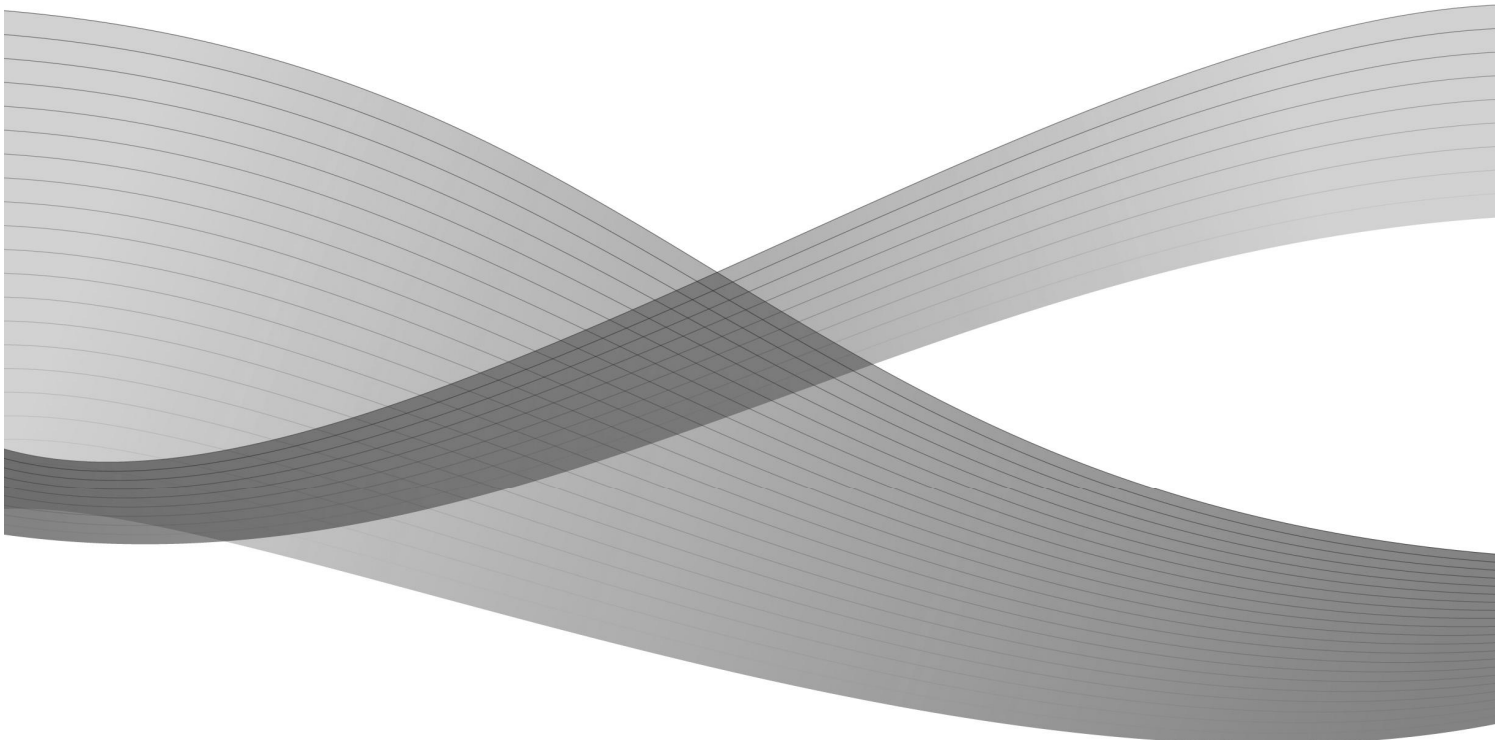


Benefits at Xerox 2010 Changes Brochure



Important Notice

The following items constitute a summary of material modifications:

- The 2010 Benefits at Xerox Enrollment Guide
- The 2010 Benefits at Xerox Changes Brochure
- The 2010 Summary of Covered Medical Services
- The 2010 Summary of Covered Dental Services
- The 2010 Summary of Covered Vision Services
- The 2010 Medical Options Schedule of Services

This summary of material modifications, along with the most recent edition of the summary plan description, is only a summary of your benefit options and does not create a contract between the Company and any employee.*

The official plan names of the plans affected by the changes are:

- The Xerox Medical Care Plan, which includes the Coinsurance Plus and High Deductible options, the Xerox Employee Assistance Program (XEAP), and prescription drug coverage.
- Xerox Insured Medical Care Plan, which includes the local Health Maintenance Organizations (HMOs) and XEAP.
- The Xerox Dental Care Plan, which includes the MetLife Dental, MetLife Dental Plus, and Aetna DMO options.
- The Xerox Vision Care Plan.

Details of these plans and programs can be found in the plan documents or HR policies that govern all aspects of the plan or program or, if applicable, in the agreements between the HMOs and the employees who elect them. In the event of a discrepancy between the information contained in this enrollment guide and the applicable HR policies, agreements, or plan documents, the relevant HR policies, HMO agreements, or plan documents shall be controlling. The Company reserves the right to amend or terminate the plans or programs at any time for any reason.

* Temporary employees (except for certain cases in Hawaii) and independent contractors, including (without limitation) leased employees, supplemental contract workers, consultants, or anyone classified as such by the Company, or any other third-party personnel, or anyone classified by the Company as such, who performs services for the Company, is neither eligible for nor covered by the plans and programs summarized herein (unless they qualify as eligible dependents).

What's Inside?

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Welcome to Benefits at Xerox 2010

Through Benefits at Xerox, we offer benefit programs that give you access to comprehensive, high-quality health care coverage. For 2010, we have taken a number of steps to simplify and consolidate our offerings. You can read about all the changes in this 2010 Benefits at Xerox Changes Brochure.

Most significantly, for next year Xerox has reduced the number of health care partners by consolidating with CIGNA and Empire BlueCross BlueShield ("Empire"). You'll be assigned a carrier – either CIGNA or Empire – depending on where you live.

For 2010, we have decreased the number of medical options from three to two. You'll be able to choose between the High Deductible option and the Coinsurance Plus option.

In moving to this new model, we conducted a thorough review of our options to ensure that we secured the best arrangement for you and for Xerox. As part of that process, we determined that between 90% and 99% of doctors and hospitals in the networks offered by our current health plan providers participate in CIGNA or Empire BlueCross BlueShield ("Empire") networks. These two carriers have among the largest provider networks in the country.

In cases where your current providers don't participate in the network you'll be moving to, you or a covered family member may require transition of care benefits. We've arranged for special coverage to ease that transition for individuals receiving ongoing treatment for certain acute conditions.

When your annual enrollment wave begins – either Monday, October 19, or Monday, October 26, depending on where you live – more information will be available on Your Benefits Resources™ (<http://resources.hewitt.com/xerox/>) in your Benefits at Xerox Enrollment Kit, which includes this 2010 Benefits at Xerox Changes Brochure, the 2010 Benefits at Xerox Enrollment Guide, the 2010 Summary of Covered Medical Services, the 2010 Summary of Covered Dental Services, the 2010 Summary of Covered Vision Services, and the 2010 Medical Options Schedule of Services. Your Benefits at Xerox Enrollment Kit will also be available at <http://www.xeroxcareers.com/working-xerox/benefits.aspx> and on the *You and Xerox* section of WebBoard.

Your Benefits Resources is a trademark of Hewitt Associates LLC.

You must take an active role in choosing your 2010 benefits coverage. If you don't, you'll automatically be assigned coverage that may not meet the needs of you and your family. See page 15 for more details.

Your Enrollment Wave

You are assigned an annual enrollment period, or wave, based on where you live or your employment status. Your annual enrollment wave is the period of time during which you are able to enroll in your benefits for the coming year.

| If You Live in: | Your Enrollment Wave Is: |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| Alabama, Alaska, Colorado, Connecticut, Georgia, Guam, Hawaii, Idaho, Indiana, Iowa, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virgin Islands, or Wisconsin | October 19 – November 6 |
| Arizona, Arkansas, California, Delaware, Florida, Illinois, Kansas, Kentucky, Maryland, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Puerto Rico, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Washington DC, West Virginia, or Wyoming | October 26 – November 13 |
| If You Are an: | Your Enrollment Wave Is: |
| Expatriate, an employee on long-term disability (LTD), or on COBRA – regardless of where you live | October 26 – November 13 |
| Inpatriate | Based on the U.S. state in which you currently live; see above. |

What's New for 2010

| Benefit Coverage | What's New |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Medical | |
| National Medical Coverage Options – Contiguous U.S. and expatriates on assignment | <p>For 2010, you may choose between two health care plan options:</p> <ul style="list-style-type: none"> • High Deductible option – same as 2009 option but with some enhancements, including increased reimbursement after the deductible as well as preventive drugs provided at 100%. • Coinsurance Plus option – similar to 2009 Coinsurance option but enhanced to include copayments – rather than coinsurance – for primary care and specialist office visits. <p>The Blended and Coinsurance options will not be offered in 2010.</p> <ul style="list-style-type: none"> • You will be assigned coverage through either CIGNA or Empire, depending on where you live. • CIGNA will be offered in the Rochester area and will include the MVP Healthcare/Preferred Care provider network of doctors and hospitals. • CIGNA will cover all expatriates. <p>In addition, local HMOs will be offered in certain locations.</p> |
| Medical Coverage Options for employees in Hawaii, Puerto Rico, and the South Pacific | <p>If you live in Hawaii, Puerto Rico, or the South Pacific, you will have these options:</p> <ul style="list-style-type: none"> • Employees in Hawaii may enroll in Kaiser Hawaii (if eligible based on ZIP code) or HMSA Health Plan Hawaii. • Hawaii XMP and XMP Plus options will no longer be offered. • Employees in Puerto Rico may enroll for medical coverage through Humana Puerto Rico. • Employees in the South Pacific may enroll for medical coverage through TakeCare Asia. |
| Mental Health Coverage | <p>In 2010, Xerox is enhancing its medical coverage options to comply with new federal legislation relating to mental health benefits.</p> |
| Transition of Care Benefits | <p>If you or your covered family members are being treated for serious health conditions or are in the middle of a course of treatment with a provider who is not in your new network, transition of care benefits may apply.</p> <p>These special benefits ensure that such treatments can continue at in-network reimbursement levels for a defined period of time with the same provider. Qualifying conditions include pregnancy, ongoing cancer treatment, trauma, transplant candidacy, follow-up care from major surgery, mental health disorders, and certain other limited situations.</p> <p>This year's annual enrollment materials will include complete details about applying for transition of care benefits for medical coverage.</p> |
| Health Assessment and Tobacco-Free Incentives | <p>The Health Assessment and tobacco-free incentives for eligible employees and covered spouses/domestic partners are increasing to \$300 each (\$150 for the Health Assessment if it is taken after November 13 and before July 1, 2010). See page 10 for more information.</p> |
| Spousal Surcharge | <p>The surcharge for covering a spouse or domestic partner is increasing from \$550 to \$750. You can reduce this differential to \$150 if your spouse/domestic partner qualifies for the Health Assessment and tobacco-free incentives. This is the same after-incentives amount as in 2009.</p> |

| Benefit Coverage | What's New |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Opt-Out Allowance | <p>In 2010, Xerox will not be providing an opt-out allowance to benefits-eligible employees who opt out medical coverage.</p> <p>The Health Assessment incentive will be available to employees who opt out of Xerox-sponsored medical coverage; however, spouses/domestic partners who opt out of medical coverage are not eligible to receive the Health Assessment incentive but are eligible to take the Health Assessment.</p> |
| Prescription Drug Coverage | <p>Medco will be the prescription drug manager for all medical options through CIGNA and Empire.</p> <ul style="list-style-type: none"> • Under the Coinsurance Plus option: <ul style="list-style-type: none"> – Prescription drug copayments under the Coinsurance Plus option are not changing, and – The four-tier copayment structure will remain in place. • Under the High Deductible option, prescription drugs are subject to the plan deductible and coinsurance, but preventive prescription drugs will be covered at 100%– a significant enhancement. • On the Medco pre-enrollment Web site, you can view the Medco drug formulary, learn how to fill mail order prescriptions through the Medco Pharmacy, find participating pharmacies, find the Medco prices for your prescription drugs, and see the list of preventive drugs covered at 100% under the High Deductible option. See page 13 for more information. • You may continue to refill your prescriptions at any of the tens of thousands of pharmacies that participate with Medco, including CVS, Walmart and most others. The 90-day fill of maintenance prescriptions at CVS Caremark pharmacies will no longer be available; however, 90-day prescriptions will be available by mail through the Medco Pharmacy. • If you received a special CVS Caremark ExtraCare Health Card for use at CVS stores, it will no longer be available for use after December 31, 2009. • More information is available in your Benefits at Xerox Enrollment Kit about how prescription drugs will be covered, including information on the Medco mail order program. |
| Local HMO Options (If Available) | <p>Due to significant cost increases and our continued focus on streamlined medical options, the following HMO options will no longer be available in 2010:</p> <ul style="list-style-type: none"> • Oxford Health Plan – Connecticut (005) • Oxford Health Plan – New York (007) • HealthPartners (012) <p>In Minnesota, CIGNA will be the administrator for the High Deductible and Coinsurance Plus options. Current HealthPartners members who live in Minnesota will be able to see the same physicians and visit the same hospitals as they did before, because CIGNA uses the HealthPartners network of doctors and hospitals in Minnesota.</p> |
| Dental | No changes. |
| Vision | No changes. |

| Benefit Coverage | What's New |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Your Xerox Health Connection | <p>Your Xerox Health Connection Care Consultants serve as a single point of contact for the following personal health resources: the Health Assessment; health support programs for becoming tobacco-free, health and wellness outreach and coaching, weight and stress management, treatment option decision support, and chronic conditions support; counseling for mental health issues, substance abuse, and crises, as well as assistance with things like elder care, child care, and legal and financial resources. Most of these programs will be offered through CIGNA to all employees – including those covered by CIGNA, Empire, or an HMO, and employees who opt out of Xerox medical coverage.</p> <p>Online health programs and many other valuable health resources will also now be offered through Your Xerox Health Connection. You can find descriptions of the programs in your Benefits at Xerox Enrollment Kit.</p> |
| Salary Redirection Health Care Account Dependent Care Account | <p>Beginning in 2010, you must enroll in a Salary Redirection Account if you wish to participate. If you do not elect a Salary Redirection payroll deduction contribution during the annual enrollment period, you will be assigned a \$0 contribution, rather than your election for the current year. This applies to both Health Care and Dependent Care accounts.</p> <p>Save Your ADP FSA Visa Debit Card!</p> <p>Your card is valid for use until the expiration date shown on the card. If your card expires in 2009, you'll automatically receive a new card in the mail, unless you elect not to participate for 2010.</p> |
| Xerox Flexible Spending Contributions to a Health Care Account Coinsurance Plus, Humana Puerto Rico, TakeCare Asia, HMSA Health Plan Hawaii, and Kaiser Hawaii options only | <p>To ease the transition into the new Benefits at Xerox, Xerox will increase its contribution to your Health Care Account by \$100 if your annualized pay as of September 1, 2009 is \$80,000 or less.</p> <ul style="list-style-type: none"> • If your annualized pay as of September 1, 2009, is \$30,000 or less, you will receive \$450. • If your annualized pay as of September 1, 2009, is between \$30,000.01 and \$50,000, you will receive \$350. • If your annualized pay as of September 1, 2009, is between \$50,000.01 and \$80,000, you will receive \$250. <p>Note that this increase is for one year only and applies only to the medical coverage options indicated to the left. Employees covered under the High Deductible option and other HMOs are not eligible.</p> |
| Xerox Matching Health Savings Account Contributions High Deductible option only | <p>When you enroll in the High Deductible option, you are entitled to establish a Health Savings Account (HSA), an exclusive tax-advantaged savings account that you can use to pay for eligible health care expenses now – or save to pay for health care expenses in the future, including after you retire or leave Xerox. If you enroll in the High Deductible option and make up to \$80,000 a year, you will receive a special mailing explaining how to receive a Xerox dollar-for-dollar match to your HSA contributions, up to \$450 for the year.</p> <p>More information, including rules on eligibility, is available in your Benefits at Xerox Enrollment Kit.</p> |
| Disability Coverage | <p>No changes, except for new hires, as the New Hire Long-term Disability Plan will no longer be offered.</p> <p>If you are a new hire (in your first year of employment with Xerox), you will be able to elect basic and extended long-term disability (LTD) coverage. Xerox will subsidize the 40% coverage level until your first employment anniversary.</p> |

| Benefit Coverage | What's New |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Life Insurance Coverage | <p>There are a number of important changes affecting life insurance coverage:</p> <ul style="list-style-type: none"> • Xerox-provided basic life coverage is being reduced to one times pay up to \$200,000. The basic life insurance buy-down and opt-out options will no longer be offered. • During annual enrollment, you will have a one-time opportunity to buy optional life insurance coverage for an additional 1x pay without providing evidence of insurability. You must provide evidence of insurability for any coverage increase beyond 1x pay. • In future years, employees will be required to provide evidence of insurability for any increases in optional life insurance coverage. • There are no changes to the coverage options for spouse/domestic partner and child life insurance. • All employee, spouse/domestic partner and child life is being consolidated with Prudential. This change doesn't affect your current coverage. • More information about these changes is available in your Benefits at Xerox Enrollment Kit. |
| AD&D Insurance Coverage | All AD&D insurance for employees and dependents will be consolidated with Prudential. This insurance is currently administered by MetLife. |
| Purchased Vacation | No changes. |

2010 Medical Plan Option Coverage Highlights

Your medical plan carrier depends on the state in which you live.

| If you live in one of these states: | Whether you choose the High Deductible option or Coinsurance Plus option, your medical carrier is: |
|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| AZ, CO, CT, DC, DE, GA, ID, IL, KS, LA, MD, ME, MN, MO, ND, NE, NH, NM, NY, OK, OR, TN, UT, VA, WA, WY, expats and all other territories/countries | CIGNA |
| AK, AL, AR, CA, FL, IA, IN, KY, MA, MI, MS, MT, NC, NJ, NV, OH, PA, RI, SC, SD, TX, VT, WI, WV | Empire |
| To check if your doctor or hospital participates in the network offered in your state, call CIGNA (1.800.806.2064) or Empire (1.866.878.6177). | |

You may choose between two medical options: the same High Deductible option you have today, with some enhancements, and the Coinsurance Plus option, which is similar to today's Coinsurance option, also with some enhancements. Following is a side-by-side comparison of each option's key provisions. Complete details are available in the 2010 Summary of Covered Medical Services in your Benefits at Xerox Enrollment Kit.

| | Coinsurance Plus Option | High Deductible Option |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Annual Deductible</p> <p>The annual deductible counts toward the out-of-pocket maximum.</p> | <ul style="list-style-type: none"> Employee Only: 1% of pay. Min. \$200 / Max. \$800. Family: Twice the individual deductible, regardless of the number of persons covered. Min. \$400 / Max. \$1,600. <p>Copayments are not subject to the deductible and do not count toward the deductible.</p> <p>Out-of-network amounts above R&C charges do not count toward the deductible.</p> <p>If you are on COBRA or long-term disability, the minimum annual deductible amount will apply.</p> | <ul style="list-style-type: none"> Employee Only: \$1,200. Family: Twice the individual deductible, regardless of the number of persons covered. \$2,400. <p>Before the plan begins to pay benefits, you must meet the full family deductible if covering dependents.</p> <p>Out-of-network amounts above R&C charges do not count toward the deductible.</p> |
| Copayments | <ul style="list-style-type: none"> \$20 copayment for primary care physician visits and for the in-network Schedule of Services. \$30 copayment for specialist visits. | Not applicable. |
| Coinsurance | <ul style="list-style-type: none"> In-Network: Plan pays 80%; you pay 20% after deductible. Out-of-Network*: Plan pays 60% of R&C charges; you pay 40% after deductible. | <ul style="list-style-type: none"> In-Network: Plan pays 80%; you pay 20% after deductible. Out-of-Network*: Plan pays 60% of R&C charges; you pay 40% after deductible. |

| | Coinsurance Plus Option | High Deductible Option |
|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Annual Out-of-Pocket Maximum | <ul style="list-style-type: none"> Employee Only: 5.5% of pay. Min. \$1,100 (i.e., even if 5.5% of annual pay equals less than \$1,100, annual out-of-pocket maximum is \$1,100). Family: Same as Employee Only. <p>Copayments do not count toward the out-of-pocket maximum.</p> <p>Out-of-network amounts above R&C charges do not count toward the out-of-pocket maximum.</p> <p>If you are on COBRA or long-term disability, the minimum annual out-of-pocket maximum amount will apply.</p> | <ul style="list-style-type: none"> Employee Only: \$5,000. Family: \$10,000 (i.e., twice the individual out-of-pocket maximum, regardless of the number of persons covered). <p>Out-of-network amounts above R&C charges do not count toward the out-of-pocket maximum.</p> |
| Schedule of Services See the 2010 Medical Options Schedule of Services in your Benefits at Xerox Enrollment Kit for details. | <ul style="list-style-type: none"> In-Network: Plan pays 100% after \$20 copayment. Out-of-Network*: Plan pays 60% of R&C after deductible. <p>Copayments are not subject to the deductible and do not count toward the deductible or out-of-pocket maximum.</p> | <ul style="list-style-type: none"> In-Network: Plan pays 100% with no copayment or deductible. Out-of-Network*: Plan pays 60% of R&C after deductible. |
| Prescription Drugs For details, see the 2010 Summary of Medical Services. | | |
| Retail (In-Network) Up to 30-day Supply | Not subject to deductible; not counted toward out-of-pocket maximum. | Subject to deductible; counted toward out-of-pocket maximum. |
| Preventive Prescription Drugs | Covered like any other prescription drug. | Covered 100%; no deductible applies. |
| Generic | \$10 copayment. | Plan pays 80% after deductible. |
| Preferred Brand | \$35 copayment. | Plan pays 80% after deductible. |
| Non-Preferred Brand | \$50 copayment. | Plan pays 80% after deductible. |
| Mail Order Up to 90-day Supply | Not subject to deductible; not counted toward out-of-pocket maximum. | Subject to deductible; counted toward out-of-pocket maximum. |
| Preventive Prescription Drugs | Covered like any other prescription drug. | Covered 100%; no deductible applies. |
| Generic | \$25 copayment. | Plan pays 80% after deductible. |
| Preferred Brand | \$87.50 copayment. | Plan pays 80% after deductible. |
| Non-Preferred Brand | \$125 copayment. | Plan pays 80% after deductible. |

* Reasonable and Customary (R&C) charges.

2010 Annual Employee Contributions for Medical Options Offered Through CIGNA or Empire

The 2010 contributions for the High Deductible and Coinsurance Plus options are shown in the following chart. HMO contributions will be communicated with your other personalized enrollment information on Your Benefits Resources.

2010 Annual Employee Contributions for National Health Plans

| | Employee Only | Employee +1 | Employee +2 | Employee +3 or More |
|-------------------------|---------------|-------------|-------------|---------------------|
| High Deductible Option | \$100 | \$417 | \$734 | \$1,051 |
| Coinsurance Plus Option | \$600 | \$1,335 | \$2,070 | \$2,805 |

Contribution amounts assume that you qualify for the Health Assessment and tobacco-free incentives. Contributions in the Employee +One, +Two, and +Three or More columns assume that you are covering children. The contribution for a spouse/domestic partner is \$750 higher than the amount shown, but this additional cost may be reduced to \$150 if your covered spouse/domestic partner qualifies for the Health Assessment and tobacco-free incentives.

The Rewards of Good Health

Your Xerox Health Connection is based on the idea that you should embrace living a healthy lifestyle, make good decisions about the health care services you receive and over time, reduce the cost of care – to you and Xerox.

We offer you several opportunities to reduce your share of the cost of medical coverage when you demonstrate your commitment to doing your part to get and stay healthy.

If you and your spouse/domestic partner complete your Health Assessment and/or tobacco-free certification during your enrollment wave, your incentives will appear as a credit within two business days.

| Incentive | How You Earn It | Total Amount You Can Save Each Year |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health Assessment | <p>You and your spouse/domestic partner may each complete the Health Assessment.</p> <p>If you opt out of Xerox medical coverage you can still take the Health Assessment and earn the \$300 reward. Spouses/domestic partners are not eligible to receive the incentive in this case; however, they are still eligible to take the Health Assessment.</p> <p>To receive your \$300 health incentive for 2010, complete the online Health Assessment by 11:59 p.m. Eastern time on November 13, 2009. If you are mailing a hard copy, your completed Health Assessment must be postmarked by November 7, 2009.</p> | <p>\$300 for yourself + \$300 for your spouse/ <u>domestic partner</u> Up to \$600/year</p> <p>You and your covered spouse/ domestic partner must complete the Health Assessment each year in order to receive the Health Assessment incentive.</p> |
| Tobacco-Free (including cigarettes, cigars, pipes, chewing tobacco, and snuff) | <p>Don't use tobacco? Certify on Your Benefits Resources that you or your eligible spouse/domestic partner doesn't currently use tobacco products.</p> <p>Use tobacco, but want to quit? Certify on Your Benefits Resources that you or your eligible spouse/domestic partner is enrolled or pledges to enroll in a smoking cessation program during 2010.</p> <p>If you need help quitting, beginning January 1, 2010, Xerox will offer a free online smoking cessation program through Your Xerox Health Connection. For more information, call 1.800.806.2064 to speak with a Care Consultant or visit www.cigna.com/xeroxbenefits after January 1, 2010.</p> | <p>\$300 for yourself + \$300 for your spouse/ <u>domestic partner</u> Up to \$600/year</p> <p>You and your spouse/ domestic partner must be enrolled in Xerox medical coverage and certify your tobacco-free status each year in order to receive the tobacco-free incentive.</p> |
| Total annual amount you can save on the cost of your Xerox benefits: | | <p>Up to \$600 for yourself + Up to \$600 for your spouse/ <u>domestic partner</u> Up to \$1,200/year</p> |

Here's how the Health Assessment incentive rules will work for any eligible employee and/or spouse/domestic partner:

| If You and/or Your Covered Spouse/Domestic Partner Complete the Health Assessment and Qualify for the Incentive | You Will Each Receive |
|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| From July 1, 2009, through November 13, 2009 | A \$300 credit to apply toward the cost of your 2010 coverage. |
| From November 14, 2009, through June 30, 2010 | A \$150 credit to apply toward the cost of your 2010 coverage, as long as you are not already receiving the \$300 Health Assessment incentive for 2010. |
| After June 30, 2010 | You will not receive a credit to apply toward your 2010 coverage. |

Choosing the Options That Are Right for You

Your Benefits Resources offers enrollment decision tools to help you find the options that are right for you and your family. Here's an overview:

- **People Like Me:** Answer some simple questions and find out how other people with health care needs similar to yours choose their medical option and make their Health Care Account decisions.
- **Health Plan Comparison Charts:** Choose the services most important to you and then compare options side-by-side.
- **Medical Expense Estimator:** Compare your costs under each option based on your anticipated 2010 medical expenses.
- **Flexible Spending Account (FSA) Estimators:** Estimate your eligible health care and/or dependent care expenses to determine how much to contribute, and estimate what you'll save in taxes.
- **Health Plan Web Site Links:** Get more detailed information, provider lists, and plan details.

Learn More About Your Options at a Health Fair

Visit a Virtual Health Fair

Get information from the health plans online, through a virtual health benefits fair from the *You and Xerox* section of WebBoard, online at <http://www.xeroxcareers.com/working-xerox/benefits.aspx> or at the participating vendors' Web sites. Virtual health fairs will remain available throughout the year.

| | |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CIGNA (Medical, Your Xerox Health Connection) | www.mycignaplans.com Enrollment ID: Xerox2010 Password: employee |
| Empire (Medical) | www.empireblue.com/xerox See Tools & Information Empire offers <i>Empire en Español</i> , a Spanish-language version of its Web site. To access the site, visit www.empireblue.com or www.empireblue.com/espanol . |
| Kaiser (Medical) | http://my.kaiserpermanente.org/xeroxcorp |

In the locations shown below, you can meet with Xerox's health partners to ask questions and better understand your options.

| Location | Date | Time | Room |
|-----------------|----------------------|-------------------------|-----------------------------------------------------------------|
| Webster, NY | Tuesday, October 27 | 7:00 a.m. to 7:00 p.m. | 800 Phillips Road Building 200, Cafeteria 334 |
| Wilsonville, OR | Tuesday, November 3 | 10:00 a.m. to 4:00 p.m. | 26600 SW Parkway Building 60, Auditorium |
| El Segundo, CA | Thursday, November 5 | 9:00 a.m. to 3:00 p.m. | 555 S. Aviation Boulevard Building M1 Cafeteria, East End |

Visit the Medco Pre-Enrollment Web Site

On the Medco pre-enrollment Web site, you can view the Medco drug formulary, learn how to fill mail order prescriptions through the Medco Pharmacy, find participating pharmacies, find Medco prices for your prescription drugs, and see the list of preventive drugs covered at 100% under the High Deductible option.

To access the pre-enrollment site:

- Go to: www.medco.com/openenroll
- Enter your pre-enrollment access code: XEROXWEB10109

Getting Ready to Enroll

Once you've completed your Health Assessment and used the online enrollment tools to decide which option is right for you, you're ready to enroll. The enrollment Web site will guide you step-by-step through the process.

Enrollment Web site

To enroll in your 2010 benefit options, go to <http://resources.hewitt.com/xerox/>.

If you don't have Web access, you can enroll by phone. Call the Xerox Benefits Center at 1.888.979.9961 (TTY: call your local relay service). Representatives are available Monday through Friday, from 9:00 a.m. to 6:00 p.m. Eastern time. (If English is not your first language, ask for an interpreter to join the call.)

Don't forget this year's online enrollment deadlines – Friday, November 6, or Friday, November 13, depending on your wave – at 11:59 p.m. Eastern time.

Remember: If you wish to enroll or make changes by phone, Xerox Benefits Center representatives are available only until 6:00 p.m. Eastern time.

If you don't have a password or if you don't remember it, contact the Xerox Benefits Center right away so that you can have your password handy when your enrollment wave begins. If you've forgotten your password, you can log in to Your Benefits Resources and click the I Forgot my Xerox Benefits Password link on the right-hand side of the log-on page. You will be prompted to identify yourself by entering the last four digits of your Social Security number and your date of birth. Once authenticated, you will be given the option to review your "hint" and retry your password, answer your security questions and access the site immediately and create a new password, or receive a new password by email. You can also call the Xerox Benefits Center for assistance.

If You Don't Take Action During Enrollment

If you don't indicate your benefit choices for 2010 during your enrollment wave, you will be automatically enrolled in the following coverage:

| For These Plans: | If You Take No Action and You Are Currently Enrolled in: | You Will Automatically Be Enrolled in: |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Medical, Including Prescription Drug Coverage | <ul style="list-style-type: none"> The Coinsurance or Blended option. | <ul style="list-style-type: none"> The Coinsurance Plus option at your current coverage level. |
| | <ul style="list-style-type: none"> The High Deductible option. | <ul style="list-style-type: none"> The High Deductible option at your current coverage level. |
| | <ul style="list-style-type: none"> An HMO option that is no longer available or you are no longer eligible. | <ul style="list-style-type: none"> The Coinsurance Plus option at your current coverage level. |
| | <ul style="list-style-type: none"> An HMO option that will be available and you are still eligible. | <ul style="list-style-type: none"> Your current HMO option at your current coverage level. |
| | <ul style="list-style-type: none"> The Hawaii XMP or XMP Plus options. | <ul style="list-style-type: none"> The HMSA Health Plan Hawaii option at your current coverage level. |
| | <ul style="list-style-type: none"> The Kaiser Hawaii option, and Kaiser Hawaii is no longer available to you based on your ZIP code. | <ul style="list-style-type: none"> The HMSA Health Plan Hawaii option at your current coverage level. |
| | <ul style="list-style-type: none"> If you live in Puerto Rico and currently have coverage. | <ul style="list-style-type: none"> Humana Puerto Rico at your current coverage level. |
| | <ul style="list-style-type: none"> If you live in the South Pacific and currently have coverage. | <ul style="list-style-type: none"> TakeCare Asia at your current coverage level. |
| Health Assessment Incentive | You and your spouse/domestic partner must complete the Health Assessment every year to qualify for the incentive. Your spouse/ domestic partner must be enrolled in medical coverage to receive the incentive. | If you and/or your spouse/domestic partner doesn't complete the Health Assessment by the deadline, you and/or your spouse/domestic partner won't receive the full Health Assessment incentive. You will be eligible to receive half the incentive if you miss the annual enrollment Health Assessment deadline but complete the Health Assessment by June 30, 2010. See your Benefits of Xerox Enrollment Kit for more details. |
| Tobacco-Free Incentive for Medical Coverage (See your Benefits at Xerox Enrollment Kit for rules on tobacco-free employee and spouse/domestic partner life insurance rates.) | You and your spouse/domestic partner are enrolled in medical coverage and must reconfirm your tobacco-free status every year to qualify for the tobacco-free incentive. | You and your spouse/domestic partner will be assigned to tobacco-user status and won't receive the tobacco-free incentive. |

| For These Plans: | If You Take No Action and You Are Currently Enrolled in: | You Will Automatically Be Enrolled in: |
|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dental | MetLife Dental, MetLife Dental Plus or Aetna DMO (if it remains available in your area). | Your current dental option at your current coverage level. |
| | Aetna DMO, and it is no longer available in your area. | MetLife Dental at your current coverage level for 2010. |
| Vision | Vision coverage or no coverage. Remember: If you elect vision coverage, your election and coverage level remains in effect for two years. | Your current option and coverage level. |
| Salary Redirection Account(s) – Health Care and Dependent Care Accounts | Health Care Account and/or Dependent Care Account. | You will be assigned a \$0 contribution, rather than your election for the current year. |
| Disability | Basic LTD coverage and/or extended LTD coverage. | Your current coverage remains in effect. |
| | If you are a new hire in your first year of employment with Xerox and are currently enrolled in the New Hire LTD option. | You will be automatically enrolled at 60% of pay for basic LTD and 60% for extended LTD. You will be responsible for the difference in cost between the 60% of pay option and the 40% of pay option until your first employment anniversary. |
| | If you are a new hire in your first year of employment with Xerox and you currently waive coverage under the New Hire LTD option. | You will be automatically enrolled at 40% of pay for basic LTD and 40% for extended LTD for 2010. You will have no cost for this coverage. |
| Life Insurance (All eligible active employees will have 1x pay up to \$200,000 for Xerox-provided basic life. No election is required.) | Any amount of optional life insurance, spouse/domestic partner life insurance, and/or child life insurance. | <ul style="list-style-type: none"> Optional life insurance: your current coverage level remains in effect, up to the maximum coverage amount (\$5 million). Spouse/domestic partner and/or child life insurance: your current coverage level remains in effect. |
| AD&D Insurance | Employee, spouse/domestic partner and/or child AD&D insurance. | Your current coverage level remains in effect. |
| Vacation Purchase | One week of vacation or no participation. | Your current participation level remains in effect. |

To find out more about making your 2010 benefits elections, visit Your Benefits Resources at <http://resources.hewitt.com/xerox/> or contact the Xerox Benefits Center at 1.888.979.9961.

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