HOREJSI STEWART R
Form 4
October 10, 2006

FORM 4

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

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Mildred B. Horejsi Trust

(Last) (First) (Middle)

3301 C STREET, SUITE 100

(Street)

ANCHORAGE, AK 99503

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
FIRST FINANCIAL FUND INC [FF]

3. Date of Earliest Transaction (Month/Day/Year)
10/05/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director __X__ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	10/05/2006		S		5,300	D	$ 17.29	2,202,465	D (1)	
Common Stock	10/05/2006		S		280	D	$ 17.33	2,202,185	D (1)	
Common Stock	10/06/2006		S		4,720	D	$ 17.33	2,197,465	D (1)	
Common Stock	10/06/2006		S		1,200	D	$ 17.35	2,196,265	D (1)	
Common Stock	10/06/2006		S		5,127	D	$ 17.36	2,191,138	D (1)	

Common Stock	10/06/2006		S		5,627	D	$ 17.38	2,185,511	D (1)
Common Stock	10/06/2006		S		146	D	$ 17.41	2,185,365 (2)	D (1)

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

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SEC 1474 (9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Mildred B. Horejsi Trust 3301 C STREET, SUITE 100 ANCHORAGE, AK 99503		X		
HOREJSI STEWART R 200 SOUTH SANTA FE SALINA, KS 67401		X		
CICIORA SUSAN L 2344 SPRUCE STREET, STE A BOULDER, CO 80302	X			

Signatures

Stephen C. Miller, President, Badlands Trust Company, LLC, trustee of the Mildred B. Horejsi Trust — 10/10/2006

**Signature of Reporting Person — Date

Stewart R. Horejsi	10/10/2006
**Signature of Reporting Person	Date
Susan L. Ciciora	10/10/2006
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The trustees of the Mildred B. Horejsi Trust (the "Mildred Trust") are Badlands Trust Company ("Badlands"), Susan L. Ciciora and Brian Sippy. Such trustees may be deemed to control the Mildred Trust and may be deemed to possess indirect beneficial ownership of the Shares held by the Mildred Trust. However, none of the trustees, acting alone, can vote or exercise dispositive authority over Shares held by the Mildred Trust. Accordingly, Badlands, Ms. Ciciora and Mr. Sippy disclaim beneficial ownership of the Shares beneficially owned, directly or indirectly, by the Mildred Trust. In addition to serving as a trustee, Ms. Ciciora is also a beneficiary of the Mildred Trust. As a result of his advisory role with the Mildred Trust, Stewart R. Horejsi may be deemed to have indirect beneficial ownership of the Shares directly beneficially owned by the Mildred Trust. However, Mr. Horejsi disclaims such beneficial ownership of the Shares directly beneficially held by the Mildred Trust.

(2) Trusts affiliated with the Mildred Trust, including the Ernest Horejsi Trust No. 1B, the Lola Brown Trust No. 1B, the Susan L. Ciciora Trust, and the Stewart R. Horejsi Trust No. 2, own an aggregate of 10,364,660 Shares of the Fund following these transactions.

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

1/1/17

12/15/16

—

—

—

38,506

1,035,041

—

—

343,200[2]

530,400[2]

936,000[2]

—

—

David J. Honan

1/1/17

12/15/16

—

—

—

38,506

Explanation of Responses:

1,035,041

—

—

330,000(2)

510,000(2)

900,000(2)

—

—

Thomas J. Frankowski

1/1/17

12/15/16

—

—

Explanation of Responses:

—

57,759

1,552,562

—

—

385,000(2)

595,000(2)

1,050,000(2)

—

—

Jennifer J. Kent

1/1/17

Explanation of Responses:

12/15/16

—

—

—

27,917

750,409

—

—

275,000[2]

425,000[2]

750,000[2]

—

—

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(1) The amounts shown in this column reflect the number of restricted shares or restricted stock units we granted to each NEO pursuant to our 2010 Plan.

(2) Amounts represent potential future payouts pursuant to awards granted to Messrs. Quadracci, Fowler, Honan, and Frankowski and Ms. Kent under our annual cash incentive program. The amounts actually earned and paid to our NEOs for 2017 under these awards are shown in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table above.

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OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2017

The following table contains information concerning equity awards held by our NEOs that were outstanding as of December 31, 2017.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares of Stock That Have Not Vested (#)	Market Value of Shares of Stock That Have Not Vested[1]($)	Equity Incentive Plan Awards; Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards; Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
J. Joel Quadracci	—	—	—	—	574,438[2]	12,982,299	—	—
	39,881	—	14.14	1/1/2022	—	—	—	—
	37,348	—	13.47	11/18/2021	—	—	—	—
	119,643	—	41.26	1/1/2021	—	—	—	—
	150,000	—	16.62	1/31/2020	—	—	—	—
	100,000	—	15.37	1/31/2019	—	—	—	—
	100,000	—	29.37	1/31/2018	—	—	—	—
John C. Fowler	6,500	—	19.12	11/18/2021	—	—	—	—
	34,218	—	41.26	1/1/2021	—	—	—	—
	9,000	—	16.62	1/31/2020	—	—	—	—
	30,000	—	29.37	1/31/2019	—	—	—	—
David J. Honan	—	—	—	—	138,849[3]	3,137,987	—	—
	7,179	—	41.26	1/1/2021	—	—	—	—
	7,500	—	16.62	1/31/2020	—	—	—	—
	10,000	—	15.37	1/31/2019	—	—	—	—
Thomas J. Frankowski	—	—	—	—	201,106[4]	4,544,996	—	—
	23,929	—	14.14	1/1/2022	—	—	—	—
	1,200	—	19.12	11/18/2021	—	—	—	—
	28,071	—	13.47	11/18/2021	—	—	—	—
	23,929	—	41.26	1/1/2021	—	—	—	—
	20,000	—	16.62	1/31/2020	—	—	—	—
	20,000	—	29.37	1/31/2018	—	—	—	—
Jennifer J. Kent	—	—	—	—	105,256[5]	2,378,786	—	—
	2,392	—	41.26	1/1/2021	—	—	—	—

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(1) Market value computed by multiplying the number of shares that have not vested by $22.60, which was the closing price of a share of our Common Stock on the last trading day of 2017.

(2) 130,040 shares vested on March 1, 2018, 300,000 shares vest on March 1, 2019 and 144,398 shares vest on March 1, 2020.

(3) 30,343 shares vested on March 1, 2018, 70,000 shares vest on March 1, 2019 and 38,506 shares vest on March 1, 2020.

(4) 43,347 shares vested on March 1, 2018, 100,000 shares vest on March 1, 2019 and 57,759 shares vest on March 1, 2020.

(5) 17,339 shares vested on March 1, 2018, 60,000 shares vest on March 1, 2019 and 27,917 shares vest on March 1, 2020.

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OPTION EXERCISES AND STOCK VESTED IN 2017

The following table contains information concerning option awards that were exercised by our NEOs and restricted stock or restricted stock units that vested in 2017.

Name	Option Awards Number of Shares Acquired on Exercise[1] (#)	Option Awards Value Realized on Exercise[2] ($)	Stock Awards Number of Shares Acquired on Vesting (#)	Stock Awards Value Realized on Vesting[2] ($)
J. Joel Quadracci	—	—	131,579	3,572,370
John C. Fowler	—	—	225,713 [1]	5,300,677
David J. Honan	—	—	26,316	714,479
Thomas J. Frankowski	—	—	43,860	1,190,799
Jennifer J. Kent	—	—	13,158	357,240

(1) Includes accelerated vesting of certain restricted stock units upon Mr. Fowler’s retirement on December 31, 2017.

(2) Represents the gross number of shares or restricted stock units vesting multiplied by the closing price of our class A common stock on the NYSE on the last trading day prior to the date of vesting.

2017 PENSION BENEFITS

None of our NEOs participate in any of our defined benefit pension plans.

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2017 NONQUALIFIED DEFERRED COMPENSATION

The following table sets forth certain information with respect to our NEOs' participation in our SERP, which is a nonqualified deferred compensation plan that we maintain, during the year ended December 31, 2017. The material terms of the SERP are described after the table.

Name	Executive Contributions in Last FY ($)	Registrant Contributions in Last FY(1) ($)	Aggregate Earnings in Last FY(2) ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)
J. Joel Quadracci	—	17,271	17,991	—	1,018,352
John C. Fowler	—	7,959	11,958	—	673,353
David J. Honan	—	7,560	1,424	—	86,798
Thomas J. Frankowski	—	9,225	8,094	—	459,563
Jennifer J. Kent	—	5,895	541	—	35,998

(1) Amounts reflect the Company contributions that we cannot make under our Diversified Plan due to restrictions under the Internal Revenue Code. These amounts are also included in the Summary Compensation Table.

(2) These Aggregate Earnings are based on the Stable Asset Fund investment alternative under our Diversified Plan, are not "above-market or preferential earnings" as defined by the rules of the SEC and are therefore not required to be reported in the Summary Compensation Table.

Quad/Graphics' Supplemental Executive Retirement Plan

As described above under "—Compensation Discussion and Analysis—Welfare and Retirement Benefits," we maintain a SERP in which our NEOs are eligible to participate. The SERP is a nonqualified deferred compensation plan, not intended to meet the tax qualification requirements of Section 401(a) of the Internal Revenue Code.

Under the SERP, our NEOs are eligible to receive contributions from us at the end of each year in an amount determined by the amount of the NEO's compensation that was subject to limitations imposed by Section 401(a)(17) under the Internal Revenue Code and the amount of any employer contribution to the NEO under our Diversified Plan for the year. The amount of the NEO's benefit under the SERP is equal to the cumulative contributions made by us to the NEO's account, adjusted to reflect the investment income, gains and losses on a fund designated by us in our sole discretion, less any previous payments from such account.

Participants become vested in their benefits on (i) their separation from service after reaching age 55 or (ii) their separation from service prior to age 55 as a result of death or disability. Participants may elect the times and form of payment of their benefit under the SERP from among the following alternatives:

- A lump sum payment during the calendar month following the month in which the NEO's separation from service occurs;
- A lump sum payment during the calendar month following the first anniversary of the NEO's separation from service;
- A lump sum payment during the calendar month following the second anniversary of the NEO's separation from service;

- A lump sum payment during the calendar month following the third anniversary of the NEO's separation from service;

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- A lump sum payment during the calendar month following the fourth anniversary of the NEO's separation from service; or

- Five annual installments, with one-fifth of the account balance being paid during the calendar month following the month in which the NEO's separation from service occurs, one-quarter of the then-current account balance being paid during the subsequent January, and then, respectively, one-third, one-half, and the remainder of the then-current account balance being paid during each of the following three Januarys.

Potential Payments Upon Termination or Change of Control

As noted above under the heading "Retirement and Other Benefits -- Post-Termination and Change of Control Arrangements," we maintain a Severance Plan that covers, or employment agreements with, our NEOs. These arrangements provide for severance benefits upon certain terminations of employment and obligate the NEOs to refrain from competing with us for two years following any termination of employment. The severance benefits are described above under the heading "Retirement and Other Benefits -- Post-Termination and Change of Control Arrangements."

In addition to those benefits, upon any termination of employment, regardless of the reason, the employment agreements provide that a covered NEO's outstanding stock options that were outstanding as of January 1, 2004 will be extended for a period of two years from the termination date.

The equity plans and related option, restricted stock and performance share agreements under which our stock option, restricted stock and performance share awards were granted also provide that, in the event of a change of control of our Company, or upon a termination as a result of death or disability, all unvested options and shares of restricted stock will become immediately vested and, in the case of stock options, exercisable, and that all performance shares will become earned at the target performance level. The option, restricted stock and performance share agreements also provide that all unvested options and a portion of unvested restricted stock and unearned performance shares will become immediately vested or earned, as applicable, upon retirement on or after age 65 (only if, in the case of restricted stock, the retirement is approved by an authorized senior executive). Of our NEOs, only Mr. Fowler was age 65 or older as of the last business day of 2017. The Severance Plan does not provide for a gross-up for change of control related excise taxes. Instead, it contemplates a "best net" approach under which, if any payment or distribution to a covered NEO in connection with a change of control would trigger the excise tax imposed by Internal Revenue Code Section 4999, then the payment or distribution will either be made in full or reduced to a level that would not trigger the excise tax, whichever would result in the best after-tax position for the covered NEO. The employment agreements with Messrs. Quadracci, Fowler and Frankowski, by contrast, provide that if any payment or benefit to a covered NEO would trigger the excise tax imposed by Internal Revenue Code Section 4999, then we would make an additional gross-up payment to such executive so that, after payment of income tax and excise tax on this gross-up payment, the executive would have sufficient funds to pay the excise tax triggered by the other payments and benefits.

A "change of control" of our Company is generally defined for purposes of the equity plans to include any person or group acquiring ownership of our Common Stock that, together with such stock already held by such person or group, constitutes more than 50% of the total voting power of our Common Stock. Transfers to (i) lineal descendants of the transferor, (ii) spouses of the transferor or such lineal descendants, or (iii) trusts, partnerships or other legal entities for the benefit of the transferor or any of the transferees described in (i) or (ii) are not considered in determining whether a change of control has occurred.

Explanation of Responses:

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Quantification of Potential Payments on a Change of Control or Termination Event

The tables below reflect the amount of compensation that would be paid to each of our NEOs in the event of a change of control of our Company and/or a triggering termination of such NEO's employment with our Company. The amounts shown in the tables below assume, among other things, that the applicable triggering event occurred on the last business day of 2017, and include estimates of the amounts that would be paid to the NEOs following the triggering event. The tables only include additional benefits that result from the termination and do not include any amounts or benefits earned, vested, accrued or owing under any plan for any other reason. The actual amounts to be paid can only be determined at the time of the triggering event. Payments of severance under the arrangements are generally made in a lump sum following a change of control, or in installments in the event of a qualifying termination prior to a change of control.

The following table sets forth the estimated amounts that would have become payable to our NEOs if a change in control of our Company and a triggering employment termination had occurred on December 31, 2017:

Executive	Cash Termination Payment[1] ($)	Pro Rated Current Year Bonus[1] ($)	Restricted Stock Vesting[2] ($)	Out-placement[3] ($)	Welfare and Insurance Coverage[1] ($)	Excise Tax Gross Up ($)	Totals[4] ($)
J. Joel Quadracci	6,567,000	1,194,000	12,982,299	50,000	45,028	—	20,838,327
John C. Fowler	2,886,000	530,400	4,109,878	50,000	26,680	—	7,602,958
David J. Honan	2,220,000	510,000	3,137,987	50,000	33,243	(653,560)	5,297,670
Thomas J. Frankowski	3,237,500	595,000	4,544,996	50,000	26,680	—	8,454,176
Jennifer J. Kent	1,850,000	425,000	2,378,786	50,000	33,147	—	4,736,933
Totals	16,760,500	3,254,400	27,153,946	250,000	164,778	(653,560)	46,930,064

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(1) Triggered solely upon a covered termination of the NEO.

(2) Reflects an assumed value per share of $22.60, which was the closing price of a share of our Common Stock on the last trading day of 2017.

(3) Outplacement services are assumed to be $50,000 per year.

(4) Amounts assume that no fringe benefit policies would apply to an NEO following termination.

The following table sets forth the estimated value of accelerated vesting that would have occurred with respect to the equity grants of our NEOs if a change in control of our Company, but no termination of employment, had occurred on December 31, 2017:

Executive	Restricted Stock Vesting [1] ($)	Excise Tax Gross Up ($)	Totals ($)
J. Joel Quadracci	12,982,299	—	12,982,299
John C. Fowler	4,109,878	—	4,109,878
David J. Honan	3,137,987	—	3,137,987

Thomas J. Frankowski	4,544,996	—	4,544,996
Jennifer J. Kent	2,378,786	—	2,378,786
Totals	27,153,946	—	27,153,946

(1) Reflects an assumed value per share of $22.60, which was the closing price of a share of our Common Stock on the last trading day of 2017.

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The following table sets forth the estimated amounts that would have become payable to each of our NEOs under their employment arrangements if a triggering employment termination (but no change of control) had occurred on December 31, 2017:

Executive	Cash Termination Payment ($)	Pro Rated Bonus($)	Outplacement[1] ($)	Welfare and Insurance Coverage ($)	Totals[2] ($)
J. Joel Quadracci	4,378,000	1,194,000	50,000	30,018	5,652,018
John C. Fowler	1,731,600	530,400	50,000	16,008	2,328,008
David J. Honan	1,110,000	510,000	50,000	16,622	1,686,622
Thomas J. Frankowski	1,942,500	595,000	50,000	16,008	2,603,508
Jennifer J.Kent	925,000	425,000	50,000	16,574	1,416,574
Totals	10,087,100	3,254,400	250,000	95,230	13,686,730

(1) Outplacement services are assumed to be $50,000 per year.

(2) Amounts assume that no fringe benefit policies would apply to an NEO following termination.

The following table sets forth the estimated amounts that would have become payable to our NEOs under their employment arrangements if their employment had been terminated as a result of death or disability on December 31, 2017:

Executive	SERP[1] ($)	Base Salary Continuation[2] ($)	Restricted Stock Vesting[3] ($)	Stock Option Vesting[3] ($)	Totals ($)
J. Joel Quadracci	1,018,352	5,112,997	12,982,299	—	19,113,648
John C. Fowler	—	—	4,109,878	—	4,109,878
David J. Honan	86,798	3,083,214	3,137,987	—	6,307,999
Thomas J. Frankowski	—	1,595,870	4,544,996	—	6,140,866
Jennifer J.Kent	35,998	2,569,345	2,378,786	—	4,984,129
Totals	1,141,148	12,361,426	27,153,946	—	40,656,520

(1) The enhanced benefit the NEO receives upon death or disability. No amount is shown for Messrs. Fowler and Frankowski because they are fully vested and would not receive any enhanced benefit upon death or disability.

(2) Triggered solely upon the death of the NEO, and payable over a period of 120 months (48 months for Mr. Frankowski). Mr. Fowler reached age 65 during 2015 and is therefore no longer eligible for this benefit. All of the amounts shown are present values of the expected benefits and assume the spouse of each NEO, if applicable, will live until at least December 31, 2027.

(3) Reflects an assumed value per share of $22.60, which was the closing price of a share of our Common Stock on the last trading day of 2017.

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COMPENSATION COMMITTEE REPORT

The compensation committee of the Board has reviewed and discussed the preceding Compensation Discussion and Analysis with management and, based on such review and discussion, has recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

This report shall not be deemed to be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, and shall not otherwise be deemed filed under such Acts.

John S. Shiely, Chairperson
Douglas P. Buth
John C. Fowler

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CEO PAY RATIO

As required by Item 402(u) of SEC Regulation S-K, we are providing the following information about the ratio of the median annual total compensation of our employees and the annual total compensation of Mr. Quadracci, our Chief Executive Officer. For the year ended December 31, 2017:

- the median of the annual total compensation of all employees of our company was reasonably estimated to be $43,430;

- the annual total compensation of Mr. Quadracci was $6,351,193.

- Based on this information, the ratio of the annual total compensation of our chief executive officer to the median of the annual total compensation of all other employees is estimated to be 146 to 1.

To identify our median employee, we considered each individual employed by us on December 31, 2017, except that we excluded approximately 843 employees located outside the United States in reliance on the de minimis exemption in Item 402(u) of SEC Regulation S-K. Based on such exemption, we excluded all individuals located in the following countries, which constituted approximately 3.81% of the 22,105 individuals that we employed as of December 31, 2017:

Country	Total Employees
Argentina	317
Brazil	5
Canada	1
China	11
Germany	11
Denmark	1
Dominican Republic	95
France	37
Great Britain	5
Hong Kong	5
India	4
Ireland	1
Japan	2
Netherlands	1
Peru	339
Sweden	2
Thailand	2
Vietnam	4
Total	843

We then identified our median employee by examining the total cash compensation of all employees (other than those we excluded by reason of the de minimis exemption) that we paid to each employee during 2017. To calculate total cash compensation for any employee paid in currency other than U.S. dollars, we then applied the applicable foreign currency exchange rate in effect on December 31, 2017 to convert such employee’s total cash compensation into U.S. dollars.

Once we identified our median employee, we added together all of the elements of such employee’s compensation for 2017 in the same way that we calculate the annual total compensation of our NEOs in the Summary Compensation Table. To calculate our ratio, we divided Mr. Quadracci’s annual total compensation, as reported in the Summary

Compensation Table above, by the median employee’s annual total compensation.

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DIRECTOR COMPENSATION

The Company has adopted the following compensation program for its non-employee directors: an annual retainer of $225,000, to be paid one-half in cash and one-half in the form of deferred stock units. The program also includes an additional retainer of $20,000 for the chairperson of the audit committee, $15,000 for the chairperson of the compensation committee and $10,000 for the chairperson of each other committee of the Board. The number of deferred stock units actually awarded was determined using a twenty-day volume weighted average price prior to the grant date.

The following table summarizes the compensation of the Company’s non-employee directors for 2017. As employee-directors in 2017, J. Joel Quadracci and John C. Fowler did not receive any compensation for their service as directors, and are therefore omitted from the table. Mr. Quadracci’s compensation for serving as the Company’s Chairman, President and Chief Executive Officer, and Mr. Fowler’s compensation for serving as the Company’s Vice Chairman and Executive Vice President of Global Strategy and Corporate Development, is set forth in this proxy statement under the section titled “Compensation of Executive Officers.” The Company also reimbursed each of its directors, including its employee directors, for expenses incurred in connection with attendance at meetings of the Board and its committees.

Name	Fees Earned or Paid in Cash ($)	Stock Awards[1] ($)	Option Awards[1][2] ($)	All Other Compensation[3] ($)	Total ($)
William J. Abraham, Jr.[4]	42,188	116,444	—	50,000	208,632
Mark A. Angelson	112,500	116,444	—	10,000	238,944
Douglas P. Buth	132,500	116,444	—	10,000	258,944
Kathryn Quadracci Flores, M.D.	112,500	116,444	—	10,000	238,944
Stephen M. Fuller	112,500	116,444	—	10,000	238,944
Christopher B. Harned	122,500	116,444	—	10,000	248,944
Jay O. Rothman [5]	70,313	—	—	—	70,313
Thomas O. Ryder [4]	56,250	116,444	—	50,000	222,694
John S. Shiely	127,500	116,444	—	10,000	253,944

(1) Amounts are based on the aggregate grant date fair value of the awards to the directors under the 2010 Plan as determined in accordance with FASB ASC Topic 718. For the assumptions used in the valuation of the awards to the Company’s non-employee directors, please see Note 18, “Equity Incentive Programs,” to the Company’s Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2017.

(2) The aggregate number of option awards outstanding as of December 31, 2017 for each non-employee director was as follows: Mr. Abraham held options to purchase an aggregate of 2,500 shares of class A common stock; Mr. Buth held options to purchase an aggregate of 12,500 shares of class A common stock; Mr. Harned held options to purchase an aggregate of 12,500 shares of class A common stock; and Mr. Shiely held options to purchase an aggregate of 12,500 shares of class A common stock. Dr. Flores and Messrs. Angelson, Fuller, Rothman and Ryder did not hold any options as of December 31, 2017.

(3) Consists of charitable contributions made during the year in the indicated director’s name.

(4) Retired from the board as of May 15, 2017.

(5) Elected to the board on May 15, 2017.

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MISCELLANEOUS

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors, executive officers and any owner of greater than 10% of the Company's Common Stock to file reports with the SEC concerning their ownership of the Company's Common Stock. Based solely upon information provided to the Company by individual directors and executive officers, the Company believes that, during the fiscal year ended December 31, 2017, all of its directors and executive officers and owners of greater than 10% of the Company's Common Stock complied with the Section 16(a) filing requirements, except for two conversions of class B common stock into class A common stock for Kathryn Quadracci Flores which were filed late.

Independent Registered Public Accounting Firm

Deloitte & Touche LLP acted as the independent registered public accounting firm for the Company in 2017 and it is anticipated that such firm will be similarly appointed to act in 2018. They have served as the Company's independent registered public accounting firm since 2002. The audit committee of the Board is solely responsible for the selection, retention, oversight and, when appropriate, termination of the Company's independent registered public accounting firm. Representatives of Deloitte & Touche LLP are expected to be present at the Annual Meeting with the opportunity to make a statement if they so desire. Such representatives are also expected to be available to respond to appropriate questions.

For the years ended December 31, 2017 and 2016, the Company incurred the following fees by its independent registered public accounting firm, Deloitte & Touche LLP and its affiliates and related entities (collectively, "Deloitte"):

	2017	2016
Audit fees[(1)]	$2,476,000	$2,512,000
Audit-related fees[(2)]	178,000	65,000
Tax fees[(3)]	580,000	691,000
All other fees	—	—
Total	$3,234,000	$3,268,000

(1) Audit fees paid to Deloitte were for services and expenses associated with the 2017 and 2016 audits of the annual financial statements, including foreign subsidiary statutory audits and quarterly reviews of the financial statements included in the Company's quarterly Form 10-Q.

(2) Audit-related fees paid to Deloitte were for services related to advice and recommendations in connection with the adoption of Accounting Standards Update 2014-09 "Revenue from Contracts with Customers (Topic 606)" and other audit services.

(3) Tax fees paid to Deloitte were for services for tax return preparation (including expatriate tax returns) and tax consultation.

The audit committee of the Board does not consider the provision of non-audit services by Deloitte to be incompatible with maintaining auditor independence. The audit committee has established pre-approval policies and procedures with respect to audit and permitted non-audit services to be provided by its independent registered public accounting firm. Pursuant to these policies and procedures, the audit committee may delegate its pre-approval authority to the chairperson (up to a set dollar amount), provided that chairperson's decisions to grant pre-approvals are presented to the full audit committee at its next scheduled meeting. The audit committee's pre-approval policies do not permit the delegation of the audit committee's responsibilities to management. All services performed in connection with the fees reported under the headings audit fees, audit-related fees and tax fees were pre-approved by the audit committee in accordance with SEC's rules and the committee's policies and procedures.

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Shareholder Proposals

A shareholder of the Company who intends to present a proposal at, and have the proposal included in the Company's proxy statement for, an annual meeting of shareholders must comply with the requirements of Rule 14a-8 under the Securities Exchange Act of 1934, as amended. In order to comply with such rule, among other things, proposals submitted for the 2019 Annual Meeting must be received by the Company by the close of business on December 5, 2018. In addition, a shareholder who otherwise intends to present a proposal at an annual meeting (including nominating persons for election as directors) must comply with the requirements set forth in the Company's bylaws. Among other things, to present a proposal at an annual meeting, a shareholder must give timely written notice thereof, complying with the bylaws, to the Secretary of the Company. Under the bylaws, if such notice is not received by the Company on a timely basis, the Company will not be required to present such proposal at the annual meeting. If the Board chooses to present such proposal at the annual meeting, then the persons named in proxies solicited by the Board for that annual meeting may exercise discretionary voting power with respect to such proposal. To be timely, a shareholder who intends to present a proposal at the 2019 Annual Meeting, but does not intend to have the proposal included in the Company's proxy statement for such meeting, must provide the Company with the required written notice so that the Company receives it on or before December 31, 2018 (assuming a meeting date before May 1, 2019). If the date of the 2019 Annual Meeting is on or after May 1, 2019, then the deadline for receipt by the Company of a timely notice under the bylaws is extended one day after December 31, 2018 for each day after April 30, 2019 until the date of the 2019 Annual Meeting (for example, if the 2019 Annual Meeting will be held on May 10, 2019, then the notice deadline under the Company's bylaws would be January 10, 2019).

Assessment of Compensation-Related Risk

In early 2018, the Compensation Committee evaluated the Company's compensation arrangements for executive officers and non-executive officer employees, the incentives created by such arrangements for employees to take risks and the measures in place to manage or mitigate those risks. As a result of this evaluation, the Compensation Committee concluded that the Company's compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company.

Code of Business Conduct

The Company has adopted a written Code of Business Conduct that applies to all of the Company's employees, including the Company's Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and other persons performing similar functions. The Code of Business Conduct is available, free of charge, on the Company's website, www.qg.com.

Other Matters

The cost of soliciting proxies will be borne by the Company. In addition to soliciting proxies by mail, proxies may be solicited personally and by telephone by certain officers and regular associates of the Company. The Company will reimburse brokers and other nominees for their reasonable expenses in communicating with the persons for whom they hold Common Stock.

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Pursuant to the rules of the SEC, services that deliver the Company's communications to shareholders that hold their stock through a bank, broker or other holder of record may deliver to multiple shareholders sharing the same address a single copy of the Company's annual report to shareholders and proxy statement. Upon written or oral request, the Company will promptly deliver a separate copy of the annual report to shareholders and/or proxy statement to any shareholder at a shared address to which a single copy of each document was delivered. For future deliveries of annual reports to shareholders and/or proxy statements, shareholders may also request that we deliver multiple copies at a shared address to which a single copy of each document was delivered. Shareholders sharing an address who are currently receiving multiple copies of the annual report to shareholders and/or proxy statement may also request delivery of a single copy. Shareholders may notify the Company of their requests by calling or writing Jennifer J. Kent, Executive Vice President of Administration, General Counsel and Secretary, Quad/Graphics, Inc., N61 W23044 Harry's Way, Sussex, Wisconsin 53089-3995, or at telephone number (414) 566-2033.

QUAD/GRAPHICS, INC.

By: /s/ Jennifer J. Kent
Jennifer J. Kent
Executive Vice President of Administration & General Counsel and Secretary

Sussex, Wisconsin
April 4, 2018

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Explanation of Responses:

Explanation of Responses:

Explanation of Responses: