

in this issue:

- ◆ *Medical & Dental Plan Contribution Rates for 2003*
- ◆ *Save More in 2003 With New 401(k) Savings Plan Options*
- ◆ *401(k) Catch-Up Contribution Update*
- ◆ *Annual Women's Health and Cancer Rights Act Notice*
- ◆ *2003 Open Enrollment*
- ◆ *Make Benefit Selections Through HR Access*
- ◆ *New Long-Term Disability Plan Premium Rates*
- ◆ *Last Call for 2002 Medical and Dental Claims*

2003 MEDICAL & DENTAL CONTRIBUTION RATES

Since Barnes & Noble joined United Healthcare and MetLife's programs in 2001, booksellers have been quick to seize the advantages of using network providers. While healthcare costs have risen over the years, your use of network providers has helped us to mitigate the dramatic increases that other companies have faced, enabling Barnes & Noble to keep contribution rates the same for the past three years.

With healthcare costs continuing to rise, especially for prescription drugs, we must raise contributions in 2003. For booksellers with single medical and dental coverage, the additional contribution comes to \$1 per week. The Company will continue to pay the majority of healthcare costs for booksellers and their enrolled family members.

Your continued effort to help slow the increase in costs by using network providers and generic drugs pays dividends for you and the Company. Deductibles and co-pays are lower and coverage levels are higher when you use preferred providers and generic medication.

The medical and dental plan contribution rates shown below are effective February 1, 2003.



Level	MEDICAL PLAN		DENTAL PLAN	
	Weekly	Bi-Weekly	Weekly	Bi-Weekly
Bookseller	\$9.85	\$19.70	\$1.10	\$2.20
Bookseller & 1 Dependent	\$24.20	\$48.40	\$2.64	\$5.28
Bookseller & Family	\$36.80	\$73.60	\$3.96	\$7.92



great
news

SAVE MORE IN 2003

With New 401(k)

Savings Plan Options

Barnes & Noble is pleased to announce that participating booksellers can now contribute even more to their 401(k) savings accounts. Beginning January 1, 2003, the maximum contribution percentage is 25% of earnings, up from 15% in 2002. And that's not all. The maximum amount that can be saved under the 401(k) Plan has increased to \$12,000, as provided under federal tax law. To change your contribution percentage, call Fidelity at (800) 421-3844 or go to www.401k.com.


Whether you're saving for retirement or a major expenditure like buying a home or funding your child's college education, these improvements allow you to save more on a tax-favored basis than ever before. And don't forget that Barnes & Noble pitches in, too. The Company matches 100% of the first 3% of earnings, and 50% of the next 2% of earnings you contribute! Booksellers who are at least 21 years old with one year of service (at least 1,000 hours) are eligible to join the Savings Plan. To enroll, call HR Access at (800) 799-5335 or contact the Benefits department.

Finally, 401(k) participants have asked for more variety in investment choices available through the plan, and we want you to know we are working toward that objective. Watch this spring for news about an expanded investment menu that includes an international stock fund and a mid-cap stock fund.

CATCH-UP CONTRIBUTION UPDATE

401(k) Plan members who will be 50 or older in 2003 have the opportunity to make "catch-up" contributions to the plan, which allows those approaching retirement age to increase their before-tax savings. In 2003, the maximum catch-up contribution allowed will increase to \$2,000.

Plan participants who made catch-up contributions in 2002, or who will first be eligible to make them in 2003, received information about their options for this year directly from the Benefits department. If you are a 401(k) participant and meet the age requirement and haven't yet taken advantage of this opportunity, contact Fidelity at (800) 421-3844 or go to www.401k.com to enroll.



ANNUAL WOMEN'S HEALTH & CANCER RIGHTS ACT NOTICE

Subject to the Medical Plan's regular deductible and co-insurance provisions, the plan covers re-constructive surgery performed during or following a mastectomy. The plan also covers prostheses, treatment of physical complications at any stage of the mastectomy, and expenses for re-constructive surgery on the other breast to achieve symmetry.

New Long-Term Disability Rates

As part of managing the Long-Term Disability Plan (LTD), Barnes & Noble reviews insurance arrangements on a regular basis. Aetna, the insurance carrier for our LTD Plan, reviews the plan's experience as well. Because LTD claims exceed the premiums collected over the current contract period, Aetna has requested an increase in LTD premiums. The rates shown are effective March 1, 2003 and guaranteed through February 28, 2005.

If you are currently enrolled for LTD coverage, you will first see a change in your contributions in the March 14 paycheck for those paid weekly, and the March 21 paycheck for those paid on a bi-weekly basis.

Age	Rate per \$100 of Salary
18 to 29	\$.06
30 to 34	\$.16
35 to 39	\$.26
40 to 44	\$.40
45 to 49	\$.56
50 to 54	\$.68
55 to 59	\$.79
60 or more	\$.65

Last Call for 2002 Medical & Dental Claims



Deadline is April 15, 2003

When you use United Healthcare or MetLife providers, they normally submit claims for you and your covered family members shortly after services are received. However, when non-network providers are used, it's up

to you to make sure that claims are submitted for consideration. Now is the time to ensure that all claims incurred during 2002 have been filed with UHC and MetLife. Send claims to:

Medical Services

United Healthcare
P.O. Box 740800
Atlanta, GA 30374-0800

Dental Services

MetLife Dental
P.O. Box 14093
Lexington, KY 40512-4093

To check the status of a medical claim, call 866-755-2651 or go to www.myuhc.com. For the status of a dental claim, call 800-942-0854. Medical and dental claim forms are available from your Store Manager or the Benefits department.



Let Us
Hear
From You

The Benefits department publishes *For Your Benefit* to provide important, up-to-date information about your benefit plans. Please contact the Benefits department in Westbury via store mail or by phone at (800) 799-5335 with questions about your benefits or to suggest topics you'd like to see addressed in future issues.

2003 OPEN ENROLLMENT

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Eligible booksellers who want to make any changes to their medical and dental coverage elections must do so during the Open Enrollment period, which is from January 13 - 31, 2003. During this time, you can:

-  Enroll yourself and any eligible dependent in medical or dental coverage
-  Drop or reduce your medical or dental coverage

If you are happy with your current coverage, you don't have to do a thing. Your medical and dental coverage elections will automatically carry-over.

Open Enrollment is the only opportunity to enroll in or change benefit coverage during 2003, unless a family status change qualifies you to adjust your coverage before the next enrollment period in 2004. Qualifying family status changes are:

- ✓ Marriage or divorce
- ✓ Birth or adoption of a child
- ✓ Your spouse gains or loses coverage under his/her plan
- ✓ You gain or lose coverage under another plan

If you have a qualifying family status change, contact the Benefits department at (800) 799-5335 within 31 days to adjust your elections.

Make Your Benefit Selections Through

With HR Access, it takes just a phone call to make a new coverage election or check your current choices. Simply call 800-799-5335 and select HR Access from the main menu.

HR Access

Enrolling a dependent for coverage is easy, too, but you need to do a little preparation in advance. You must spell out your dependent's name on the telephone key pad using two numbers for each letter. See the table for numbers that correspond to each letter of the alphabet.

KEY FOR LETTERS AND THEIR CORRESPONDING NUMBERS

	F:	<input type="text" value="3"/>	<input type="text" value="3"/>	L:	<input type="text" value="5"/>	<input type="text" value="3"/>	R:	<input type="text" value="7"/>	<input type="text" value="2"/>	X:	<input type="text" value="9"/>	<input type="text" value="2"/>		
A:	<input type="text" value="2"/>	<input type="text" value="1"/>	G:	<input type="text" value="4"/>	<input type="text" value="1"/>	M:	<input type="text" value="6"/>	<input type="text" value="1"/>	S:	<input type="text" value="7"/>	<input type="text" value="3"/>	Y:	<input type="text" value="9"/>	<input type="text" value="3"/>
B:	<input type="text" value="2"/>	<input type="text" value="2"/>	H:	<input type="text" value="4"/>	<input type="text" value="2"/>	N:	<input type="text" value="6"/>	<input type="text" value="2"/>	T:	<input type="text" value="8"/>	<input type="text" value="1"/>	Z:	<input type="text" value="1"/>	<input type="text" value="2"/>
C:	<input type="text" value="2"/>	<input type="text" value="3"/>	I:	<input type="text" value="4"/>	<input type="text" value="3"/>	O:	<input type="text" value="6"/>	<input type="text" value="3"/>	U:	<input type="text" value="8"/>	<input type="text" value="2"/>	<input type="text" value="0"/>	<input type="text" value="2"/>	:hyphen
D:	<input type="text" value="3"/>	<input type="text" value="1"/>	J:	<input type="text" value="5"/>	<input type="text" value="1"/>	P:	<input type="text" value="7"/>	<input type="text" value="1"/>	V:	<input type="text" value="8"/>	<input type="text" value="3"/>	<input type="text" value="0"/>	<input type="text" value="3"/>	:period
E:	<input type="text" value="3"/>	<input type="text" value="2"/>	K:	<input type="text" value="5"/>	<input type="text" value="2"/>	Q:	<input type="text" value="1"/>	<input type="text" value="1"/>	W:	<input type="text" value="9"/>	<input type="text" value="1"/>	<input type="text" value="9"/>	<input type="text" value="9"/>	:space

1 To enroll a dependent, spell out their name with the corresponding numbers found in the key. Enter the name below:

2 Call (800) 799-5335 and select HR Access from the main menu.

3 Follow the telephone prompts to make your selections.

