



IMPORTANT NEWS RE:

Retiree Health & Life Insurance Coverage

The purpose of this letter is to inform you that eligibility under the R.R. Donnelley & Sons Company Retiree Welfare Benefits Plan (the “Retiree Plan”) for **retiree medical, prescription drug and life insurance will no longer be available for anyone retiring on or after October 1, 2016**. This means you will no longer have a future retiree health & welfare benefit if you have not retired from employment from all participating employers by October 1, 2016 (i.e., your last day worked must be September 30, 2016 or before).

This change in retiree health & welfare benefits eligibility affects employees regardless of which company you go to on October 1. If you intend to retire by September 30, 2016, please follow the standard procedures and contact your manager and Human Resources as soon as possible.

Here are some additional things to note about the change and how it might impact you:

Elimination of Retiree Health & Welfare Benefits Eligibility Effective October 1, 2016

If you plan to retire on or after October 1, 2016, you will not be eligible to enroll in retiree medical and prescription drug coverage. Note this letter applies whether you are eligible for a retiree subsidy or for access-only retiree medical coverage.

In addition, a voluntary retiree pay-all dental benefit that has been offered to those eligible for retiree medical and prescription drug coverage will no longer be available. Also, a retiree life insurance benefit will no longer be offered.

The changes do *not* affect current retirees.

Consider Other Coverage Options for When You Retire

- **If you are age 65 or over (or otherwise Medicare-eligible) on retirement**, you can elect Medicare coverage (Parts A & B), supplemental coverage such as Medicare Part C, and prescription drug coverage (Part D) when you retire or after COBRA coverage ends. Note your medical coverage as an active employee is considered creditable coverage, so you will not face any penalties when you sign up for Medicare as long as you have no break in coverage between leaving the active plan and commencing Medicare coverage. Medicare Part A is free. Other Medicare coverage requires a premium. Currently, for example, Part B premiums range from about \$120 - \$390 per month depending on your income. (*Source: Medicare.gov.*)
- **If you are under age 65 (and not otherwise Medicare-eligible) on retirement**, you may want to explore the coverage available through the individual market or the public health insurance exchange (www.healthcare.gov). There you may find an option that better fits your budget and coverage needs, and you might be eligible for a tax credit subsidy from the exchange.
- **You may elect to continue your active coverage (medical, prescription drug, dental, vision) for a period of time under COBRA**, generally for 18 months after you separate from the company.
- **You may port or convert your Employee Life and Accidental Death & Dismemberment (AD&D) coverage** to an individual pay-all policy upon separation from the company. The eligibility requirements to port your coverage are outlined in the Life Insurance Certificate. This includes your basic life of one times pay, up to \$125,000. (This benefit has been company-paid while you have been an active employee.)

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Consider Other Coverage Options for When You Retire (cont'd)

- **Save as much as you can before retirement in a Health Savings Account (HSA).** If you are enrolled in a high-deductible health plan (such as HSA Value or HSA Advantage), you can save tax-free money in an HSA to pay for eligible health care expenses now as an employee and in the future as a retiree.
 - **NOTE:** Once you enroll in Medicare (generally at age 65), you can no longer contribute to your HSA; however, you can continue to use the existing balance in your HSA to pay for eligible out-of-pocket health care expenses, tax-free. Please visit www.irs.gov for more information.

Understand Your Retiree Benefits Eligibility Through September 30, 2016

If you retire by September 30, 2016, you may be eligible for the Retiree Plan provided you meet certain age and service requirements.

- **If you were employed by RR Donnelley prior to January 1, 2002 and were an active employee of RR Donnelley as of December 31, 2004, your age and years of service were added together to come up with a total number of “points.”** The points you had as of December 31, 2004 are currently used to determine your premium subsidy for retiree medical coverage, assuming you meet the eligibility requirements at the time you retire *prior to* October 1, 2016.
- **If you didn’t meet the above requirements for the retiree premium subsidy, you could be eligible for access-only retiree medical,** which means you pay the full cost of coverage if you meet the eligibility requirements at the time you retire *prior to* October 1, 2016.
- **If you are eligible for retiree life insurance,** you would have received a notice in December 2013 informing you that effective January 1, 2014, your benefit would be \$10,000 upon retirement. If you retire *prior to* October 1, 2016 and meet the eligibility requirements at the time you retire, you will receive this retiree life insurance benefit.

Also, if you separate or retire by September 30, 2016, the enrollment rules in place today for retiree medical would apply:

- **If you qualify for “access-only” retiree medical coverage,** you have five years from your date of separation to elect coverage.
- **If you qualify for a retiree premium subsidy,** your enrollment rules are as follows:
 - If you are under age 65 at the time you retire or separate, you have until Medicare eligibility to enroll.
 - If you are age 65 or older or are otherwise Medicare-eligible, you have 60 days from your separation or retirement date to enroll.

If you do not enroll by the deadlines mentioned above, eligibility for coverage is no longer available to you, your spouse/domestic partner or your other eligible dependents.

IMPORTANT: The rules apply based on **your** Medicare eligibility. For example, if you are under age 65, but your spouse is over 65, you have until **your** Medicare eligibility age to enroll both you and your spouse in coverage.

Note: If you are part of the group eligible for retiree life insurance and meet the eligibility requirements, you would be *automatically enrolled* in coverage when you retire prior to October 1, 2016.

You Might Be Asking...

Why is RR Donnelley allowed to eliminate these retiree Health & Welfare benefits for anyone retiring on or after October 1, 2016? It is allowed for a company to make changes or reduce benefits and even eliminate coverage altogether if it has reserved the right in the Summary Plan Description or controlling Plan document. RR Donnelley has reserved this right, which has allowed us to make changes over the years to the benefits themselves, eligibility and now this elimination of eligibility for retiree coverage to employees who have not yet retired.

Get More Information

If you have questions about your retiree eligibility, coverage options and costs, please contact the RR Donnelley Benefits Center at 1-877-RRD-4BEN (1-877-773-4236), even if your active benefits have transitioned to either LSC Communications or Donnelley Financial. It is important you understand what you may or may not be eligible for and what to do when making enrollment decisions.