

RR Donnelley & Sons Co  
 Form 424B5  
 January 05, 2007  
[Table of Contents](#)

Filed Pursuant to Rule 424(b)(5)  
 Registration No. 333-139756

#### Calculation of Registration Fee

Title of Each Class of Notes to be Registered	Amount to be Registered	Maximum Aggregate Offering Price Per Unit	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
5.625% Notes due 2012	\$ 625,000,000	99.860%	\$ 624,125,000	\$ 66,781.38
6.125% Notes due 2017	\$ 625,000,000	99.210%	\$ 620,062,500	\$ 66,346.69

- (1) Calculated in accordance with Rule 457(o) and (r) under the Securities Act of 1933 (the "Securities Act"). The total registration fee due for this offering is \$133,128.06. Pursuant to Rule 457(p) under the Securities Act, unutilized registration filing fees of \$39,100 previously paid in connection with Registration Statement No. 333-83382 are being applied to the fee payable for this offering.

**Table of Contents**

**Prospectus Supplement**

**January 3, 2007**

**(To Prospectus dated January 3, 2007)**

**\$1,250,000,000**

**\$625,000,000 5.625% Notes due 2012**

**\$625,000,000 6.125% Notes due 2017**

RR Donnelley is offering \$625,000,000 aggregate principal amount of 5.625% notes due 2012 and \$625,000,000 aggregate principal amount of 6.125% notes due 2017. Interest on the notes will be paid semi-annually in arrears on January 15 and July 15 of each year, beginning on July 15, 2007. The 5.625% notes due 2012 will mature on January 15, 2012 and the 6.125% notes due 2017 will mature on January 15, 2017. We may redeem the notes at any time and from time to time, in whole or in part, at a redemption price as described in this prospectus supplement in the sections entitled "Description of the Notes - Optional Redemption" and "Description of the Notes - Special Mandatory Redemption."

The notes will be our general unsecured senior obligations and will rank equally with all of our other unsecured senior indebtedness from time to time outstanding.

**Investing in the notes involves risks. See Risk Factors on page S-10 of this prospectus supplement.**

	<b>2012 Notes</b>	<b>Total</b>	<b>2017 Notes</b>	<b>Total</b>
Public offering price(1)	99.860%	\$ 624,125,000	99.210%	\$ 620,062,500
Underwriting discounts	0.600%	\$ 3,750,000	0.650%	\$ 4,062,500
Proceeds to RR Donnelley, before expenses(1)	99.260%	\$ 620,375,000	98.560%	\$ 616,000,000

(1) Plus accrued interest, if any, from January 8, 2007, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, societe anoyme, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment in New York, New York on or about January 8, 2007.

*Joint Book-Running Managers*

**Banc of America Securities LLC**

**Citigroup**

**JPMorgan**

---

*Co-Managers*

**ABN AMRO Incorporated**

**ING Financial Markets**

**Lazard Capital Markets**

**Wells Fargo Securities**

**Piper Jaffray**

**Table of Contents**

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of the date on the front of this prospectus supplement only. Our business, financial condition, results of operations and prospects may have changed since that date.

*In this prospectus supplement, unless the context indicates otherwise, the terms RR Donnelley , we , us , Company and our refer to R.R. Donnelley & Sons Company and its subsidiaries.*

Our name, logo and other trademarks mentioned in this prospectus supplement are the property of their respective owners.

---

**TABLE OF CONTENTS**

**Prospectus Supplement**

	<b>Page</b>
<u>Where You Can Find More Information</u>	S-3
<u>Forward-Looking Statements</u>	S-5
<u>Summary</u>	S-7
<u>Risk Factors</u>	S-10
<u>Use of Proceeds</u>	S-11
<u>Capitalization</u>	S-11
<u>Description of the Notes</u>	S-12
<u>Book-Entry: Delivery and Form</u>	S-24
<u>United States Taxation</u>	S-27
<u>Underwriting</u>	S-31
<u>Validity of the Notes</u>	S-33
<u>Experts</u>	S-33

**Prospectus**

Where You Can Find More Information	1
Incorporation of Certain Information by Reference	1
The Company	2
Experts	2

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

**Available Information**

RR Donnelley is subject to the informational requirements of the Securities Exchange Act of 1934, or the Exchange Act, and in accordance therewith files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC, on a regular basis. You may read and copy this information or obtain copies of this information by mail from the SEC's public reference room, 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Further information on the operation of the SEC's public reference room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330.

The SEC also maintains an Internet world wide web site that contains reports, proxy statements and other information about issuers, like RR Donnelley, who file electronically with the SEC. The address of that site is <http://www.sec.gov>. RR Donnelley's SEC filings are also available from our web site at <http://www.rrdonnelley.com>. Information on our web site is not part of this prospectus supplement or the accompanying prospectus.

We have filed with the SEC a registration statement on Form S-3 relating to the securities covered by this prospectus supplement. The accompanying prospectus is part of the registration statement and does not contain all of the information in the registration statement. Whenever a reference is made in this prospectus supplement or the accompanying prospectus to a contract or other document of ours, please be aware that the reference is only a summary and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C., as well as through the SEC's web site.

**Documents Incorporated by Reference**

We have incorporated by reference in this prospectus supplement and the accompanying prospectus certain documents that we file with the SEC. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. This information incorporated by reference is a part of this prospectus supplement and the accompanying prospectus, unless we provide you with different information in this prospectus supplement or the accompanying prospectus or the information is modified or superseded by a subsequently filed document. Any information referred to in this way is considered part of this prospectus supplement and the accompanying prospectus from the date we file that document.

Any reports filed by us pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus supplement and before the completion of the offering of the notes will be deemed to be incorporated by reference into this prospectus supplement and the accompanying prospectus and will automatically update, where applicable, and supersede any information contained in this prospectus supplement or the accompanying prospectus or incorporated by reference into this prospectus supplement and the accompanying prospectus.

This prospectus supplement and the accompanying prospectus incorporate the documents listed below that we have previously filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules). They contain important information about us, our business and our financial condition.

<b>RR Donnelley SEC Filings</b>	<b>Period or Date Filed</b>
Annual Report on Form 10-K	Year ended December 31, 2005
Quarterly Reports on Form 10-Q	Quarters ended March 31, 2006, June 30, 2006 and September 30, 2006
Current Reports on Form 8-K	February 22, 2006 (with respect to Items 5.03 and 9.01), March 1, 2006, March 23, 2006, April 27, 2006 (with respect to Item 5.02), June 5, 2006, June 14, 2006, July 7, 2006, July 19, 2006, August 18, 2006, October 13, 2006, November 1, 2006, December 21, 2006, December 22, 2006 and January 3, 2007

**Table of Contents**

You can obtain any of the documents incorporated by reference in this prospectus supplement and the accompanying prospectus from us or from the SEC through the SEC's web site at the address described above. Documents incorporated by reference are available from us without charge, excluding any exhibits to those documents unless we specifically incorporated by reference the exhibit in this prospectus supplement and the accompanying prospectus. You can obtain these documents from us by requesting them in writing or by telephone at the following address or number:

**R.R. Donnelley & Sons Company**

**111 South Wacker Drive**

**Chicago, Illinois 60606**

**Telephone: (866) 425-8272**

S-4

**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and portions of the documents incorporated by reference herein and therein contain statements relating to our future results (including certain anticipated, believed, expected and estimated results) and our outlook (including statements as to acquisitions being accretive, continued improvement in our cost structure and achievement of revenue growth from the cross-selling initiative) that are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on these forward-looking statements and any such forward-looking statements are qualified in their entirety by reference to the following cautionary statements. All forward-looking statements speak only as of the date hereof or the date of any document that may be incorporated by reference herein, are based on current expectations and involve a number of assumptions, risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements. Factors that could cause such material differences include, without limitation, the following:

successful execution and integration of acquisitions and the performance of our businesses following the acquisitions of Moore Wallace, Astron, Asia Printers, Poligrafia, Spencer Press, Charlestown, CMCS, OfficeTiger, Banta, Perry Judd's and Von Hoffmann and successful negotiation of future acquisitions and our ability to integrate operations successfully and achieve enhanced earnings or effect cost savings;

the ability to implement comprehensive plans for the execution of cross-selling, cost containment, asset rationalization, systems integration and other key strategies;

the ability to divest non-core businesses;

future growth rates in our core businesses;

competitive pressures, including increased margin pressure and excess capacity, in all segments in which we operate;

factors that affect customer demand, including changes in postal rates and postal regulations, changes in the capital markets that affect demand for financial printing, changes in advertising markets, the rate of migration from paper-based forms to digital formats, customers' budgetary constraints, and customers' changes in short-range and long-range plans;

the ability to gain customer acceptance of our new products and technologies;

the ability to secure and defend intellectual property rights and, when appropriate, license required technology;

customer expectations;

performance issues with key suppliers;

shortages or changes in the availability, or increases in costs of, key materials (such as ink, paper and fuel);

## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

our ability to generate cash flow or obtain financing to fund growth;

the effect of inflation, changes in currency exchange rates and changes in interest rates;

the effect of changes in laws and regulations, including changes in accounting standards, trade, tax, health and welfare benefits, price controls and other regulatory matters and the cost of complying with these laws and regulations;

contingencies related to actual or alleged environmental contamination;

the retention of existing, and continued attraction of additional, customers and key employees;

the effect of a material breach of security of any of our systems;

S-5



**Table of Contents**

the effect of economic and political conditions on a regional, national or international basis;

the possibility of future terrorist activities or the possibility of a future escalation of hostilities in the Middle East or elsewhere;

adverse outcomes of pending and threatened litigation; and

other risks and uncertainties detailed from time to time in our filings with the SEC, including under "Risk Factors" in our Annual Report on Form 10-K.

Consequently, you should consider these forward-looking statements only as our current plans, estimates and beliefs. We do not undertake and specifically decline any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. We undertake no obligation to update or revise any forward-looking statement in this prospectus supplement, the accompanying prospectus or any document incorporated by reference to reflect any new events or any change in conditions or circumstances. Even if these plans, estimates or beliefs change because of future events or circumstances after the date of these statements, or because anticipated or unanticipated events occur, we decline and cannot be required to accept an obligation to publicly release the results of revisions to these forward-looking statements.

## **Table of Contents**

### **SUMMARY**

*This summary is not complete and does not contain all of the information that you should consider before buying the notes in this offering. You should read carefully the entire prospectus supplement and the accompanying prospectus, including in particular the section entitled "Risk Factors" on page S-10 of this prospectus supplement and the more detailed information and financial statements and related notes appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making any investment decision.*

### **Overview**

We are one of the largest integrated providers of print management solutions in North America with an established and diverse Fortune 500 customer base, a broad geographic production and distribution network and a diversified product offering. For the year ended December 31, 2005, we had net sales of \$8.4 billion and income from continuing operations of \$450.4 million. For the quarter ended September 30, 2006, we had net sales of \$2.3 billion and income from continuing operations of \$260.8 million.

### **Industry Overview and Outlook**

The printing industry is one of the largest and most fragmented industries in the United States. According to the 2006 *PIA Print Market Atlas*, prepared by *Printing Industries of America*, there were approximately 39,387 printing businesses operating in the United States and these firms generated aggregate revenues (calculated on the basis of the estimated value of shipments) in 2005 of approximately \$165.5 billion. These printing businesses operate in a broad range of segments, including general and commercial printing, packaging, forms and labels, specialty printing, trade services and others.

There are three major trends affecting the printing industry. First, increased outsourcing of printing operations is leading to increased opportunities for commercial printers. Second, increased use of technology is driving a trend towards electronic substitution, which is leading to a decline in the printed forms sub-segment of the market. Third, the industry is in a phase of consolidation which is gradually reducing the number of local mom and pop printers and benefiting the larger printing companies.

### **Our Company**

We are the world's premier full-service global print provider and the largest printing company in North America, serving customers in publishing, healthcare, advertising, retail, telecommunications, technology, financial services, and many other industries. Founded more than 140 years ago, we provide solutions in commercial printing, forms and labels, direct mail, financial printing, print fulfillment, business communication outsourcing, logistics, online services, digital photography, color services, and content and database management.

Our common stock is traded on the New York Stock Exchange, the Chicago Stock Exchange and the Toronto Stock Exchange. Our common stock is also currently listed on NYSE Arca, Inc., but we have submitted a proposal for withdrawal from that listing. Our executive offices are located at 111 South Wacker Drive, Chicago, Illinois 60606.

### **Banta Corporation**

On October 31, 2006, we entered into a definitive agreement to acquire Banta Corporation ( *Banta* ) for approximately \$1.3 billion in cash, or \$36.50 per share after the special dividend of \$16.00 per share previously declared and paid by Banta. Banta provides comprehensive printing and digital imaging solutions to leading publishers and direct marketers, including advanced digital content management and e-business services. Additionally, Banta provides a wide range of procurement management and other outsourcing capabilities to the world's largest technology companies. Banta, headquartered in Menasha, Wisconsin, has operations in the United States, Europe and Asia. The acquisition is expected to close in January 2007 and is subject to customary closing conditions, including shareholder approval.

**Table of Contents**

**Perry Judd s Holdings Incorporated**

On December 20, 2006, we signed a definitive agreement to acquire Perry Judd s Holdings Incorporated ( *Perry Judd s* ), a privately-owned printer of magazines and catalogs, for a purchase price of \$176 million. Perry Judd s long- and short-run capabilities for producing consumer and business-to-business catalogs as well as consumer, trade, and association magazines are expected to complement our Publishing, Catalog and Retail Services platform. Of the \$176 million purchase price, approximately \$47 million is for the purchase of the company s common stock and the remainder is for the purchase of the company s preferred stock and the assumption of debt. We expect to redeem the preferred stock and repay the debt at or shortly following the closing. The transaction is expected to close in the first quarter of 2007.

**Von Hoffmann**

On January 3, 2007, we announced the signing of a definitive agreement to acquire Von Hoffmann, a leading U.S.-based printer of books and other products that serves primarily the education, trade and business-to-business catalog segments, from Visant Corporation for purchase consideration of \$412 million. We believe that this acquisition will offer our customers enhanced responsiveness as well as the ability to leverage our leading catalog, premedia, logistics and other production and service resources. The all cash deal, which is subject to customary closing conditions, including regulatory approval, is expected to close by the end of the first quarter of 2007.

**The Offering**

*The brief summary below describes the principal terms of the notes. Some of the terms and conditions described below are subject to important limitations and exceptions. The Description of the Notes section of this prospectus supplement contains a more detailed description of the terms and conditions of the notes.*

Issuer	R.R. Donnelley & Sons Company
Notes Offered	\$625,000,000 aggregate principal amount of 5.625% notes due 2012 and \$625,000,000 aggregate principal amount of 6.125% notes due 2017.
Maturity	The 2012 notes will mature on January 15, 2012 and the 2017 notes will mature on January 15, 2017.
Interest Rates and Payment Dates	The notes will bear interest at a rate of 5.625% per year in the case of the 2012 notes and 6.125% per year in the case of the 2017 notes, payable semiannually in arrears on January 15 and July 15 of each year, commencing on July 15, 2007.
Ranking	The notes will be unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.
Optional Redemption	We may redeem some or all of the notes at any time and from time to time subject to the payment of a make-whole premium described under Description of the Notes Optional Redemption.

**Table of Contents**

Special Mandatory Redemption	We must redeem the notes if our acquisition of Banta is not completed on or prior to March 31, 2007 or the acquisition agreement is terminated before that date at a redemption price equal to 101% of the aggregate principal amount of the notes together with accrued and unpaid interest from the date of initial issuance to but excluding the redemption date. See Description of the Notes Special Mandatory Redemption.
Change of Control and Below Investment Grade Rating	If a change of control event occurs with respect to RR Donnelley and the notes are rated below investment grade on the 60 <sup>th</sup> day following the consummation of the change of control, unless we have exercised our right to redeem the notes, holders of notes will have the right to require us to repurchase all or part of their notes at a price equal to 101% of the aggregate principal amount of the notes repurchased together with accrued and unpaid interest, as described more fully under Description of the Notes Change of Control.
Use of Proceeds	We intend to use the net proceeds from this offering to pay a portion of the purchase price in our acquisition of Banta and for general corporate purposes. See Use of Proceeds.
Risk Factors	Investing in the notes involves risks. You should consider carefully all of the information set forth in this prospectus supplement and the accompanying prospectus, and in particular, should evaluate the specific factors set forth under Risk Factors on page S-10 of this prospectus supplement before investing in the notes.

**Table of Contents**

**RISK FACTORS**

An investment in the notes is subject to numerous risks, including those listed in our Form 10-K and the additional risks described below. You should carefully consider the following risks, along with the information provided elsewhere in this prospectus supplement and the accompanying prospectus. These risks could materially affect our ability to meet obligations under the notes. You could lose all or part of your investment in and expected return on the notes.

**Risks Relating to Our Company**

*We may be unable to successfully integrate the operations of acquired businesses and may not achieve the cost savings and increased revenues anticipated as a result of these acquisitions.*

Achieving the anticipated benefits of acquisitions, including the 2005 acquisitions of Astron, Asia Printers, Poligrafia, Charlestown, Spencer and CMCS, and our planned acquisitions of Banta, Perry Judd's and Von Hoffmann, will depend in part upon our ability to integrate these businesses in an efficient and effective manner. The integration of companies that have previously operated independently may result in significant challenges, and we may be unable to accomplish the integration smoothly or successfully. In particular, the coordination of geographically dispersed organizations with differences in corporate cultures and management philosophies may increase the difficulties of integration. The integration of acquired businesses may also require the dedication of significant management resources, which may temporarily distract management's attention from our the day-to-day operations. The process of integrating operations may also cause an interruption of, or loss of momentum in, the activities of one or more of our businesses and the loss of key personnel or the acquired businesses. Employee uncertainty and lack of focus during the integration process may also disrupt our businesses or the acquired businesses. Our strategy is, in part, predicated on our ability to realize cost savings and to increase revenues through the acquisition of businesses that add to the breadth and depth of our products and services. Achieving these cost savings and revenue increases is dependent upon a number of factors, many of which are beyond our control. In particular, we may not be able to realize the anticipated cross-selling opportunities, develop and market more comprehensive product and service offerings, or generate anticipated cost savings and revenue growth.

**Risks Related to the Offering**

*There is no established trading market for the notes.*

Prior to the offering of the notes, there is currently no established trading market for the notes to be traded and an active market may not develop. As a result, you may not be able to resell your notes for an extended period of time, if at all. Consequently, your lenders may be reluctant to accept the notes as collateral for loans. In addition, in response to prevailing interest rates and market conditions generally or other factors referred to in the section entitled "Forward-Looking Statements," the notes could trade at a price lower than their initial offering price and you may not be able to liquidate your investment.

**Table of Contents****USE OF PROCEEDS**

The net proceeds from this offering are expected to be approximately \$1.2 billion, after deducting the underwriting discounts and our estimated offering expenses. We intend to use the net proceeds from this offering to pay a portion of the purchase price in our acquisition of Banta and for general corporate purposes. See Summary Banta Corporation.

**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and our capitalization as of September 30, 2006 on an actual basis and on an as adjusted basis to give effect to the sale of the notes offered hereby and the application of those net proceeds as described under Use of Proceeds to pay a portion of the purchase price in our acquisition of Banta. You should read this table in conjunction with the consolidated financial statements and the related notes incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As of	
	September 30, 2006 Actual	September 30, 2006 As Adjusted <sup>(1)</sup>
	(\$ amounts in millions)	
Cash and cash equivalents	\$ 250.7	\$ 250.7
Total debt (including current portion):		
Existing notes and debentures <sup>(2)</sup>	2,570.2	2,570.2
Revolving credit facility <sup>(3)</sup>		
Notes offered hereby	N/A	1,244.2
Other existing indebtedness <sup>(4)</sup>	43.2	43.2
Total debt (including current portion)	2,613.4	3,857.6
Total shareholders' equity	4,046.8	4,046.8
Total capitalization	\$ 6,660.2	\$ 7,904.4

- (1) The total consideration for our acquisition of Banta is approximately \$1.3 billion. Of that amount, approximately \$1.2 billion is expected to be paid from the proceeds of this offering and the remaining amount is expected to be paid with commercial paper issuance. The As Adjusted column does not give effect to the commercial paper issuance.
- (2) On November 15, 2006, \$225 million of our 5.0% debentures due 2006 matured and were repaid from available cash and proceeds of commercial paper issuance.
- (3) We have a \$1.0 billion 5-year unsecured revolving credit facility that can be used for general corporate purposes, including letters of credit and as a backstop for our commercial paper program. As of September 30, 2006, there were no borrowings under the facility. We expect to replace the facility with a \$2.0 billion 5-year unsecured revolving credit facility prior to the completion of the Banta acquisition. Additionally, as of September 30, 2006, we had \$224.3 million of credit facilities outside of the United States, most of which were uncommitted. As of September 30, 2006, we had \$47.7 million in outstanding letters of credit, of which \$29.6 million reduced availability under our credit facilities.
- (4) At September 30, 2006, other existing indebtedness was \$43.2 million consisting of international short-term borrowings, vendor financing arrangements and capital leases. In connection with the acquisition of Perry Judd's, we expect to assume approximately \$130 million of indebtedness and preferred stock, all of which is expected to be redeemed or repaid shortly following the closing of the acquisition of Perry Judd's.

---

**Table of Contents**

**DESCRIPTION OF THE NOTES**

You can find the definitions of certain terms used in this description under *Certain Definitions*. Defined terms used in this description but not defined below under *Certain Definitions* or elsewhere in this description have the meanings assigned to them in the indenture. In this description, the *Company*, *us*, *we* and *our* refer only to R.R. Donnelley & Sons Company.

We will issue our 5.625% notes due 2012 (the *2012 notes*) and our 6.125% notes due 2017 (the *2017 notes*) under an indenture, dated as of January 3, 2007, between R.R. Donnelley & Sons Company and LaSalle Bank National Association, as trustee (the *Trustee*), as supplemented from time to time.

The following description is a summary of the material provisions of the indenture. It does not restate that agreement in its entirety. We urge you to read the indenture because it contains additional information that may be of importance to you. A form of the indenture has been filed as an exhibit to the registration statement of which this prospectus supplement is a part and can be obtained as indicated under *Where You Can Find More Information*. The indenture contains provisions that define your rights under the notes. In addition, the indenture governs the obligations of the Company under the notes. The terms of the notes include those stated in the indenture and, upon effectiveness of a registration statement with respect to the notes, those made part of the indenture by reference to the Trust Indenture Act of 1939.

The notes will be issued in two distinct series, the 2012 notes and the 2017 notes. The 2012 notes will be issued in an aggregate principal amount of \$625,000,000. The 2017 notes will be issued in an aggregate principal amount of \$625,000,000.

We may issue additional notes in an unlimited aggregate principal amount at any time and from time to time under the same indenture. For example, we may, from time to time, without notice to, or consent of the holders of notes, create additional 2012 notes or 2017 notes under the indenture. These additional 2012 notes or 2017 notes will have substantially the same terms as the 2012 notes and the 2017 notes, as the case may be, offered hereby in all respects (or in all respects except in some cases for the payment of interest accruing prior to the issue date of the additional 2012 notes or 2017 notes or except for the first payments of interest following the issue date of the additional 2012 notes or 2017 notes) so that the additional 2012 notes or 2017 notes, as the case may be, may be consolidated and form a single series with the 2012 notes or 2017 notes offered hereby, as the case may be.

The notes will be unsecured obligations of R.R. Donnelley & Sons Company only and will rank equally with all of the other unsecured and unsubordinated indebtedness from time to time outstanding of R.R. Donnelley & Sons Company.

We will issue the notes only in fully registered form without coupons, in minimum denominations of \$2,000 and integral multiples of \$1,000. The Trustee will initially act as paying agent and registrar for the notes. The notes may be presented for registration of transfer and exchange at the offices of the registrar, which initially will be the Trustee's corporate trust office. We may change any paying agent and registrar without notice to holders of the notes and we may act as paying agent or registrar. We will pay principal (and premium, if any) on the notes at the Trustee's corporate trust office in Chicago, Illinois. At our option, interest may be paid at the Trustee's corporate trust office or by check mailed to the registered address of the holders.

**Principal, Maturity and Interest**

The 2012 notes will mature on January 15, 2012 and the 2017 notes will mature on January 15, 2017.

Interest on the 2012 notes will accrue at a rate of 5.625% per year and will be payable semiannually in arrears on January 15 and July 15, commencing on July 15, 2007. We will pay interest to those persons who were holders of record on the January 1 and July 1, as the case may be, immediately preceding each interest payment date.

---

## **Table of Contents**

Interest on the 2017 notes will accrue at a rate of 6.125% per year and will be payable semiannually in arrears on January 15 and July 15, commencing on July 15, 2007. We will pay interest to those persons who were holders of record on the January 1 and July 1, as the case may be, immediately preceding each interest payment date.

Interest on the notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

## **Methods of Receiving Payments on the Notes**

If a holder has given us wire transfer instructions, we will pay, or cause to be paid by the paying agent, all principal, premium, if any, and interest on that holder's notes in accordance with those instructions. All other payments on the notes will be made at the office or agency of the paying agent and registrar unless we elect to make interest payments by check mailed to the holders at their address set forth in the register of holders.

## **Ranking**

The notes will be senior unsecured obligations of the Company. The payment of the principal of, premium, if any, and interest on the notes will:

rank equally in right of payment with all other indebtedness of the Company that is not by its terms expressly subordinated to other indebtedness of the Company;

rank senior in right of payment to all indebtedness of the Company that is, by its terms, expressly subordinated to the senior indebtedness of the Company; and

be effectively subordinated to the secured indebtedness of the Company to the extent of the value of the collateral securing such indebtedness and to the indebtedness and other obligations of the Company's subsidiaries.

## **Special Mandatory Redemption**

In the event that, for any reason, (i) the proposed acquisition of Banta is not completed on or prior to March 31, 2007 or (ii) the Agreement and Plan of Merger among Banta Corporation, RR Donnelley and Soda Acquisition, Inc., dated as of October 31, 2006 (the *Merger Agreement*), is terminated on or prior to March 31, 2007, we will redeem all the notes (the *Special Mandatory Redemption*) on the Special Mandatory Redemption Date (as defined below) at a redemption price (the *Special Mandatory Redemption Price*) equal to 101% of the aggregate principal amount of the notes together with accrued and unpaid interest from the date of initial issuance to but excluding the Special Mandatory Redemption Date. The *Special Mandatory Redemption Date* means the earlier to occur of (a) April 15, 2007 if the proposed acquisition has not been completed on or prior to March 31, 2007, or (b) the 30th day (or if such day is not a business day, the first business day thereafter) following the termination of the Merger Agreement for any reason.

Notice of a Special Mandatory Redemption will be mailed promptly after the occurrence of the event triggering redemption to each holder at its registered address. If funds sufficient to pay the Special Mandatory Redemption Price (including any accrued and unpaid interest) of all notes to be redeemed on the Special Mandatory Redemption Date are deposited with the paying agent on or before such Special Mandatory Redemption Date, and certain other conditions are satisfied, on and after such Special Mandatory Redemption Date, the notes will cease to bear interest.

## **Optional Redemption**

We may, at our option, redeem the notes in whole at any time or in part from time to time at a redemption price equal to the greater of (1) 100% of the principal amount of the notes to be redeemed and (2) as determined



---

## **Table of Contents**

by the Quotation Agent (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest in respect of the notes to be redeemed (not including any portion of those payments of interest accrued as of the date of redemption) discounted to the date of redemption (the *Redemption Date*) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate (as defined below) plus 15 basis points for the 2012 notes and 25 basis points for the 2017 notes, as the case may be, plus, in each case, accrued interest to the Redemption Date.

*Adjusted Treasury Rate* means, with respect to any Redemption Date, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

*Comparable Treasury Issue* means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of those notes.

*Comparable Treasury Price* means, with respect to any Redemption Date, (1) the average of the Reference Treasury Dealer Quotations for that Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations so received.

*Quotation Agent* means the Reference Treasury Dealer appointed by us.

*Reference Treasury Dealer* means (1) each of Banc of America Securities LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a *Primary Treasury Dealer*), we will substitute another Primary Treasury Dealer, and (2) any one other Primary Treasury Dealer selected by us.

*Reference Treasury Dealer Quotations* means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding that Redemption Date.

We will mail notice of any redemption at least 30 days, but not more than 60 days, before the Redemption Date to each holder of the notes to be redeemed. Unless we default in payment of the redemption price on the Redemption Date, on and after the Redemption Date, interest will cease to accrue on the notes or portions thereof called for redemption.

Any notice to holders of notes of a redemption hereunder needs to include the appropriate calculation of the redemption price, but does not need to include the redemption price itself. The actual redemption price, calculated as described above, must be set forth in an Officers' Certificate of ours delivered to the Trustee no later than two business days prior to the Redemption Date.

### **Mandatory Redemption**

We are not required to make mandatory redemption or sinking fund payments with respect to the notes except as set forth in Special Mandatory Redemption.

### **Selection and Notice of Redemption**

If we redeem less than all the notes of a series at any time, the Trustee will select notes of that series on a pro rata basis, or on as nearly a pro rata basis as is practicable.

---

## Table of Contents

We will redeem notes of \$2,000 or less in whole and not in part. We will cause notices of redemption to be mailed by first-class mail at least 30 but not more than 60 days before the Redemption Date to each holder of notes to be redeemed at its registered address. We may provide in the notice that payment of the redemption price and performance of our obligations with respect to the redemption or purchase may be performed by another person. Any notice may, at our discretion, be subject to the satisfaction of one or more conditions precedent.

If any note is to be redeemed in part only, the notice of redemption that relates to that note will state the portion of the principal amount thereof to be redeemed. We will issue a new note in a principal amount equal to the unredeemed portion of the original note in the name of the holder upon cancellation of the original note. Notes called for redemption become due on the date fixed for redemption. On and after such date, unless we default in payment of the redemption price on such date, interest ceases to accrue on the notes or portions thereof called for such redemption.

## **Change of Control**

If a Change of Control Triggering Event occurs, unless we have exercised our right to redeem the notes as described above, holders of notes will have the right to require us to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of their notes pursuant to the offer described below (the *Change of Control Offer* ) on the terms set forth in the notes. In the Change of Control Offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased, to the date of purchase (the *Change of Control Payment* ). Within 30 days following any Change of Control Triggering Event, we will be required to mail a notice to holders of notes describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the *Change of Control Payment Date* ), pursuant to the procedures required by the notes and described in such notice. We must comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the notes, we will be required to comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control provisions of the notes by virtue of such conflicts.

On the Change of Control Payment Date, we will be required, to the extent lawful, to:

accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;

deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and

deliver or cause to be delivered to the Trustee the notes properly accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of notes being purchased.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the properties or assets of RR Donnelley and its subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require RR Donnelley to repurchase its notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of RR Donnelley and its subsidiaries taken as a whole to another Person or group may be uncertain.

---

## **Table of Contents**

For purposes of the foregoing discussion of a repurchase at the option of holders, the following definitions are applicable:

*Below Investment Grade Rating Event* means the notes are rated below an Investment Grade Rating by each of the Rating Agencies (as defined below) on the 60<sup>th</sup> day following the occurrence of a Change of Control (which date shall be extended if the rating of the notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies on such 60th day, such extension to last until the date on which the Rating Agency considering such possible downgrade either (x) rates the notes below an Investment Grade Rating or (y) publicly announces that it is no longer considering the notes for possible downgrade; provided, that no such extension shall occur if any of the Rating Agencies rates the notes with an Investment Grade Rating that is not subject to review for possible downgrade on such 60th day).

*Change of Control* means the occurrence of any of the following: (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of RR Donnelley and its subsidiaries taken as a whole to any Person other than RR Donnelley or one of its subsidiaries; (2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any Person becomes the beneficial owner, directly or indirectly, of more than 50% of the then outstanding number of shares of RR Donnelley's voting stock; or (3) the first day on which a majority of the members of RR Donnelley's Board of Directors are not Continuing Directors.

*Change of Control Triggering Event* means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

*Continuing Directors* means, as of any date of determination, any member of the Board of Directors of RR Donnelley who (1) was a member of such Board of Directors on the date of the issuance of the notes; or (2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election (either by a specific vote or by approval of RR Donnelley's proxy statement in which such member was named as a nominee for election as a director, without objection to such nomination).

*Investment Grade Rating* means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P.

*Moody's* means Moody's Investors Service, Inc.

*Person* means any individual, partnership, corporation, limited liability company, joint stock company, business trust, trust, unincorporated association, joint venture or other entity, or a government or political subdivision or agency thereof.

*Rating Agencies* means (1) each of Moody's and S&P; and (2) if any of Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization, within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by us (as certified by a resolution of our Board of Directors) as a replacement agency for Moody's or S&P, or all of them, as the case may be.

*S&P* means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

## **Certain Covenants**

### ***Restrictions on Secured Debt***

The indenture provides that neither R.R. Donnelley & Sons Company nor any Restricted Subsidiary will create, incur, issue, assume or guarantee any indebtedness for borrowed money secured by a mortgage, security

**Table of Contents**

interest, pledge or lien (which we refer to herein, collectively, as a *mortgage* ) on or upon any Principal Property or any shares of capital stock or indebtedness of any Restricted Subsidiary, whether owned at the date of the indenture or acquired after the date of the indenture, without ensuring that the notes (together with, if we decide, any other indebtedness created, issued, assumed or guaranteed by R.R. Donnelley & Sons Company or any Restricted Subsidiary then existing or thereafter created) will be secured by such mortgage equally and proportionately with (or, at our option, prior to) such indebtedness. This restriction will not apply to indebtedness secured by any of the following:

mortgages on any property acquired, constructed or improved by, or on any shares of capital stock or indebtedness acquired by, us or any Restricted Subsidiary after the date of the indenture to secure indebtedness incurred for the purpose of financing or refinancing all or any part of the purchase price of such property, shares of capital stock or indebtedness or of the cost of any construction or improvements on such properties, in each case, to the extent that the indebtedness is incurred prior to or within 180 days after the applicable acquisition, completion of construction or beginning of commercial operation of such property, as the case may be;

mortgages on any property, shares of capital stock or indebtedness existing at the time we or any Restricted Subsidiary acquire any of the same;

mortgages on property of a corporation existing at the time we or any Restricted Subsidiary merge or consolidate with such corporation or at the time we or any Restricted Subsidiary acquire all or substantially all of the properties of such corporation;

mortgages on any property of, or shares of capital stock or indebtedness of, a corporation existing at the time such corporation becomes a Restricted Subsidiary;

mortgages to secure indebtedness of any Restricted Subsidiary to us or another Restricted Subsidiary;

mortgages in favor of certain governmental bodies to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure indebtedness incurred or guaranteed to finance or refinance all or any part of the purchase price of the property, shares of capital stock or indebtedness subject to such mortgages, or the cost of constructing or improving the property subject to such mortgage; and

extensions, renewals or replacements of any mortgage existing on the date of the indenture or any mortgage referred to above; however, the principal amount of indebtedness secured thereby may not exceed the principal amount of indebtedness so secured at the time of such extension, renewal or replacement, and such extension, renewal or replacement will be limited to all or a part of the property (plus improvements and construction on such property), shares of capital stock or indebtedness which was subject to the mortgage so extended, renewed or replaced.

Notwithstanding the restriction outlined above, we or any Restricted Subsidiary may, without having to equally and proportionately secure the notes, issue, assume or guarantee indebtedness secured by a mortgage not excepted from the restriction if the total amount of the following does not at the time exceed 15% of Consolidated Net Tangible Assets:

such indebtedness; plus

all other indebtedness that we and our Restricted Subsidiaries have incurred or have guaranteed existing at such time and secured by mortgages not so excepted; plus

## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

the Attributable Debt existing in respect of Sale and Lease-Back Transactions existing at such time. Attributable Debt with respect to the following types of Sale and Lease-Back Transactions will not be included for the purposes of calculating Attributable Debt in the preceding sentence:

Sale and Lease-Back Transactions in respect of which an amount (equaling at least the greater of the net proceeds of the sale of property or the fair market value of the property) is used within 180 days

S-17

## **Table of Contents**

after the effective date of the arrangement to make non-mandatory prepayments on long-term indebtedness, retire long-term indebtedness or acquire, construct or improve a manufacturing plant or facility which is, or upon completion will be, a Principal Property; and

Sale and Lease-Back Transactions in which the property involved would have been permitted to be mortgaged under the first bullet point of the preceding paragraph.

### ***Restrictions on Sale and Lease-Back Transactions***

The indenture provides that neither we nor any Restricted Subsidiary will enter into any Sale and Lease-Back Transaction with respect to any Principal Property unless:

we or such Restricted Subsidiary are entitled under the provisions described in the first or sixth bullet point in the first paragraph under **Restrictions on Secured Debt** to create, issue, assume or guarantee indebtedness secured by a mortgage on the property to be leased without having to equally and proportionately secure the notes;

we or such Restricted Subsidiary are entitled under the provisions described in the last paragraph under **Restrictions on Secured Debt** to create, issue, assume or guarantee indebtedness secured by a mortgage on such property in an amount at least equal to the Attributable Debt in respect of the Sale and Lease-Back Transaction without having to equally and proportionately secure the notes; or

we apply an amount (equaling at least the greater of the net proceeds of the sale of property or the fair market value of the property) within 180 days after the effective date of the arrangement to make non-mandatory prepayments on long-term indebtedness, retire long-term indebtedness or acquire, construct or improve a manufacturing plant or facility which is, or upon completion will be, a Principal Property.

### **Consolidation, Merger and Sale of Assets**

The indenture provides that we may consolidate or merge with or into any other corporation, or lease, sell or transfer all or substantially all of our property and assets if:

the corporation formed by such consolidation or into which we are merged, or the party which acquires by lease, sale or transfer all or substantially all of our property and assets is a corporation organized and existing under the laws of the United States, any state in the United States or the District of Columbia;

the corporation formed by such consolidation or into which we are merged, or the party which acquires by lease, sale or transfer all or substantially all of our property and assets, agrees to pay the principal of, and any premium and interest on, the notes and perform and observe all covenants and conditions of the indenture by executing and delivering to the Trustee a supplemental indenture; and

immediately after giving effect to such transaction and treating indebtedness for borrowed money which becomes our obligation or an obligation of a Restricted Subsidiary as a result of such transaction as having been incurred by us or such Restricted Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, has happened and is continuing.

If, upon any such consolidation or merger, or upon any such lease, sale or transfer of any of our Principal Property or any shares of capital stock or indebtedness of any Restricted Subsidiary, owned immediately prior to the transaction, would thereupon become subject to any mortgage, security interest, pledge or lien securing any indebtedness for borrowed money of, or guaranteed by, such other corporation or party (other than any mortgage, security interest, pledge or lien permitted as described under **Certain Covenants** **Restrictions on Secured Debt** above), we, prior

to such consolidation, merger, lease, sale or transfer, will, by executing and delivering to

S-18

## **Table of Contents**

the Trustee a supplemental indenture, secure the due and punctual payment of the principal of, and any premium and interest on, the notes (together with, if we decide, any other indebtedness of, or guaranteed by, us or any Restricted Subsidiary then existing or thereafter created) equally and proportionately with (or, at our option, prior to) the indebtedness secured by such mortgage, security interest, pledge or lien.

## **Reports**

We will file with the Trustee, within 15 days after we are required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies thereof as the Commission may from time to time by rules and regulations prescribe) which we may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if we are not required to file information, documents or reports under those Sections, then we will file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in those rules and regulations.

## **Events of Default**

With respect to the notes of each series, an Event of Default is defined in the indenture as being:

a failure to pay interest upon the notes of that series that continues for a period of 30 days after payment is due;

a failure to pay the principal or premium, if any, on the notes of that series when due upon maturity, redemption, acceleration or otherwise;

a failure to comply with any of our other agreements contained in the indenture applicable to the notes of that series for a period of 90 days after written notice to us of such failure from the Trustee (or to us and the Trustee from the holders of at least 25% of the principal amount of the notes of that series); and

certain events of bankruptcy, insolvency or reorganization relating to us.

The indenture provides that if there is a continuing Event of Default with respect to either outstanding series of notes, either the Trustee or the holders of at least 25% of the outstanding principal amount of the notes of that series may declare the principal amount of all of the notes of that series to be due and payable immediately. However, at any time after the Trustee or the holders, as the case may be, declare an acceleration with respect to notes of either series, but before the applicable person has obtained a judgment or decree based on such acceleration, the holders of a majority in principal amount of the outstanding notes of that series may, under certain conditions, cancel such acceleration if we have cured all Events of Default (other than the nonpayment of accelerated principal) with respect to notes of that series or all such Events of Default have been waived as provided in the indenture. For information as to waiver of defaults, see Modification and Waiver.

The indenture provides that, subject to the duties of the Trustee to act with the required standard of care, if there is a continuing Event of Default, the Trustee need not exercise any of its rights or powers under the indenture at the request or direction of any of the holders of notes, unless such holders have offered to the Trustee reasonable security or indemnity. Subject to such provisions for security or indemnification of the Trustee and certain other conditions, the holders of a majority in principal amount of the outstanding notes of each series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power the Trustee holds with respect to the notes of that series.

No holder of any note of either series will have any right to institute any proceeding with respect to the indenture or for any remedy under the indenture unless:



## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

the Trustee has failed to institute such proceeding for 60 days after the holder has previously given to the Trustee written notice of a continuing Event of Default with respect to notes of that series;

S-19

## **Table of Contents**

the holders of at least 25% in principal amount of the outstanding notes of that series have made a written request, and offered reasonable security or indemnity, to the Trustee to institute such proceeding as Trustee; and

the Trustee has not received from the holders of a majority in principal amount of the outstanding notes of that series a direction inconsistent with such request.

However, the holder of any note will have an absolute and unconditional right to receive payment of the principal of, and any premium or interest on, such note on or after the date or dates they are to be paid as expressed in such note and to institute suit for the enforcement of any such payment.

We are required to furnish to the Trustee annually a statement as to the absence of certain defaults under the indenture. The indenture provides that the Trustee need not provide holders of notes of either series notice of any default (other than the nonpayment of principal or any premium or interest) if it considers it in the interest of the holders of notes of that series not to provide such notice.

## **Modification and Waiver**

We and the Trustee may modify or amend the indenture with the consent of the holders of a majority of the principal amount of the outstanding notes of each series affected by the modification or amendment. However, no such modification or amendment may, without the consent of the holders of all then outstanding notes of the affected series:

change the due date of the principal of, or any installment of principal of or interest on, the notes of that series;

reduce the principal amount of, or any premium or interest rate on, the notes of that series;

change the place or currency of payment of principal of, or any premium or interest on, the notes of that series;

impair the right to institute suit for the enforcement of any payment on or with respect to the notes of that series after the due date thereof; or

reduce the percentage in principal amount of the notes of that series then outstanding, the consent of whose holders is required for modification or amendment of the indenture, for waiver of compliance with certain provisions of the indenture or for waiver of certain defaults.

The holders of a majority of the principal amount of the outstanding notes of any series may waive, insofar as that series is concerned, future compliance by us with certain restrictive covenants of the indenture. The holders of at least a majority in principal amount of the outstanding notes of any series may waive any past default under the indenture with respect to that series, except a failure by us to pay the principal of, or any premium or interest on, any notes of that series or a provision that cannot be modified or amended without the consent of the holders of all outstanding notes of the affected series.

## **No Personal Liability of Directors, Officers, Employees and Stockholders**

No director, officer, employee or stockholder of ours will have any liability for any of our obligations under the notes or the indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes.

## **Defeasance**

### *Defeasance and Discharge*

## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

The indenture provides that we may be discharged from any and all obligations in respect of the notes of either series (except for certain obligations to register the transfer or exchange of notes of that series, to replace

S-20

---

## **Table of Contents**

stolen, destroyed, lost or mutilated notes of that series, to maintain paying agencies, to compensate and indemnify the Trustee or to furnish the Trustee (if the Trustee is not the registrar) with the names and addresses of holders of notes of that series)). We will be so discharged if we irrevocably deposit with the Trustee, in trust, money and/or securities of the United States government in an amount sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay each installment of principal of, and any premium and interest on, the notes of that series on the applicable due dates for those payments in accordance with the terms of those notes.

This discharge may occur only if, among other things, we have delivered to the Trustee an opinion of counsel confirming that the holders of the notes of that series will not recognize income, gain or loss for United States federal income tax purposes as a result of such defeasance and will be subject to United States federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the discharge had not occurred. That opinion must state that we have received from, or there has been published by, the United States Internal Revenue Service a ruling or, since the date of execution of the indenture, there has been a change in the applicable United States federal income tax law, in any case, in support of that opinion.

### ***Defeasance of Certain Covenants and Certain Events of Default***

The indenture provides that, upon compliance with certain conditions:

we may omit to comply with the covenants described under **Certain Covenants Restrictions on Secured Debt** and **Certain Covenants Restrictions on Sale and Lease-Back Transactions** (all other obligations under the notes of that series will remain in full force and effect); and

any omission to comply with those covenants will not constitute an Event of Default with respect to the notes of that series ( *covenant defeasance* ).

The conditions include:

depositing with the Trustee money and/or securities of the United States government in an amount sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay each installment of principal of, any premium and interest on the notes of that series on the due dates for those payments in accordance with the terms of those notes; and

delivering to the Trustee an opinion of counsel to the effect that the holders of the notes of that series will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit and related covenant defeasance and will be subject to United States federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit and related covenant defeasance had not occurred.

### ***Covenant Defeasance and Certain Other Events of Default***

If we exercise our option to effect a covenant defeasance with respect to the notes of a series as described above and the notes of that series are thereafter declared due and payable because of an Event of Default (other than an Event of Default caused by failing to comply with the covenants that are defeased), the amount of money and securities we have deposited with the Trustee would be sufficient to pay amounts due on the notes of that series on their respective due dates but may not be sufficient to pay amounts due on the notes of that series at the time of acceleration resulting from such Event of Default. However, we would remain liable for such payments.

## **Governing Law**

The indenture and the notes are governed by the laws of the State of New York.

## **Table of Contents**

### **The Trustee**

LaSalle Bank National Association is the Trustee under the indenture.

Except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the indenture. The Trustee will exercise such of the rights and powers vested in it under the indenture and use the same degree of care and skill in its exercise as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

### **Certain Definitions**

Set forth below is a summary of certain of the defined terms used in the indenture. Reference is made to the indenture for the full definition of all such terms as well as any other capitalized terms used herein for which no definition is provided. Unless the context otherwise requires, an accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles.

*Attributable Debt* is defined in the indenture to mean, in the context of a Sale and Lease-Back Transaction, what we believe in good faith to be the present value, discounted at the interest rate implicit in the lease involved in such Sale and Lease-Back Transaction, of the lessee's obligation under the lease for rental payments during the remaining term of such lease, as it may be extended. For purposes of this definition, any amounts lessee must pay, whether or not designated as rent or additional rent, on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges or any amounts lessee must pay under the lease contingent upon the amount of sales, maintenance and repairs, insurance, taxes, assessments, water rates or similar charges are not included in the determination of lessee's obligations under the lease.

*Commission* means the U.S. Securities and Exchange Commission.

*Consolidated Net Tangible Assets* is defined in the indenture to mean the total amount of assets minus:

all applicable reserves;

all current liabilities (excluding any liabilities which are by their terms extendible or renewable at the option of the obligor to a time more than 12 months after the time as of which the amount thereof is being computed and excluding current maturities of long-term indebtedness); and

all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangible assets, all as shown in our audited consolidated balance sheet contained in our then most recent annual report to stockholders, except that assets will include an amount equal to the Attributable Debt in respect of any Sale and Lease-Back Transaction not capitalized on such balance sheet.

*Default* means any event which is, or after notice or passage of time or both would be, an Event of Default.

*Event of Default* has the meaning set forth under Events of Default.

*Issue Date* means the date on which the notes are initially issued.

*Officer* means the Chief Executive Officer, the President, the Chief Financial Officer or any Vice President, the Treasurer or the Secretary of the specified Person.

*Officers' Certificate* means a certificate signed by the Chairman of the Board, the Chief Executive Officer, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary, and delivered to the Trustee.



**Table of Contents**

*Person* means any individual, corporation, company (including any limited liability company), association, partnership, joint venture, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

*Principal Property* is defined in the indenture to mean any manufacturing plant or manufacturing facility owned by us or any Restricted Subsidiary which is located within the United States and has a gross book value in excess of 1% of Consolidated Net Tangible Assets at the time of determination, except for any such plant or facility or any portion of such plant or facility which our board of directors does not deem material to the total business conducted by us and our Restricted Subsidiaries considered as one enterprise.

*Restricted Subsidiary* is defined in the indenture to mean any Subsidiary that has substantially all of its property located in or that conducts substantially all of its business within the United States (other than its territories or possessions and other than Puerto Rico) and that owns a Principal Property; however, any Subsidiary which is principally engaged in financing operations outside the United States or which is principally engaged in leasing or in financing installment receivables will not be considered a Restricted Subsidiary.

*Sale and Lease-Back Transaction* is defined in the indenture to mean the leasing by us or any Restricted Subsidiary of any Principal Property, whether owned at the date of the indenture or acquired after the date of the indenture (except for temporary leases for a term, including any renewal term, of up to three years and except for leases between us and any Restricted Subsidiary or between Restricted Subsidiaries), which property has been or is to be sold or transferred by us or such Restricted Subsidiary to any party with the intention of taking back a lease of such property.

*Subsidiary* is defined in the indenture to mean any corporation in which we and/or one or more other Subsidiaries, directly or indirectly, own more than 50% of the outstanding voting stock.

---

**Table of Contents**

**BOOK-ENTRY; DELIVERY AND FORM**

The notes initially will be represented by one or more permanent global certificates in definitive, fully registered form (the Global Notes ). The Global Notes will be deposited upon issuance with The Depository Trust Company, New York, New York ( DTC ) and registered in the name of a nominee of DTC in the form of a global certificate.

**The Global Notes**

DTC has advised us that pursuant to procedures established by it (i) upon the issuance of the Global Notes, DTC or its custodian will credit, on its internal system, the principal amount at maturity of the individual beneficial interests represented by such Global Notes to the respective accounts of persons who have accounts with such depository and (ii) ownership of beneficial interests in the Global Notes will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants). Ownership of beneficial interests in the Global Notes will be limited to persons who have accounts with DTC ( participants ) or persons who hold interests through participants. Holders may hold their interests in the Global Notes directly through DTC if they are participants in such system, or indirectly through organizations that are participants in such system.

So long as DTC, or its nominee, is the registered owner or holder of the notes, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such Global Notes for all purposes under the indenture governing the notes. No beneficial owner of an interest in the Global Notes will be able to transfer that interest except in accordance with DTC 's procedures, in addition to those provided for under the indenture with respect to the notes.

Payments of the principal of, premium, if any, and interest (including additional interest) on, the Global Notes will be made to DTC or its nominee, as the case may be, as the registered owner of the Global Notes. None of RR Donnelley, the trustee or any paying agent under the indenture governing the notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest.

DTC has advised us that its present practice is, upon receipt of any payment of principal, premium, if any, and interest (including additional interest) on the Global Notes, to credit immediately participants ' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC. Payments by participants to owners of beneficial interests in the Global Notes held through such participants will be governed by standing instructions and customary practice, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way through DTC 's same-day funds system in accordance with DTC rules and will be settled in same-day funds. If a holder requires physical delivery of a certificated security for any reason, including to sell notes to persons in states which require physical delivery of the notes, or to pledge such securities, such holder must transfer its interest in a Global Note, in accordance with the normal procedures of DTC and with the procedures set forth in the indenture governing the notes.

DTC has advised us that it will take any action permitted to be taken by a holder of notes, including the presentation of notes for exchange as described below, only at the direction of one or more participants to whose account the DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of notes as to which such participant or participants has or have given such direction. However,



## Table of Contents

if there is an event of default under the indenture governing the notes, DTC will exchange the Global Notes for certificated securities, which it will distribute to its participants.

DTC has advised us as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a clearing corporation within the meaning of the Uniform Commercial Code and a Clearing Agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly ( indirect participants ).

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Note among participants of DTC, it is under no obligation to perform such procedures, and such procedures may be discontinued at any time. Neither we nor the trustee will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

*Clearstream.* Clearstream is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations ( Clearstream Participants ) and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides Clearstream Participants with, among other things, services for safekeeping, administration, clearance and establishment of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Monetary Institute. Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant either directly or indirectly.

Distributions with respect to notes held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures to the extent received by DTC for Clearstream.

*Euroclear.* Euroclear was created in 1968 to hold securities for participants of Euroclear ( Euroclear Participants ) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the Euroclear Operator ), under contract with Euro-clear Clearance Systems S.C., a Belgian cooperative corporation (the Cooperative ). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is regulated and examined by the Belgian Banking Commission.

## **Table of Contents**

Links have been established among DTC, Clearstream and Euroclear to facilitate the initial issuance of the notes sold outside of the United States and cross-market transfers of the notes associated with secondary market trading.

Although DTC, Clearstream and Euroclear have agreed to the procedures provided below in order to facilitate transfers, they are under no obligation to perform these procedures, and these procedures may be modified or discontinued at any time.

Clearstream and Euroclear will record the ownership interests of their participants in much the same way as DTC, and DTC will record the total ownership of each of the U.S. agents of Clearstream and Euroclear, as participants in DTC. When notes are to be transferred from the account of a DTC participant to the account of a Clearstream participant or a Euroclear participant, the purchaser must send instructions to Clearstream or Euroclear through a participant at least one day prior to settlement. Clearstream or Euroclear, as the case may be, will instruct its U.S. agent to receive notes against payment. After settlement, Clearstream or Euroclear will credit its participant's account. Credit for the notes will appear on the next day (European time).

Because settlement is taking place during New York business hours, DTC participants will be able to employ their usual procedures for sending notes to the relevant U.S. agent acting for the benefit of Clearstream or Euroclear participants. The sale proceeds will be available to the DTC seller on the settlement date. As a result, to the DTC participant, a cross-market transaction will settle no differently than a trade between two DTC participants.

When a Clearstream or Euroclear participant wishes to transfer notes to a DTC participant, the seller will be required to send instructions to Clearstream or Euroclear through a participant at least one business day prior to settlement. In these cases, Clearstream or Euroclear will instruct its U.S. agent to transfer these notes against payment for them. The payment will then be reflected in the account of the Clearstream or Euroclear participant the following day, with the proceeds back valued to the value date, which would be the preceding day, when settlement occurs in New York, if settlement is not completed on the intended value date, that is, the trade fails, proceeds credited to the Clearstream or Euroclear participant's account will instead be valued as of the actual settlement date.

You should be aware that you will only be able to make and receive deliveries, payments and other communications involving the notes through Clearstream and Euroclear on the days when those clearing systems are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States. In addition, because of time zone differences there may be problems with completing transactions involving Clearstream and Euroclear on the same business day as in the United States.

## **Certificated Notes**

Certificated notes will be issued in exchange for beneficial interests in the Global Notes if DTC is at any time unwilling or unable to continue as a depository for the Global Notes and a successor depository is not appointed by us within 90 days and in other limited circumstances specified in the indenture.

**Table of Contents**

**UNITED STATES TAXATION**

This section describes the material United States federal income tax consequences of owning the notes we are offering. It applies to you only if you acquire notes in the offering at the offering price and you hold your notes as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

a dealer in securities or currencies,

a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,

a bank,

a life insurance company,

a tax-exempt organization,

a person that owns notes that are a hedge or that are hedged against interest rate risks,

a person that owns notes as part of a straddle or conversion transaction for tax purposes, or

a United States holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

If you purchase notes at a price other than the offering price, the amortizable bond premium or market discount rules may also apply to you. You should consult your tax advisor regarding this possibility.

This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

*Please consult your own tax advisor concerning the consequences of owning these notes in your particular circumstances under the Internal Revenue Code and the laws of any other taxing jurisdiction.*

**United States Holders**

This subsection describes the tax consequences to a United States holder. You are a United States holder if you are a beneficial owner of a note and you are:

a citizen or resident of the United States,

a domestic corporation,

## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

an estate whose income is subject to United States federal income tax regardless of its source, or

a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

If you are not a United States holder, this subsection does not apply to you and you should refer to **United States Alien Holders** below.

*Payments of Interest.* You will be taxed on interest on your note as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for tax purposes.

*Purchase, Sale and Retirement of the Notes.* Your tax basis in your note generally will be its cost. You will generally recognize capital gain or loss on the sale or retirement of your note equal to the difference between the amount you realize on the sale or retirement, excluding any amounts attributable to accrued but unpaid interest,

S-27

## **Table of Contents**

and your tax basis in your note. Capital gain of a non-corporate United States holder that is recognized before January 1, 2011 is generally taxed at a maximum rate of 15% where the holder has a holding period greater than one year.

### **United States Alien Holders**

This subsection describes the tax consequences to a United States alien holder. You are a United States alien holder if you are the beneficial owner of a note and are, for United States federal income tax purposes:

a nonresident alien individual,

a foreign corporation, or

an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from a note.

If you are a United States holder, this subsection does not apply to you.

Under United States federal income and estate tax law, and subject to the discussion of backup withholding below, if you are a United States alien holder of a note:

we and other U.S. payors generally will not be required to deduct United States withholding tax from payments of principal and interest to you if, in the case of payments of interest:

1. you do not actually or constructively own 10% or more of the total combined voting power of all classes of stock of RR Donnelley entitled to vote,
2. you are not a controlled foreign corporation that is related to RR Donnelley through stock ownership, and
3. the U.S. payor does not have actual knowledge or reason to know that you are a United States person and:
  - a. you have furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-United States person,
  - b. in the case of payments made outside the United States to you at an offshore account (generally, an account maintained by you at a bank or other financial institution at any location outside the United States), you have furnished to the U.S. payor documentation that establishes your identity and your status as a non-United States person,
  - c. the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:

## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

- i. a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Internal Revenue Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners),
- ii. a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the Internal Revenue Service), or
- iii. a U.S. branch of a non-United States bank or of a non-United States insurance company,

and the withholding foreign partnership, qualified intermediary or U.S. branch has received documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the Internal Revenue Service),

S-28

---

**Table of Contents**

- d. the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business,
  - i. certifying to the U.S. payor under penalties of perjury that an Internal Revenue Service Form W-8BEN or an acceptable substitute form has been received from you by it or by a similar financial institution between it and you, and
  - ii. to which is attached a copy of the Internal Revenue Service Form W-8BEN or acceptable substitute form, or
- e. the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations; and

no deduction for any United States federal withholding tax will be made from any gain that you realize on the sale or exchange of your note.

Further, a note held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for United States federal estate tax purposes if:

the decedent did not actually or constructively own 10% or more of the total combined voting power of all classes of stock of RR Donnelley entitled to vote at the time of death and

the income on the note would not have been effectively connected with a United States trade or businesses of the decedent at the same time.

**Backup Withholding and Information Reporting**

In general, if you are a non-corporate United States holder, we and other payors are required to report to the Internal Revenue Service all payments of principal and interest on your note. In addition, we and other payors are required to report to the Internal Revenue Service any payment of proceeds of the sale of your note before maturity within the United States. Additionally, backup withholding will apply to any payments if you fail to provide an accurate taxpayer identification number, or you are notified by the Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax returns.

In general, if you are a United States alien holder, payments of principal or interest made by us and other payors to you will not be subject to backup withholding and information reporting, provided that the certification requirements described above under "United States Alien Holders" are satisfied or you otherwise establish an exemption. However, we and other payors are required to report payments of interest on your notes on Internal Revenue Service Form 1042-S even if the payments are not otherwise subject to information reporting requirements. In addition, payment of the proceeds from the sale of notes effected at a United States office of a broker will not be subject to backup withholding and information reporting provided that:

the broker does not have actual knowledge or reason to know that you are a United States person and you have furnished to the broker:

an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form upon which you certify, under penalties of perjury, that you are not a United States person, or

## Edgar Filing: RR Donnelley & Sons Co - Form 424B5

other documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations, or

you otherwise establish an exemption.

If you fail to establish an exemption and the broker does not possess adequate documentation of your status as a non-United States person, the payments may be subject to information reporting and backup withholding.

S-29



**Table of Contents**

However, backup withholding will not apply with respect to payments made to an offshore account maintained by you unless the broker has actual knowledge that you are a United States person.

In general, payment of the proceeds from the sale of notes effected at a foreign office of a broker will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

the proceeds are transferred to an account maintained by you in the United States,

the payment of proceeds or the confirmation of the sale is mailed to you at a United States address, or

the sale has some other specified connection with the United States as provided in U.S. Treasury regulations, unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption.

In addition, payment of the proceeds from the sale of notes effected at a foreign office of a broker will be subject to information reporting if the broker is:

a United States person,

a controlled foreign corporation for United States tax purposes,

a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period, or

a foreign partnership, if at any time during its tax year:

one or more of its partners are U.S. persons, as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or

such foreign partnership is engaged in the conduct of a United States trade or business, unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a United States person.

**Table of Contents****UNDERWRITING**

We are offering the notes described in this prospectus supplement through a number of underwriters. Banc of America Securities LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. are the representatives of the underwriters. We have entered into a firm commitment underwriting agreement with the representatives. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, the aggregate principal amount of notes listed next to its name in the following table.

<b>Underwriter</b>	<b>Principal Amount of</b>	
	<b>2012 Notes</b>	<b>2017 Notes</b>
Banc of America Securities LLC	\$ 170,834,000	\$ 170,834,000
Citigroup Global Markets Inc.	170,833,000	170,833,000
J.P. Morgan Securities Inc.	170,833,000	170,833,000
ABN AMRO Incorporated	31,250,000	31,250,000
Lazard Capital Markets LLC	25,000,000	25,000,000
ING Financial Markets LLC	25,000,000	25,000,000
Wells Fargo Securities, LLC	18,750,000	18,750,000
Piper Jaffray & Co.	12,500,000	12,500,000
<b>Total</b>	<b>\$ 625,000,000</b>	<b>\$ 625,000,000</b>

The underwriting agreement is subject to a number of terms and conditions and provides that the underwriters must buy all of the notes if they buy any of them. The underwriters will sell the notes to the public when and if the underwriters buy the notes from us.

The underwriters have advised us that they propose initially to offer the notes to the public for cash at the public offering prices set forth on the cover of this prospectus supplement, and to certain dealers at such prices less a concession not in excess of 0.350% of the principal amount of the 2012 notes and a concession not in excess of 0.400% of the principal amount of the 2017 notes. The underwriters may allow, and such dealers may reallow, a concession not in excess of 0.250% of the principal amount of the 2012 notes and a concession not in excess of 0.250% of the principal amount of the 2017 notes to certain other dealers. After the public offering of the notes, the public offering price and other selling terms may be changed.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts, will be approximately \$300,000.

We have agreed to indemnify the underwriters against, or contribute to payments that the underwriters may be required to make in respect of, certain liabilities, including liabilities under the Securities Act of 1933.

The notes are a new issue of securities with no established trading market. The notes will not be listed on any securities exchange or on any automated dealer quotation system. The underwriters may make a market in the notes after completion of the offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market for the notes or that an active public market for the notes will develop. If an active public market for the notes does not develop, the market price and liquidity of the notes may be adversely affected.

In connection with the offering of the notes, the representatives may engage in transactions that stabilize, maintain or otherwise affect the price of the notes. Specifically, the representatives may over allot in connection with the offering, creating a short position. In addition, the representatives may bid for, and purchase, the notes in the open market to cover short positions or to stabilize the price of the notes. Any of these activities may stabilize or maintain the market price of the notes above independent market levels, but no representation is made hereby of the magnitude of any effect that the transactions described above may have on the market price of the notes. The representatives will not be required to engage in these activities, and may engage in these activities, and may end any of these activities, at any time without notice.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that with effect from



---

**Table of Contents**

and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date ) it has not made and will not make an offer of notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000 and (3) an annual net turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purpose of this provision, the expression an offer of notes to the public in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe to the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ( FSMA )) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA would not, if the issuer was not an authorized person, apply to the issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

Affiliates of certain underwriters are lenders under our new senior revolving credit facility, and, therefore, will receive proceeds from the offering to the extent that the proceeds are used to repay borrowings under such facility. In addition, affiliates of certain underwriters have made commitments to make loans to us under an interim loan facility to finance in part our acquisition of Banta in the event the offering of notes made hereby is not completed. The underwriters and certain of their affiliates have provided from time to time, and may provide in the future, investment and commercial banking (including acting as lenders under each of the credit facilities described above) and financial advisory services to us and our affiliates in the ordinary course of business, for which they have received and may continue to receive customary fees and commissions. In the ordinary course of their business, the underwriters and their affiliates may actively trade or hold the securities or our loans for their own accounts or for the accounts of customers and, accordingly, may at any time hold long or short positions in these securities or loans. In addition, from time to time, as a result of market-making activities, the underwriters may own debt securities issued by us or our affiliates.

Lazard Capital Markets LLC ( Lazard Capital Markets ) has entered into an agreement with Mitsubishi UFJ Securities (USA), Inc. ( MUS(USA) ) pursuant to which MUS(USA) provides certain advisory and/or other services to Lazard Capital Markets, including in respect of this offering. In return for the provision of such services by MUS(USA)) to Lazard Capital Markets, Lazard Capital Markets will pay to MUS(USA) a mutual agreed upon fee.

**Table of Contents**

**VALIDITY OF THE NOTES**

The validity of the notes will be passed upon for us by Sullivan & Cromwell LLP. Certain legal matters will be passed upon for the underwriters by Cahill Gordon & Reindel LLP.

**EXPERTS**

The consolidated financial statements incorporated in this prospectus supplement by reference from the R. R. Donnelley & Sons Company Current Report on Form 8-K filed December 22, 2006, and related financial statement schedule and management's report on the effectiveness of internal control over financial reporting incorporated in this prospectus supplement by reference from the R. R. Donnelley & Sons Company Annual Report on Form 10-K, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports (which report on the consolidated financial statements expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's acquisition on February 27, 2004 of all outstanding shares of Moore Wallace Incorporated) dated March 1, 2006 (December 22, 2006 as to references in segment information in Notes 4, 5 and 20), which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

S-33

Table of Contents

# R.R. Donnelley & Sons Company

Debt Securities

Warrants

Purchase Contracts

Units

Preferred Stock

Depository Shares

Common Stock

---

R.R. Donnelley & Sons Company from time to time may offer to sell debt securities, warrants, and purchase contracts, either individually or in units, as well as preferred stock, either separately or represented by depository shares, and common stock. The debt securities may be senior or subordinated to other indebtedness of R.R. Donnelley. The debt securities may be convertible into or exercisable or exchangeable for common or preferred stock or other securities of R.R. Donnelley. Any preferred stock or depository shares issued may also be convertible into common stock or another series of preferred stock or depository shares or convertible into or exchangeable for other securities. R.R. Donnelley's common stock is listed on the New York Stock Exchange, the Toronto Stock Exchange and the Chicago Stock Exchange under the ticker symbol RRD. Our common stock is also currently listed on NYSE Arca, Inc., but we have submitted a proposal for withdrawal from that listing.

R.R. Donnelley may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis.

The specific terms of any securities to be offered will be provided in supplements to this prospectus.

---

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

---

Prospectus dated January 3, 2007.

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any documents filed by us at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public through the SEC's Internet site at <http://www.sec.gov>.

We have filed with the SEC a registration statement on Form S-3 relating to the securities covered by this prospectus. This prospectus is a part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document of the Company, the reference is only a summary and you should refer to the exhibits that are a part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C., as well as through the SEC's Internet site.

**INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

The SEC's rules allow us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus and before the date that the offering of the securities by means of this prospectus is terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus.

We incorporate by reference into this prospectus the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules):

- (1) Annual Report on Form 10-K for the fiscal year ended December 31, 2005;
- (2) Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2006, June 30, 2006 and September 30, 2006;
- (3) Current Reports on Form 8-K filed on February 22, 2006 (with respect to Items 5.03 and 9.01), March 1, 2006, March 23, 2006, April 27, 2006 (with respect to Item 5.02), June 5, 2006, June 14, 2006, July 7, 2006, July 19, 2006, August 18, 2006, October 13, 2006, November 1, 2006, December 21, 2006 and December 22, 2006;
- (4) All documents filed by the Company under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 on or after the date of this prospectus and before the termination of this offering.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can obtain those documents from our website at [www.rrdonnelley.com](http://www.rrdonnelley.com) or request them in writing or by telephone at the following address or telephone number:

**R.R. Donnelley & Sons Company**

**111 South Wacker Drive**

**Chicago, Illinois 60606-4301**

**Telephone: (866) 425-8272**





**Table of Contents**

**THE COMPANY**

RR Donnelley is the world's premier full-service provider of print and related services, including business process outsourcing. Founded more than 140 years ago, the Company provides solutions in commercial printing, direct mail, financial printing, print fulfillment, labels, forms, logistics, call centers, transactional print-and-mail, print management, online services, digital photography, color services, and content and database management to customers in the publishing, healthcare, advertising, retail, technology, financial services and many other industries. The largest companies in the world and others rely on RR Donnelley's scale, scope and insight through a comprehensive range of online tools, variable printing services and market-specific solutions.

**EXPERTS**

The consolidated financial statements incorporated in this prospectus by reference from the R.R. Donnelley & Sons Company Current Report on Form 8-K filed December 22, 2006, and related financial statement schedule and management's report on the effectiveness of internal control over financial reporting incorporated in this prospectus by reference from the R. R. Donnelley & Sons Company Annual Report on Form 10-K, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports (which report on the consolidated financial statements expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's acquisition on February 27, 2004 of all outstanding shares of Moore Wallace Incorporated) dated March 1, 2006 (December 22, 2006 as to references in segment information in Notes 4, 5 and 20), which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

---

Table of Contents

---

**\$1,250,000,000**

**\$625,000,000 5.625% Notes due 2012**

**\$625,000,000 6.125% Notes due 2017**

---

**PROSPECTUS SUPPLEMENT**

**January 3, 2007**

---

*Joint Book-Running Managers*

**Banc of America Securities LLC**

**Citigroup**

**JPMorgan**

---

*Co-Managers*

**ABN AMRO Incorporated**

**ING Financial Markets**

**Lazard Capital Markets**

**Wells Fargo Securities**

**Piper Jaffray**

---