

O'Donnell John P  
 Form 4  
 January 27, 2012

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
 O'Donnell John P

(Last) (First) (Middle)  
 3460 PRESTON RIDGE ROAD, SUITE 600  
 (Street)

ALPHARETTA, GA 30005

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 Neenah Paper Inc [NP]

3. Date of Earliest Transaction (Month/Day/Year)  
 01/25/2012

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)  
 CEO & 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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D)		Date Exercisable	Expiration Date	Title	Am Num Sha
				(A)	(D)				
Stock Option (right to buy)	\$ 24.09	01/25/2012	A	14,600		<u>(1)</u>	01/24/2022	Common stock	14
Performance Share Unit	<u>(2)</u>	01/25/2012	A	17,800		12/31/2014	<u>(3)</u>	Common Stock	17
Stock Option (right to buy)	\$ 24.09	01/25/2012	A	125,000		<u>(4)(5)(6)</u>	01/24/2022	Common stock	125

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
O'Donnell John P 3460 PRESTON RIDGE ROAD SUITE 600 ALPHARETTA, GA 30005			CEO & President	

## Signatures

/s/ Steven S. Heinrichs, by Power of Attorney  
Date: 01/27/2012

\*\*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) The stock options vest in increments of one third on 1/25/2013, 1/25/2014, and 1/25/2015.

(2) The units are convertible to common stock on a one-for-one basis.

(3) The units do not have an expiration date.

(4) This is a special option grant subject to certain performance conditions for earning and vesting. The exercise price of the options is \$24.09, which is the closing price of Neenah Paper, Inc. common stock ("Neenah Stock") on the date of grant, January 25, 2012. The material conditions to vesting and exercise are as set forth herein: (a) 100% of the options will vest and are exercisable on December 31, 2016 if, during the 5-year period from the starting date of December 31, 2011 to the vesting date, Neenah Stock achieves annualized total shareholder return ("TSR") of 11% or above. TSR is calculated based on the January 25, 2012 closing price ("Starting Price", which was \$24.09) of Neenah Stock, re-investment of all dividends and distributions to shareholders paid between December 31, 2011 and December 31, 2016 and an ending price equal to the volume-weighted average Neenah Stock price on the NYSE over any period of 90 trading days during 2016; and

(b) if the 5-year TSR hurdle has not been met: (i) 25% of the options will vest and are exercisable on December 31, 2016 if, during the time period from the starting date of December 31, 2011 to a measurement date occurring between December 31, 2014 and December 31, 2015, Neenah Stock achieves annualized total shareholder return of 11% or above and (ii) 25% of the options will vest and are exercisable on December 31, 2016 if, during the time period from the starting date of December 31, 2011 to a measurement date occurring between December 31, 2015 and December 31, 2016, Neenah Stock achieves annualized total shareholder return of 11% or above.

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- All options that are earned will fully vest and become exercisable on December 31, 2016, and have a 10-year term ending December 31, 2021. All options which have not been earned by December 31, 2016 as a result of a failure to attain the TSR hurdle(s) shall expire and terminate. In the event of a change in control event as described in Neenah's 2004 Omnibus Stock and Incentive Plan occurs prior to
- (6) December 31, 2016, all options that have met the performance criteria (or any interim performance criteria) set forth above shall immediately vest and become exercisable and any options that are unearned at that point will be deemed to be earned and will immediately vest if the effect of the change in control satisfies the 5-year annualized TSR criteria set forth above.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. 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 number.