

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

In re XEROX CORPORATION ERISA LITIGATION

Master File No. 02-CV-1138 (AWT)

This Document Relates To:

CLASS ACTION

All Actions

February 18, 2009

NOTICE OF PROPOSED SETTLEMENT OF ERISA CLASS ACTION LITIGATION, SETTLEMENT FAIRNESS HEARING, AND MOTION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES AND CASE CONTRIBUTION AWARDS

Your legal rights might be affected if you are a member of the following class:

All current and former participants and beneficiaries of The Xerox Corporation Savings Plan or The Savings Plan of Xerox Corporation and the Xerographic Division, UNITE HERE (Formerly "The Savings Plan of Xerox Corporation and the Xerographic Division, Union of Needletrades, Industrial and Textile Employees, A.F.L.-C.I.O.-C.L.C.") (collectively, the "401(k) Plans" or the "Plans") for whose individual accounts the Plans purchased and/or held interests in the Xerox Stock Fund at any time during the period May 12, 1997 through and including June 28, 2002, excluding the Individual defendants in the above-captioned litigation (collectively, the "Settlement Class," or the "Class").

PLEASE READ THIS NOTICE CAREFULLY. A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION. YOU HAVE NOT BEEN SUED.

This notice ("Notice") advises you of a proposed settlement (the "Settlement") of a consolidated class action lawsuit (the "Action") concerning the Plans' holding of and investment in Xerox common stock. The Action alleges, among other things, that the Defendants violated the Employee Retirement Income Security Act of 1974 ("ERISA") in connection with the Plans' holdings of and investment in Xerox stock in the Xerox Stock Fund option of the Plans. This Action concerns only claims for alleged violations of ERISA with respect to the Plans' holdings of and investment in Xerox stock; the Action does not concern claims or proceedings brought under the federal securities laws, state securities laws, or by the Securities and Exchange Commission. This Notice contains summary information about the Settlement. The full terms and conditions of the Settlement are set forth in a Class Action Settlement Agreement (the "Settlement Agreement"), which, along with the current Complaint and certain other materials pertaining to the Action and the Settlement, are available at www.KellerSettlements.com/XeroxERISA.html. In addition, Co-Lead Counsel for the Class, Keller Rohrback L.L.P. and Futterman Howard Watkins Wylie & Ashley, Chtd., have established a toll-free phone number, 866-967-6851, and an email address, XEROXERISASettlement@KellerRohrback.com, if you have questions or need additional information. Please do not contact the Court, Xerox Corporation ("Xerox") or the Xerox Benefits Center with questions.

The Settlement provides for a cash payment by Defendants of \$51,000,000.00 and for allocation of this payment, net of expenses described in the Settlement Agreement (which include notice and allocation expenses, Court-approved attorneys' fees and expenses and Plaintiff compensation awards, taxes and other costs related to the Settlement Fund administration) to the Plan accounts of members of the Settlement Class who suffered losses as the result of investment of their Plan accounts in the Xerox Stock Fund. In addition, the Settlement contains provisions relating to the ongoing administration of the Plans and management of their assets.

The Court in charge of this case has scheduled a Fairness Hearing for 9:00 a.m. on April 14, 2009, to consider whether to grant final approval of the Settlement, and to address Co-Lead Counsel's motion for awards of attorneys' fees and expenses and their request for Plaintiff compensation awards. The Fairness Hearing will be held before the Honorable Alvin W. Thompson in the United States District Court for the District of Connecticut, Abraham Ribicoff Federal Building, 450 Main Street, Hartford, CT 06103.

Reasons for the Settlement: The reasons for the Settlement are the Parties' desires to resolve all claims in the Action against the Defendants for alleged violations of ERISA and end the Action by providing for payments to affected Settlement Class members. The Settlement is not, and should not be construed as, an admission of any fault, liability or wrongdoing whatsoever by any of the Defendants, who deny all fault, liability and wrongdoing. The Named Plaintiffs and Co-Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, in the best interests of the Settlement Class, and preferable to continued litigation. The Plaintiffs and Co-Lead Counsel believe that it provides substantial benefits that would not be available in its absence.

PLEASE READ THIS NOTICE CAREFULLY AND COMPLETELY. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS TO WHOM THIS NOTICE IS ADDRESSED, THE SETTLEMENT WILL AFFECT YOUR RIGHTS. YOU ARE NOT BEING SUED IN THIS MATTER. YOU DO NOT HAVE TO APPEAR IN COURT, AND YOU DO NOT HAVE TO HIRE AN ATTORNEY IN THIS CASE. IF YOU ARE IN FAVOR OF THE SETTLEMENT, YOU NEED NOT DO ANYTHING. IF YOU DISAPPROVE, YOU MAY OBJECT TO THE SETTLEMENT PURSUANT TO THE PROCEDURES DESCRIBED BELOW.

ACTIONS YOU MAY TAKE IN THE SETTLEMENT

<p>NO ACTION IS NECESSARY TO RECEIVE PAYMENT.</p>	<p>If the Settlement is approved by the Court and you are a member of the Settlement Class, you do not need to do anything in order to receive a payment. The portion, if any, of the Settlement Fund to be allocated to your Plan account will be calculated as part of the implementation of the Settlement. However, if you wish that transactions involving the Xerox Stock Fund in your Plan account that occurred during the period May 12, 1997 through December 31, 1997, be taken into account in calculating your share, if any, of the Settlement Fund, you must provide required documentation to the Settlement Administrator; please review carefully the discussion on Page 4 of this Notice entitled "Special Information Regarding 1997 Plan Activity."</p>
<p>YOU CAN OBJECT NO LATER THAN MARCH 31, 2009.</p>	<p>If you wish to object to any part of the Settlement, you can follow the procedures stated below, and explain why you do not like the Settlement.</p>
<p>YOU CAN GO TO THE FAIRNESS HEARING ON APRIL 14, 2009 BY FILING A NOTICE OF INTENTION TO APPEAR NO LATER THAN MARCH 31, 2009.</p>	<p>You can ask to speak in Court about the fairness of the Settlement at the Fairness Hearing.</p>

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SUMMARY OF SETTLEMENT

Under the Settlement, Defendants will pay \$51,000,000 into a Settlement Fund and the Action will be dismissed. The Settlement Fund, including any accrued interest but net of expenses (including attorneys' fees and expenses as awarded by the Court and other amounts as described above) will be allocated among Settlement Class members in accordance with a Plan of Allocation as approved by the Court. (See Section 4 below for details of the Plan of Allocation.) Co-Lead Counsel for the Class recommend and support the Settlement as a fair, reasonable, and adequate compromise of the Action.

As with any litigation, the Parties would face an uncertain outcome if the Action were to continue against the Defendants. The Court has not ruled on the validity of the claims asserted in the Action. Continued litigation of the Action could result in a judgment greater or less than the recovery under the Settlement Agreement, or in no recovery at all. This litigation has been hotly contested from the outset. Indeed, throughout this litigation, the Named Plaintiffs and the Defendants have disagreed on both liability and damages, and they do not agree on the amount that would be recoverable even if the Plaintiffs were to prevail at trial. The Defendants, among other things: (1) have denied, and continue to deny, the material allegations of the Complaint; (2) have denied, and continue to deny, any wrongdoing or liability whatsoever; (3) believe that they acted at all times reasonably and prudently with respect to the Plans, their participants and beneficiaries, and the Settlement Class; (4) would assert certain other defenses if this Settlement is not consummated; and (5) are entering into the Settlement solely to avoid the cost, disruption, and uncertainty of litigation. Nevertheless, the Parties have taken into account the uncertainty and risks inherent in this litigation, particularly its complex nature, and have concluded that it is desirable that the Action be fully and finally settled on the terms and conditions set forth in the Settlement Agreement.

Co-Lead Counsel will apply to the Court for an order awarding attorneys' fees not in excess of 30% of the gross amount recovered in the Settlement, plus reimbursement of expenses. The Named Plaintiffs in the Action will share in the allocation of the money paid to the Plans on the same basis and to the same extent as all other members of the Settlement Class, except that, in addition, the Named Plaintiffs will apply to the Court for additional compensation of up to \$5,000 each for their efforts in prosecuting the Action since 2002. Any compensation awarded to the Named Plaintiffs by the Court will be payable from the proceeds of the Settlement.

BASIC INFORMATION

1. Why did I get this Notice package?

Either you or someone in your family appears to have been a participant in or beneficiary of one of the Plans and to have had a portion of your, his, or her Plan account(s) invested in the Xerox Stock Fund during the Class Period. The Court has directed that this Notice be sent to you because, as a potential Settlement Class member, you have a right to know about the proposed Settlement before the Court decides whether to approve it. If the Court approves the Settlement, and all objections and appeals are favorably resolved, the net amount of the Settlement Fund will be allocated among Class members according to a court-approved Plan of Allocation.

This Notice explains the Action, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how you will receive your portion of the benefits. In addition, this Notice informs you of a hearing (the "Fairness Hearing") to be held at 9:00 a.m. on April 14, 2009 before the Honorable Alvin W. Thompson in the United States District Court for the District of Connecticut, Abraham Ribicoff Federal Building, 450 Main Street, Hartford, CT 06103 to consider the fairness, reasonableness and adequacy of the proposed Settlement and to consider the application of Co-Lead Counsel for their attorneys' fees and reimbursement of litigation expenses as well as an application for case contribution awards to the Named Plaintiffs.

The issuance of this Notice is not an expression of the Court's opinion on the merits of any claim in the Action. If the Court approves the Settlement, payment to the Class will be made after all objections and appeals, if any, are favorably resolved. If there are any objections or appeals, resolving them can take time, so please be patient.

2. How do I know whether I am part of the Settlement?

You are a member of the Settlement Class if: (a) you were a participant in or beneficiary of The Xerox Corporation Savings Plan or The Savings Plan of Xerox Corporation and the Xerographic Division, UNITE HERE (Formerly "The Savings Plan of Xerox Corporation and the Xerographic Division, Union of Needletrades, Industrial and Textile Employees, A.F.L.-C.I.O.-C.L.C.") (collectively, the "Plans"), (b) your individual accounts in the Plans held interests in the Xerox Stock Fund at any time during the period May 12, 1997 through and including June 28, 2002, and (c) you are not a Defendant in the Action.

3. What does the Settlement provide?

A Settlement Fund consisting of \$51,000,000.00 in cash, plus interest, is being established in connection with the Settlement of the Action, and for dismissal of the Action. If the Settlement is approved as described above, the net amount in the Settlement Fund (after payment of, and establishment of reserves for, certain amounts as described in the Settlement Agreement, including expenses associated with Class Notice, attorneys' fees and expenses, case contribution awards, taxes and other costs related to the administration of the Settlement Fund) will be allocated among and paid to members of the Class according to a Plan of Allocation to be approved by the Court. Allocations will be made to accounts established for

members of the Class. Disbursement of the Settlement Fund to the Class will occur once the Settlement has become Final – after all appeals relating to the Settlement are favorably decided and all appeal periods have run. In addition, the Settlement contains provisions relating to the ongoing administration of the Plans and management of their assets.

This Action and the Settlement of it concern only alleged violations of ERISA with respect to Xerox stock held in the two ERISA Plans described herein. This Action does not involve Xerox stock purchased or held outside these Plans, or any other retirement or benefit plan, and does not involve any Xerox bonds.

The above description of the Settlement is only a summary. The full governing provisions are set forth in the Settlement Agreement (including exhibits), which may be obtained at www.KellerSettlements.com/XeroxERISA.html, or upon request of Co-Lead Counsel.

4. What will be my share of the Settlement Fund?

Your share of the Settlement Fund, if any, will be determined in accordance with a Plan of Allocation approved by the Court. The proposed Plan of Allocation, to be considered by the Court at the Fairness Hearing, is attached to the Settlement Agreement as Exhibit C. The proposed Plan of Allocation sets forth a methodology that takes into account the value of any investments in Xerox stock in your account(s) at the beginning and end of the “Allocation Period,” generally January 2, 1998 through June 28, 2002 (the beginning of the Allocation Period may be advanced to as early as May 12, 1997, in the cases of persons who provide adequate information with respect to 1997 acquisitions of Xerox stock in the Plan accounts, see “Special Information Regarding 1997 Plan Activity” below), as well as the value of investments in the Xerox Stock Fund in your account(s) (whether as a result of Company matching or voluntary contributions), and the proceeds of sales or withdrawals from the Xerox Stock Fund in your account(s) during the Allocation Period.

The calculations necessary to determine your share of the Net Proceeds, if any, will be made for you in connection with the administration of the Settlement and will determine both whether you are entitled to a share of the Net Proceeds and your share amount. Those performing the calculations will have access to all relevant and available Plan records and so, subject to the discussion immediately below with respect to 1997 Plan activity, you do not need to be concerned if you no longer have your Plan account statements, and do not need to supply anyone with statements or records. The Court will be asked to approve a more detailed statement of the Plan of Allocation, a copy of which is available along with other settlement documents at www.KellerSettlements.com/XeroxERISA.html.

SPECIAL INFORMATION REGARDING 1997 PLAN ACTIVITY: If you have account records generated by Xerox or other contemporaneous written documentation showing holdings, purchases or sales of the Xerox Stock Fund in your Plan account during the period from May 12, 1997 through December 31, 1997, you may, but are not required to, submit such materials to the Settlement Administrator on or before June 15, 2009, by mailing them to the Settlement Administrator at *In re Xerox Corporation ERISA Litigation*, c/o Gilardi & Co. LLC, P.O. Box 8040, San Rafael, CA 94912-8040, first class postage prepaid. If you submit such records, please retain a copy for your files. Such records will, to the extent they are deemed reliable by the Settlement Administrator, be considered in calculating your share of the Settlement Fund. The submission of such records may or may not affect the amount you receive from the Settlement; if they do affect it, they may increase or reduce your share of the Settlement Fund. You are under no obligation to submit 1997 materials if you do not wish for your 1997 Plan activity to be taken into account. Please do not contact the Plans, Xerox, or the Xerox Benefits Center requesting these records because they do not have them and will not be able to provide them. Note: handwritten notes and similar personal records are not acceptable. The only acceptable records are records generated by Xerox or other contemporaneous written documentation deemed reliable by the Settlement Administrator.

5. What is the lawsuit about? What has happened so far?

The Action is a consolidation of several putative class action lawsuits that were brought on behalf of a purported class of individuals who were participants in or beneficiaries of the Plans during the Class Period, alleging violations of ERISA in connection with the Plans’ and their participants’ holdings in the Xerox Stock Fund option of the Plans. The Action has been pending since 2002.

Plaintiffs allege among other things, that the Defendants were fiduciaries of the Plans and violated their obligations under ERISA by causing the Plans to imprudently offer, purchase and hold units of the Xerox Stock Fund when Xerox stock was allegedly an unsuitable investment for the Plans. Plaintiffs further allege that the Defendants misrepresented to Plan participants the true financial condition of the Company and, consequently, the true value of the Xerox Stock Fund. Plaintiffs sought to recover from the Defendants losses to the Plans and their participants such as yourself caused by the Defendants’ alleged misconduct.

The Defendants have vigorously denied and continue to deny all of the claims and allegations against them. Defendants maintain that their actions and statements were in all respects lawful, prudent, proper and truthful, and deny that anyone has been harmed in any way by any action or inaction on their part.

Co-Lead Counsel have conducted extensive legal research and discovery regarding the facts and claims in this Action, including reviewing millions of pages of documents produced in this Action by Xerox and other entities, including but not limited to Xerox’s current and former auditors, and the Plans’ trustee, recordkeeper, and investment manager; conducting numerous depositions of

past and present Xerox officers, directors and employees; and analyzing studies and reports authored by expert consultants retained on the Class's behalf regarding a variety of matters, including estimated potential damages in the Action.

The Parties have also engaged in substantial motion practice, i.e., briefing and legal argument, before the Court. The Court has entered two opinions on Defendants' motions to dismiss the Action, granting these motions in part, and denying them in part. In addition, a motion to certify the Action as a class action has been fully briefed and was pending undecided when the Settlement was reached.

After engaging in these litigation efforts, and negotiating for several months using an independent paid mediator, Co-Lead Counsel for Plaintiffs and counsel for the Defendants reached an agreement to settle the Action, subject to Court approval, on the terms summarized in this Notice.

6. Why is this case a class action?

It is a class action because the claims of similarly situated persons can be resolved more efficiently in one proceeding than in many and because the claims of individual Plan participants are generally too small to warrant litigation unless they can be aggregated. In a class action, one or more plaintiffs, called "named plaintiffs," sue on behalf of people who have similar claims. All of the individuals on whose behalf the Named Plaintiffs in this Action are suing are "Class members," also referred to in this Notice as members of the Settlement Class.

7. Why is there a Settlement?

So that the Class can be assured of a prompt, fair and substantial recovery and avoid the expenses, risks, and delays of further contested litigation. Under the proposed Settlement, the Court will not decide the merits of the Action in favor of either the Plaintiffs or the Defendants; instead claims will be compromised and resolved without a trial.

Co-Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate and in the best interest of the Class.

8. How can I get my portion of the recovery?

Subject to the discussion on Page 4 under "Special Information Regarding 1997 Plan Activity," Members of the Class do not need to do anything to receive their share of the recovery in this Action.

9. When will I receive my payment?

It will be six months at the very least, and maybe considerably longer. Payment is conditioned on several matters, including the Court's approval of the Settlement and that approval becoming Final and no longer subject to any appeals. If there are objections or appeals, the process could take one or more years. Upon satisfaction of the applicable conditions, and assuming the Settlement is not terminated according to its terms, the Net Proceeds will be allocated in accordance with the Plan of Allocation and credited to Class Members' Plan accounts. Class members who no longer have an active account with the Plans will have an account created for purposes of receipt of Settlement funds. Class members will receive communications regarding their accounts as described herein and will be entitled to distributions of their account balances in accordance with the terms of the Plans. Any accrued interest on the Settlement Fund will be included in the amount allocated and paid to the Class members.

10. What rights am I giving up in the Settlement?

You are giving up your right to sue the Defendants for anything in any way related to the Plans' investment in Xerox stock during the Class Period. If the Settlement is approved, the Court will enter a judgment that will end and dispose of the Action and all the claims asserted in it. It will also fully, finally, and forever release, relinquish, and discharge all of the Released Parties (generally, the Defendants and certain persons affiliated with the Defendants or fiduciaries of the Plans, all as set forth in the Settlement Agreement) from any and all Released Claims (also as defined in the Settlement Agreement, generally the claims that were or could have been asserted in the Action or would have been barred by law had the Action proceeded to final judgment in favor of the Defendants).

11. Can I exclude myself from the Settlement?

No. You do not have the right to exclude yourself from the Settlement. The Action was certified under Federal Rule of Civil Procedure 23(b)(1). Thus, it is not possible for any of the Class members to exclude themselves from the Settlement. As a member of the Class, you will be bound by any judgments or orders that are entered in the Action for all claims that were or could have been asserted in the Action against the Defendants or are otherwise included in the release under the Settlement.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in the case?

Yes. The Court has appointed the law firms of Keller Rohrback L.L.P. and Futterman Howard Watkins Wylie & Ashley, Chtd. as Co-Lead and Class Counsel for the Named Plaintiffs, the Plans, and the Class ("Co-Lead Counsel"). You will not be charged directly by these lawyers. If you want to be represented by your own lawyer, you may hire one, but it will be at your own cost and expense.

13. How will the lawyers be paid?

At the Fairness Hearing, Co-Lead Counsel will apply for an award of attorneys' fees and expenses on behalf of all Plaintiffs' counsel. The application for attorneys' fees will not exceed 30% of the gross amount recovered in the Settlement, plus reimbursement of expenses. Any award of fees and expenses will be paid from the Settlement Fund prior to allocation and payment to the Class members.

To date, neither Co-Lead Counsel nor any additional counsel have received any payment for their services in prosecuting this Action on behalf of the Class since the Action began in 2002, nor have counsel been reimbursed for any of their out-of-pocket expenses. To date, counsel working on behalf of the Class have expended in excess of 19,200 hours of uncompensated professional time and over \$950,000 in unreimbursed expenses of litigation. The fee requested by Co-Lead Counsel would compensate all counsel who have worked on behalf of the Class for their efforts in achieving the Settlement and for the risk they have borne in undertaking this representation on a contingency basis. The Court will determine the amount of the fee and expense award.

OBJECTING TO THE SETTLEMENT OR THE ATTORNEYS' FEES

14. How do I tell the Court if I like or don't like the Settlement or the request for attorneys' fees and expenses?

If you are in favor of the Settlement, you do not need to do anything. If you oppose the Settlement, or the request for attorneys' fees and expenses or the request for Named Plaintiff awards, you may object. To object, you must file with the Court a written objection that is labeled "Objection" and that states the name of this Action: *In re Xerox ERISA Litigation*, Master File No.: 02-CV-1138 (AWT). Your objection must state all the bases and reasons for the objection, set forth proof of your membership in the Settlement Class, clearly identify any and all witnesses, documents and other evidence of any kind that are to be presented at the Fairness Hearing or otherwise in connection with such objection, and further describe the substance of any testimony to be given either by you or any supporting witnesses. To file your objection you must send it to the Court or file it with the Court. Be sure to include your name, address, telephone number, and signature. **Your written Objection must be filed with the Court, and mailed to the counsel listed below, postmarked and sent via facsimile or hand-delivered to counsel listed below on or before 5:00 p.m., Eastern Time, on March 31, 2009:**

To file with the Clerk of the Court, mail or hand-deliver to:

Clerk of the Court
United States District Court for the District of Connecticut
Abraham Ribicoff Federal Building
450 Main Street, Hartford, CT 06103

To serve by mail and facsimile, mail and fax or hand-deliver to each of the following:

ERISA CO-LEAD COUNSEL FOR THE PLAINTIFFS:

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UNLESS OTHERWISE ORDERED BY THE COURT, ANY CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED HEREIN WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL BE FOREVER FORECLOSED FROM MAKING ANY OBJECTION TO THE PROPOSED SETTLEMENT AND THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND CASE CONTRIBUTION AWARDS.

THE COURT'S FAIRNESS HEARING

15. When and where will the Court decide whether to approve the Settlement?

At the Fairness Hearing. The Court will hold the Fairness Hearing at 9:00 a.m. on April 14, 2009, at the United States District Court for the District of Connecticut, Abraham Ribicoff Federal Building, 450 Main Street, Hartford, CT 06103. At the Fairness Hearing the Court will consider whether to approve the Settlement, and may consider any request for attorneys' fees and expenses and the request for Plaintiff compensation awards.

If there are objections, the Court will consider them as well. At or after the Fairness Hearing, the Court will rule on these matters. We do not know how long these rulings will take.

16. Do I have to come to the Fairness Hearing?

No. Co-Lead Counsel will represent you at the Fairness Hearing, and answer questions Judge Thompson may have at that time. You are welcome to come at your own expense, however. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time and otherwise complied with the requirements of Paragraph 14 herein, it will be before the Court when the Court considers whether to approve the Settlement as fair, reasonable and adequate. You may also have your own lawyer attend the Fairness Hearing at your expense, but such attendance is also not necessary.

17. May I speak at the Fairness Hearing?

If you are a member of the Class and you have filed a timely objection, you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter or other paper labeled "Notice of Intention to Appear at Fairness Hearing in *In re Xerox ERISA Litigation*, Master File No.: 02-CV-1138 (AWT)." Be sure to include your name, address, telephone number, and your signature on any such document. Your Notice of Intention to Appear must be served (i.e., mailed first class postage prepaid and faxed or hand-delivered) on the attorneys listed above, postmarked and sent via facsimile or hand-delivered no later than March 31, 2009, and must also be filed with the Clerk of the Court, United States District Court for the District of Connecticut, Abraham Ribicoff Federal Building, 450 Main Street, Hartford, CT 06103, no later than March 31, 2009.

The Fairness Hearing may be delayed by the Court without further notice. If you wish to attend the Fairness Hearing, you may wish to confirm its date and time in advance with Co-Lead Counsel.

IF YOU DO NOTHING

18. What happens if I do nothing?

If you are a Class member, you will participate in the Settlement as described above in this Notice, provided the Settlement is approved.

GETTING MORE INFORMATION

19. How do I get more information?

This Notice summarizes the proposed Settlement. Full details of the Settlement are set forth in the Settlement Agreement. You may review and print a copy of the Settlement Agreement by visiting www.KellerSettlements.com/XeroxERISA.html and may also obtain a copy by making a written request to Co-Lead Counsel listed on Page 6. Other papers relating to the Settlement, such as the motion seeking preliminary approval of the Settlement Agreement and the Preliminary Approval Order, may be viewed and obtained in similar manner. You may direct inquiries to a toll-free phone number 866-967-6851, or via email sent to XEROXERISASettlement@KellerRohrback.com.

DATED: FEBRUARY 18, 2009

By Order of the Court

In re Xerox Corporation ERISA Litigation
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

Important Legal Document.

XRSA1