**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,583**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,583**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **CO, HC**

CUSIP No. 48562P103

1. Names of Reporting Persons.

JMG Capital Management, LLC

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

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	**1,234,583**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,583**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,583**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **OO, IA**

CUSIP No. 48562P103

1. Names of Reporting Persons.

Daniel Albert David

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

3. SEC Use Only _____

4. Citizenship or Place of Organization **U.S.A.**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**0**
	6.	Shared Voting Power	**1,234,581**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,581**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,581**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **IN, HC**

CUSIP No. 48562P103

1. Names of Reporting Persons.

Roger Richter

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

3. SEC Use Only _____

4. Citizenship or Place of Organization **U.S.A.**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**0**
	6.	Shared Voting Power	**1,234,581**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,581**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,581**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **IN, HC**

CUSIP No. 48562P103

1. Names of Reporting Persons.

Pacific Assets Management, LLC

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

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	**1,234,581**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,581**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,581**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **OO, IA**

CUSIP No. 48562P103

1. Names of Reporting Persons.

Pacific Capital Management, Inc.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

3. SEC Use Only _____

4. Citizenship or Place of Organization **California**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**0**
	6.	Shared Voting Power	**1,234,581**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,581**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,581**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **CO, HC**

CUSIP No. 48562P103

1. Names of Reporting Persons.

JMG Capital Partners, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

3. SEC Use Only _____

4. Citizenship or Place of Organization **California**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**0**
	6.	Shared Voting Power	**1,234,581**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,581**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,581**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **PN**

CUSIP No. 48562P103

1. Names of Reporting Persons.

JMG Triton Offshore Fund, Ltd.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) _____

(b) __**X**__

3. SEC Use Only _____

4. Citizenship or Place of Organization **British Virgin Islands**

Number of Shares Beneficially Owned by Each Reporting Person With:	5.	Sole Voting Power	**0**
	6.	Shared Voting Power	**1,234,581**
	7.	Sole Dispositive Power	**0**
	8.	Shared Dispositive Power	**1,234,581**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **1,234,581**

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (9) **4.2%**

12. Type of Reporting Person (See Instructions) **CO**

CUSIP No. 48562P103

Item 1.

(a) Name of Issuer

KapStone Paper and Packaging Corporation

(b) Address of Issuer's Principal Executive Offices

1101 Skokie Blvd., Suite 300
Northbrook, IL 60662

Item 2.

(a) The names of the persons filing this statement are:

Jonathan M. Glaser

JMG Capital Management, Inc. ("JMG Inc.")

JMG Capital Management, LLC ("JMG LLC")

Daniel Albert David

Roger Richter

Pacific Assets Management, LLC ("PAM")

Pacific Capital Management, Inc. ("PCM")

JMG Capital Partners, L.P. (the "Partnership")

JMG Triton Offshore Fund, Ltd. (the "Fund")
(collectively, the "Filers").

(b) The principal business office of JMG Inc., JMG LLC, Mr. Glaser and the Partnership is:

11601 Wilshire Boulevard, Suite 2180, Los Angeles, CA 90025

The principal business office of PAM, PCM, Mr. David and Mr. Richter is:

100 Drakes Landing, Suite 207, Greenbrae, CA 94904

The principal business office of the Fund is:

Ogier Fiduciary Services (BVI) Ltd
Nemours Chambers

PO Box 3170
Road Town, Tortola, BVI
VG1110

CUSIP No. 48562P103

(c) For citizenship of Filers, see Item 4 of the cover sheet for each Filer.

(d) This statement relates to shares of common stock of the Issuer (the "Stock").

(e) The CUSIP number of the Issuer is: **48562P103**

Item 3. If this statement is filed pursuant to rule 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 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) [ ] 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 section 240.13d-1(b)(1)(ii)(E).

(f) [ ] An employee benefit plan or endowment fund in accordance with section 240.13d-1(b)(1)(ii)(F).

(g) [ ] A parent holding company or control person in accordance with 240.13d-1(b)(1)(ii)(G).

(h) [ ] A savings association 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) [ ] A non-U.S. institution in accordance with §240.13d-1(b)(ii)(J).

(k) [ ] Group, in accordance with Rule 13d-1(b)(1)(ii)(K).

If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution _____.

Item 4. Ownership.

See Items 5-9 and 11 of the cover page for each Filer.

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 [X].*

*Neither the Partnership nor the Fund holds more than 5% of the Stock. Therefore, neither will file further reports under section 13(d) of the Act with respect to the Stock unless it is otherwise required to do so.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

PAM and JMG LLC are investment advisers to the Fund and the Partnership, which have the right to receive and the power to direct the receipt of dividends from, or the proceeds from the sale of, the Stock. PAM is the investment adviser to the Fund and PCM is a member of PAM. Mr. Glaser, Mr. David and Mr. Richter are control persons of PCM and PAM. JMG LLC is the investment adviser and general partner of the Partnership and JMG Inc. is a member of JMG LLC. Mr. Glaser is the control person of JMG Inc. and JMG LLC. No client of PAM or JMG LLC holds more than 5% of the Stock.

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.

The Filers are filing this Schedule 13G jointly, but not as members of a group, and each of them expressly disclaims membership in a group. Each of Mr. Glaser, Mr. David, Mr. Richter, JMG Inc., JMG LLC, PCM and PAM disclaims beneficial ownership of the Stock except to the extent of that person s pecuniary interest therein. In addition, the filing of this Schedule 13G on behalf of the Partnership and the Fund should not be construed as an admission that either of them is, and each of them disclaims that it is, the beneficial owner, as defined in Rule 13d-3 under the Securities Exchange Act of 1934, of any of the Stock covered by this Schedule 13G.

Item 9. Notice of Dissolution of Group

Not applicable.

Item 10. Certification:

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.

Exhibits:

Exhibit A Joint Filing Agreement

CUSIP No. 48562P103

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 13, 2009

PACIFIC CAPITAL MANAGEMENT, INC.

By:

Jonathan M. Glaser, Vice President

PACIFIC ASSETS MANAGEMENT, LLC

By:
Jonathan M. Glaser, Member Manager

JMG CAPITAL MANAGEMENT, INC.

By:
Jonathan M. Glaser, President

JMG CAPITAL MANAGEMENT, LLC

By:

Jonathan M. Glaser, Member Manager

Jonathan M. Glaser
Roger Richter
Daniel Albert David

JMG CAPITAL PARTNERS, L.P.

By: JMG Capital Management, LLC
General Partner

By:
Jonathan M. Glaser, Member Manager

JMG TRITON OFFSHORE FUND, LTD.

By: Pacific Assets Management, LLC
Attorney-in-fact

By:

Jonathan M. Glaser, Member Manager

CUSIP No. 48562P103

EXHIBIT A

AGREEMENT REGARDING JOINT FILING
OF STATEMENT ON SCHEDULE 13D OR 13G

The undersigned agree to file jointly with the Securities and Exchange Commission (the SEC) any and all statements on Schedule 13D or Schedule 13G (and any amendments or supplements thereto) required under section 13(d) of the Securities Exchange Act of 1934, as amended, in connection with purchases and sales by the undersigned of securities of any issuer, until such time as the undersigned file with the SEC a statement terminating this Agreement Regarding Joint Filing of Statement on Schedule 13D or 13G. For that purpose, the undersigned hereby constitute and appoint JMG Capital Management, LLC, a Delaware limited liability company, as their true and lawful agent and attorney-in-fact, with full power and authority for and on behalf of the undersigned to prepare or cause to be prepared, sign, file with the SEC and furnish to any other person all certificates, instruments, agreements and documents necessary to comply with section 13(d) and section 16(a) of the Securities Exchange Act of 1934, as amended, in connection with said purchases and sales, and to do and perform every act necessary and proper to be done incident to the exercise of the foregoing power, as fully as the undersigned might or could do if personally present, until such time as the undersigned file with the SEC a statement terminating this Agreement Regarding Joint Filing of Statement on Schedule 13D or 13G.

DATED: October 28, 2005

PACIFIC CAPITAL MANAGEMENT, INC.

By: /s/ Jonathan M. Glaser, Vice President

PACIFIC ASSETS MANAGEMENT, LLC

By: /s/ Jonathan M. Glaser, Member Manager

JMG CAPITAL MANAGEMENT, INC.

By: /s/ Jonathan M. Glaser, President

JMG CAPITAL MANAGEMENT, LLC

By: /s/ Jonathan M. Glaser, Member Manager

/s/ Jonathan M. Glaser
/s/ Roger Richter

/s/ Daniel Albert David

JMG CAPITAL PARTNERS, L.P.

By: JMG Capital Management, LLC
General Partner

By: /s/ Jonathan M. Glaser, Member Manager

JMG TRITON OFFSHORE FUND, LTD.

By: Pacific Assets Management, LLC
Attorney-in-fact

By: /s/ Jonathan M. Glaser, Member Manager

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