Hewlett-Packard Company
2014 U.S. Phased Retirement Program
Summary Plan Description

Overview

The 2014 U.S. Phased Retirement Program (the Program) is a voluntary program being offered by Hewlett-Packard Company (HP) to eligible full-time U.S. employees projected to be at least 55 years of age with 10 or more years of qualifying service as of September 30, 2014. HP is offering the Program as a special opportunity for certain U.S. employees closer to retirement to transition to a period of part-time employment then voluntarily retire from HP with enhanced benefits.

If you qualify for retirement under the Program, you will continue to work at HP on a part-time basis for a period of 6 to 18 months (as determined by HP shortly after you enroll) beginning December 1, 2014, receiving a 10% base pay premium and full-time health and life insurance benefits. After your period of part-time work, you will retire from HP with eligibility for a cash payment, special health benefit continuation and equity grant treatment, and other benefits such as outplacement services. These Program features are in addition to benefits for which you may already be eligible under HP retirement and equity programs.

The 2014 U.S. Phased Retirement Program is completely voluntary, but is only available during a special election period from September 22 to October 10, 2014. If you apply and are accepted for participation in the Program, you must retire on the retirement date designated by HP and communicated to you following your election to retire. The Program's designated retirement date is generally November 30, 2015, but your retirement date may be designated as either May 31, 2015 or May 31, 2016 based on business needs solely at HP's discretion. Participants in the Program will not have the opportunity to revoke their election following the end of the Program election period, and failure to continue employment with HP until the designated retirement date will result in forfeiture of all Program benefits.

The following chart summarizes the benefits offered under the Program. The information starting on page 5 describes the more specific terms and conditions that must be met in order to receive Program benefits.

Program Feature	Highlights of 2014 U.S. Phased Retirement Program
Part-Time Transitional Employment	To help transition to retirement, you will work on a part-time schedule starting December 1, 2014, for a period of 6 to 18 months determined by HP shortly after you enroll. Your part-time work will generally follow the schedule below, although your manager may adjust your schedule based on business needs while generally reflecting your reduced time commitment: • First 6 months: work 4 days per week (32 hours), or 80% of a full-time schedule. • Next 6 months (if applicable): work 3 days per week (24 hours), or 60% of a full-time schedule. • Final 6 months (if applicable): work 2 days per week (16 hours), or 40% of a full-time schedule. **10% Base Pay Premium:** while you are working part-time, your HP pay will be adjusted proportionate to your work schedule, but you will receive a base pay premium equal to 10% of the base pay you were earning on July 31, 2014 prior to your transition to part-time work. The 10% premium will be added directly to your reduced base pay and will not show as a separate line item on your earnings statement, but it means, for example, that during the first 6 months of part-time work you will be working 80% of a full-time schedule but receiving base pay equal to 90% of your full-time pay. **Full-Time Health and Life Insurance Benefits:** your HP benefits will also be adjusted based on your reduced schedule and pay; however, you will continue to qualify for HP medical and dental benefits at the same reduced premium cost as full-time employees, and your HP life and Accidental Death and Dismemberment (AD&D) insurance will continue to be calculated using your full base pay rate in effect on September 1, 2014.

Program Feature	Highlights of 2014 U.S. Phased Retirement Program
Special Benefits Following Retirement	After your period of part-time work, you will retire from HP with eligibility for the following special benefits. **Retirement incentive payment:** you will qualify for a cash payment based on your total HP years of service through your retirement date and your base pay (or on-target earnings, for commissioned salespeople under a sales plan with a specified on-target earnings rate) in effect as of July 31, 2014. The payment will be a single lump sum amount equal to 1 week's base pay per year of service, up to a maximum of 52 weeks base pay. Benefits will be paid through HP Payroll as a taxable lump sum subject to tax withholding. Benefits are also subject to an offset for any prior payments under an HP workforce reduction, early retirement or similar program. **Health benefit continuation:** you will have access to HP health benefits after you retire. You can participate in HP retiree medical coverage for you and your dependents for 24 months following your retirement, paying premium rates similar to active employees. After 24 months, you will be eligible for one of these three programs, depending on your circumstances: • HP Retiree Medical Program (under which retirees pay the full cost of coverage), with special HP credits provided to your Retirement Medical Savings Account (RMSA) shortly after you retire, as needed to bring your total HP lifetime credits up to the $12,000 RMSA maximum; • Pre-2003 HP Retiree Medical Program; or • Former Digital Retiree Health Plan. **Equity grants:** you will generally be immediately vested when you retire, and treated as a "retiree" under most HP equity programs. **Career transition support:** you will be eligible for career transition and outplacement support for 4 months following your retirement (6 months for Directors and above) to help with the transition to the next phase of your life.

Please note that not all eligible employees are guaranteed acceptance into the Program. Certain groups of employees are excluded from eligibility (see page 4 for details) and HP reserves the right to deny Program participation to individual applicants in certain limited cases based on business needs.

If you are eligible to apply for the Program, you will receive a personalized benefit statement that estimates the benefits you may expect to receive if you are accepted for retirement. In addition to this summary, answers to frequently asked questions ("FAQs") are available on the Program web site on the @hp Portal (under Human Resources & Benefits > Retirement > U.S. Phased Retirement program) at https://hrcontent.corp.hp.com/sites/USBenRetirement/smp/protected/PhasedRetirement_home.page, and will be updated periodically based on questions received. If you have more questions about the Program that are not answered in any of these materials, please submit your questions through Contact HR.

Eligibility for the 2014 U.S. Phased Retirement Program

You can apply for retirement under the 2014 U.S. Phased Retirement Program if you are a regular full-time U.S. employee on a U.S. payroll as of July 31, 2014, projected to be age 55 or older with at least 10 years of qualifying HP service as of September 30, 2014, and not excluded from Program eligibility.

For purposes of Program eligibility, qualifying HP service is calculated using your service date as reflected on the HP Human Resources system and shown on your U.S. Phased Retirement Program personalized fact sheet. Your service date is also the date used to determine your annual vacation amount, but keep in mind it may not be the same as your hire date or your company seniority date—it may be different, for example, if you left HP in the past and were rehired, or you've taken certain types of leave of absence, or you were part of a company that was acquired by or merged with HP.

Even if you meet the eligibility requirements listed above, you are not eligible for the Program if any of the following apply:

- You, your job position or role have been designated as ineligible based on HP business needs;
- Your most recent hire or rehire date with HP is on or after January 1, 2013;
- You transferred to the U.S. from a non-U.S. HP affiliate on or after January 1, 2013;
- You are an intern, temporary employee, or Limited Term Employee;
- You have been absent from work due to an approved leave of absence (other than a military leave governed by the Uniformed Services Employment and Reemployment Rights Act) for more than 26 weeks as of July 31, 2014, and you do not return to active HP employment before the end of the Program election period;
- Your most recent HP performance rating was equal to "DN"; or
- You are at a Senior Vice President level or higher.

In addition to being open to eligible employees who are actively at work (or on certain approved leaves of absence) during the election period, the Program is also open to otherwise eligible employees who terminated HP employment as a resulted of a workforce reduction or mutual separation agreement, or who voluntarily resigned from HP since July 21, 2014. Qualifying employees who terminated before announcement of the Program must sign the Program Waiver and General Release Agreement in order to receive the benefits of the Program, and some Program benefits will not be available until the earliest retirement date under the Program (i.e., May 31, 2015). Employees who are in a WFR notification period or previously terminated under a WFR Program since July 21, 2014 will be required to sign the WFR Release as well as the 2014 U.S. Phased Retirement Program Waiver and General Release Agreement.

Keep in mind that not all eligible employees are guaranteed acceptance into the Program. HP reserves the right to deny Program participation to individual applicants in certain limited cases based on business needs. All electing employees will be notified of their acceptance status and designated retirement date as soon as practicable after the election period ends on October 10, 2014.

Electing to Participate in the Program

In order to participate in the Program:

- You must submit an election in the form and manner specified by HP during the enrollment period that begins on September 22, 2014, and ends on October 10, 2014 at 5:00 p.m. Pacific Time;
- You must be accepted by HP for Program participation;
- You must continue your HP employment until the retirement date designated by HP and communicated to you following your election to retire under the Program (generally November 30, 2015, but potentially either May 31, 2015 or May 31, 2016 based on business needs solely at HP's discretion), unless your employment is involuntarily terminated as part of a workforce reduction;
- You must retire from HP on your designated retirement date; and
- You must sign and return the applicable Waiver and General Release Agreement no later than 45 days after your retirement date, and you must not revoke the Agreement.

If you do not submit an election form by 5:00 p.m. Pacific Time on October 10, 2014, you will not be eligible to apply for participation in the Program at a later date. However, otherwise eligible employees will automatically be deemed to have applied for participation in the Program if they:

- Voluntarily terminated employment on or after July 21, 2014, and prior to the Program announcement date on September 8, 2014;
- Terminate employment on or after July 21, 2014 through the Program election period (through October 10, 2014) due to a previous notification of WFR or similar involuntary termination; or
- Are notified of WFR or similar involuntary termination on or after July 21, through October 13, 2014.

Changing Your Election

If you elect to participate in the Program but then change your mind, you may revoke your election by completing the online election form and selecting "I decline to participate"; however, you must do this before the final October 10 deadline. Any changes to your election received after 5:00 p.m. Pacific Time on October 10, 2014 will not be accepted.

Transitional Period of Part-Time Employment

If you elect to participate and are accepted for retirement under the Program, you will transition to a part-time work status with HP beginning December 1, 2014, and will continue working in a part-time status for a period of 6, 12 or 18 months (determined by HP shortly after you enroll), until your designated retirement date of May 31, 2015, November 30, 2015, or May 31, 2016. During this time, your part-time work will generally follow the schedule below reducing each 6 months (as applicable), although your manager may adjust your schedule based on business needs while generally reflecting your reduced time commitment:

Phased Retirement Period	Program Part-Time Work Schedule
December 1, 2014 through May 31, 2015*	Your regular work schedule is 4 days per week (32 hours), or 80% of a full-time schedule.
June 1 through November 30, 2015*	Your regular work schedule is 3 days per week (24 hours), or 60% of a full-time schedule.
December 1, 2015 through May 31, 2016*	Your regular work schedule is 2 days per week (16 hours), or 40% of a full-time schedule.

*Note: for hourly-paid non-exempt employees, the effective date of changes in part-time work schedule, and any corresponding pay reduction, will generally be the first day of the bi-weekly pay period that begins closest to the start of the 6-month phased retirement period.

Your period of part-time employment is intended to help you gradually phase into retirement, while allowing time to assist in transitioning your work responsibilities to other employees. To ensure a strong focus on transitioning work responsibilities, you will not be eligible for employee-initiated transfers to other positions or job roles within HP during this time. You also must continue to comply with HP policies related to conflicts of interest (these policies can be viewed online at http://standards.corp.hp.com/policy/docs/hp011-01.htm) and may not engage in any outside employment or activities that may improperly influence, or appear to improperly influence, your judgment, decisions, or actions in your role at HP, including working for a competitor of any HP business group or operation.

Although your part-time employment will generally follow the schedule in the table above, there may be times when you are required to work more or different hours than your regular schedule. If you are currently in a role that is not eligible for overtime compensation, your salary will continue to compensate you for all hours worked, even if more than your regularly scheduled hours, and you will not be eligible for overtime pay.

Impact of Part-Time Employment on Pay and Benefits

During your period of part-time employment, your HP pay and benefits will generally be pro-rated consistent with other part-time U.S. employees, although you will also be eligible for a special 10% base pay premium and full-time HP health and life insurance benefits. The following table summarizes the impact on these and certain other HP pay and benefit programs.

HP Pay or Benefit	Impact of Part-Time Employment
Base Pay	Your base pay will be reduced proportionate with your reduction in regularly scheduled work hours, but you will also receive a base pay premium equal to 10% of the base pay you were earning on July 31, 2014, before the transition to part-time work. The 10% premium will be added directly to your reduced base pay and will not show as a separate line item on your earnings statement, but it means, for example, that during the first 6 months of part-time work you will be working 80% of a full-time schedule but receiving base pay equal to 90% of your full-time pay rate. Participants who continue working after 6 months can then receive base pay equal to 70% of full-time pay while working 60% of a full-time schedule, followed by 50% of full-time pay while working 40% of a full-time schedule. • **For nonexempt or hourly-paid employees,** your hourly base pay rate will be adjusted to incorporate the 10% base pay premium. Also keep in mind you will be scheduled to work fewer hours and as a result will be less likely to qualify for overtime. • **If you are a commissioned salesperson under a sales plan with a specified on-target earnings (OTE) rate,** your 10% base pay premium will be calculated using only your base pay, but your target incentive amount (TIA) will be adjusted using a similar methodology (e.g., 90% of the full-time rate while you are working work 80% of a full-time schedule), resulting in a corresponding overall adjustment to your OTE rate. You may continue to be eligible to earn sales commissions separately under the terms of your sales compensation programs. Below are some specific examples of the impact on your base pay, using varying employee classifications. Keep in mind that during your period of part-time work, you will not receive increases to your base pay under the HP focal point review process, and your base pay premium will remain fixed for your entire period of part-time work.

HP Pay or Benefit	Impact of Part-Time Employment

Base Pay Examples (including 10% base pay premium)

	Salaried Exempt Employee	Hourly-Paid Non-exempt Employee	Commissioned Salesperson on OTE Plan
Assumed Annual Base Pay rate as of 7/31/2014	$80,000	$41,600 ($20/hour or $800/week times 52 weeks)	$60,000 ($100,000 OTE with 60/40 split)
10% Base Pay Premium (fixed annual amount added to your reduced base pay throughout part-time employment)	$8,000	$4,160	$6,000
Total Annualized Base Pay during initial 6-month part-time period (90% of full-time pay while working 80% of full-time schedule)	**$72,000** (80% of $80,000=$64,000, plus $8,000 premium)	**$37,440** (80% of $41,600=$33,280, plus $4,160 premium) Paid as $22.50/hour or $720/week @32 hours*	**$54,000** (80% of $60,000=$48,000, plus $6,000 premium) Commissions paid separately with OTE adjusted to $90,000
Total Annualized Base Pay during second 6-month part-time period (70% of full-time pay while working 60% of full-time schedule)	**$56,000** (60% of $80,000=$48,000, plus $8,000 premium)	**$29,120** (60% of $41,600=$24,960, plus $4,160 premium) Paid as $23.33/hour or $560/week @24 hours*	**$42,000** (60% of $60,000=$36,000, plus $6,000 premium) Commissions paid separately with OTE adjusted to $70,000
Total Annualized Base Pay during final 6-month part-time period (50% of full-time pay while working 40% of full-time schedule)	**$40,000** (40% of $80,000=$32,000, plus $8,000 premium)	**$20,800** (40% of $41,600=$16,640, plus $4,160 premium) Paid as $25.00/hour or $400/week @16 hours*	**$30,000** (40% of $60,000=$24,000, plus $6,000 premium) Commissions paid separately with OTE adjusted to $50,000

* When you transition to 32 hours per week (80% of full-time schedule), your base pay premium will be provided as an increase to your hourly rate, changing your rate from $20.00 per hour to $22.50 per hour. The additional $2.50 per hour will provide you with an additional $80 per week or $4,160 per year, versus simply maintaining your $20.00 rate. If you later transition to 24 hours per week (60% of full-time schedule), your hourly rate will be further increased to $23.33 per hour (in order to continue providing an additional $80 per week or $4,160 per year), and if you transition to 16 hours per week (40% of full-time schedule), your hourly pay rate will be increased once again to $25.00 per hour.

Variable Pay or Incentive Programs

The impact on variable pay, bonus or incentive programs will vary based on the specific program, but will be consistent with other U.S. employees who work on a part-time basis. In most cases, programs that provide a bonus or incentive as a percentage of your eligible earnings will be calculated using your reduced level of annual base pay (including the 10% base pay premium provided through the Program).

HP Pay or Benefit	Impact of Part-Time Employment
Equity Grants and Employee Stock Purchase Plan (ESPP)	You will continue to earn vesting service for existing equity grants, but you will not be eligible for new equity grants during your period of part-time employment. You continue to be eligible to participate in the ESPP as long as you are regularly scheduled to work 20 or more hours per week. This means any contributions you are making for the current offering period will automatically continue after you convert to part-time work schedule on December 1, 2014. If your scheduled work hours later fall below 20 hours per week, you will no longer be eligible, and you will automatically be withdrawn from the ESPP. If this happens, no stock purchase will be made for the 6-month offering period in which your reduction below 20 hours occurs, but you will receive a refund of any amounts contributed. Keep in mind no stock purchase is made under the ESPP for the 6-month offering period in which your retirement occurs, but you will receive a refund of any amounts contributed.
Health Benefits	Eligibility for HP medical, dental and vision benefits will continue during your period of part-time employment, and your premium costs will remain the same as full-time U.S. employees. You will not be required to pay the higher premium amounts normally required of part-time employees.
Life and Accidental Death and Dismemberment (AD&D) Insurance	You will also continue to be eligible for HP life and AD&D insurance benefits, including coverage for your eligible spouse or domestic partner and eligible children, with any coverage amounts expressed as a multiple of your base pay continuing to be based on your full-time base pay in effect as of September 1, 2014. That means your coverage amounts and HP-paid coverage will not be reduced because of your reduced annual pay.
Other Benefit Programs	Your participation in most other HP benefit programs will be based on standard provisions applicable to part-time U.S. employees, as summarized below. In addition, if your part-time work schedule reduces to less than the minimum 20 hours per week required for most HP benefits, you will continue to be eligible on the same basis as an employee working 20 hours per week. For more information, see the *HP U.S. Benefits Summary Plan Descriptions* available on the @hp Portal, or contact the benefit resources provided with your Program enrollment materials. • **HP 401(k) Plan:** your eligibility will continue, but HP matching contributions will be limited to 4% of your reduced base pay (sales commissions and shift premiums will also continue to be eligible, if applicable). When you retire under the Program, you will also have eligibility for HP matching contributions in the quarter you leave HP. • **HP Retirement Medical Savings Account (RMSA):** your eligibility to make contributions and receive HP matching credits (if available) will continue normally. • **Vacation:** future vacation credits will be based on the reduced vacation schedule that applies to part-time U.S. employees. If your primary work state is California, Montana or Nebraska, your vacation accrual cap will also be reduced based on your reduced vacation schedule, but you will not lose any of your credited time. There is no impact on vacation time that has already been credited—this time continues to be available subject to any applicable vacation accrual caps or year-end carryover restrictions. Pay for vacation time used is calculated using your reduced base pay rate. • **Paid Time Off (PTO) for non-exempt employees:** future PTO allocations will be determined based on your scheduled hours (48 PTO hours per year if you are scheduled to work 30 or more hours per week, otherwise 24 PTO hours per year). There is no impact on PTO that has already been credited—this time continues to be available or will be paid out following the end of the year if not used. Pay for PTO used is calculated using your adjusted hourly base pay rate and any shift premium. • **Holidays:** you continue to be eligible for HP-paid holidays (including the employee-designated floating holiday), with pay based on your reduced base pay rate (including shift premium, if applicable) and your regularly scheduled part-time hours. • **HP Disability Plan:** if you become disabled while working part-time, benefits will be based on your reduced level of base pay (or target pay for commissioned sales people). Benefits for disabilities that began before your transition to part-time work are unaffected. If you continue to be disabled on your designated retirement date,

HP Pay or Benefit	Impact of Part-Time Employment
	your retirement will still take effect but your disability benefits can continue even after retirement, subject to program terms. Continued health benefits following your retirement will be based on provisions of the 2014 U.S. Phased Retirement Program rather than provisions applicable to disabled employees. Most other HP benefits continue normally, including Flexible Spending Accounts, Vacation Buy, group legal services, group auto or homeowners insurance, Long-Term Care insurance, adoption assistance benefits, work/life benefits, travel assistance benefits, the Employee Assistance Program, Employee Purchase Program, other discount programs and eligibility for leaves of absence.

Program Benefits Available After You Retire

Once your period of part-time HP employment is complete, you must terminate your HP employment on the retirement date designated by HP (generally November 30, 2015, but potentially May 31, 2015 or May 31, 2016 based on business needs solely at HP's discretion). Participants in WFR Programs will retain their workforce reduction termination dates, as will other participants who terminated employment between July 21, 2014 and September 21, 2014. Participants on an approved military leave will be permitted to defer their retirement date until the end of their approved leave. If you voluntarily leave HP before your required retirement date, or if your employment is terminated for performance or cause, as determined in the sole discretion of HP, you will not receive the Program benefits.

Following your retirement and completion of the Waiver and General Release Agreement requirements described on page 13, the 2014 U.S. Phased Retirement Program offers a cash retirement incentive payment along with special health coverage continuation, equity grant treatment, and other benefits that may not otherwise be available to you, such as career counseling.

Retirement Incentive Payment

You can qualify for a cash payment based on your total HP years and full months of service through your retirement date and your weekly base pay rate (or on-target earnings rate, for commissioned salespeople under a sales plan with a specified on-target earnings (OTE) rate) in effect as of July 31, 2014. The payment will be a single lump sum amount equal to 1 week's base pay per year of service, up to a maximum of 52 weeks base pay. For example:

- Assume your annual base pay rate was $78,000, or $1,500 per week, as of July 31, 2014 and you have a total of 20.0 years of qualifying HP service when you retire under the Program.
- Your retirement incentive payment would be $30,000, calculated as 20 times your weekly base pay.

The minimum retirement incentive payment will be 11 weeks of base pay, unless you would have been eligible for a greater minimum severance payment if you had been subject to workforce reduction or mutual separation agreement, as determined in the sole discretion of HP, in which case the minimum amount will be communicated to you directly.

Calculating HP years of service: for purposes of your incentive calculation, your years of HP service are calculated in years and full months from your service date through your date of retirement under the Program (or your actual termination date for WFR and participants who terminated employment before the Program opened). Your service date is the date used to determine your annual vacation amount, but keep in mind it may not be the same as your hire date or your company seniority date—it may be different, for example, if you left HP in the past and were rehired, or you've taken certain types of leave of absence, or you were part of a company that was acquired by or merged with HP.

Calculating weekly base pay: your weekly base pay is determined using your scheduled hours and pay rate as of July 31, 2014, without adjustment for any changes occurring after July 31, 2014. Items such as overtime, shift differential and bonuses are not part of base pay. If you are a commissioned salesperson who is paid on an incentive basis for sales under a plan that provides you with a specified on-target earnings rate, then your weekly base pay will be based on a pro-rata portion of your on-target earnings. If your incentive plan for sales does not contain an on-target earnings rate, then your weekly base pay will be calculated exclusively using your base salary. If you are eligible but left HP before July 31, 2014, your weekly base pay is determined as of your termination date.

Payment of your incentive: your retirement incentive will be paid through HP Payroll as a taxable lump sum, subject to regular income and employment taxes, and paid net of tax withholding using the withholding rates for bonus payments.

Offset for other payments: your retirement incentive will be offset (reduced) by any early retirement or severance-type benefit that you have received, or is payable to you, since January 1, 2000. All severance-type payments are covered, including:

- Amounts paid or payable as a result of your participation in the 2000, 2002, 2005, 2007 or 2012 HP Enhanced Early Retirement (EER) programs;
- A Voluntary Severance Incentive benefit;
- An "Alternate Offer" under HP's Redeployment Program;
- Payments under HP's Workforce Management Programs or an HP Workforce Reduction Program;
- Payments made under a mutual separation agreement or other individual severance arrangement; and
- Payments under any similar early retirement, severance, workforce reduction, redeployment or separation programs offered by Electronic Data Systems (EDS).

Any offsets to your Program retirement incentive will not reduce the value of your incentive below the minimum payment amount (typically 11 times your weekly base pay), unless your offset is based on a severance or similar HP benefit payable on or after July 21, 2014. Program benefits are not subject to a minimum if your offset is due to a recent severance or similar benefit payable on or after July 21, 2014, so it is possible you may not receive any payment from the U.S. Phased Retirement Program, depending on the size of your other benefit amount.

Continued Health Coverage

Depending on your age and service, you may already be eligible for one of HP's retiree medical programs. If you retire under the 2014 U.S. Phased Retirement Program, you will automatically gain eligibility for the applicable retiree medical program, and you will qualify for a special opportunity to continue HP retiree medical coverage for 24 months following your retirement, paying reduced premium rates similar to active employees.

Eligibility for the HP retiree medical programs differs depending on any pre-2003 HP service history; for example, whether you joined HP as part of the Compaq merger, whether you qualified for the former Digital Retiree Health Program following the merger of Digital and Compaq in 1998, or whether your service has been primarily with HP or EDS. In each case, however, the Program offers access to health coverage for you and your dependents following your retirement that you might not otherwise have qualified for, as shown in the following chart.

Service History	2014 U.S. Phased Retirement Program Health Benefit Continuation
Most employees eligible for the 2014 U.S. Phased Retirement Program—***except those described below***	You will qualify for coverage under the HP Retiree Medical Program. After paying similar retiree medical premium rates as active HP employees for the first 24 months following your retirement, you will pay the full premium costs of coverage, but you can use HP credits to the Retirement Medical Savings Account (RMSA) to help pay a portion of premium costs. You can find information on 2014 premium rates under all of HP's retiree medical programs on the 2014 U.S. Phased Retirement Program website on the @hp portal (under Human Resources & Benefits > Retirement > U.S. Phased Retirement program) at https://hrcontent.corp.hp.com/sites/USBenRetirement/smp/protected/PhasedRetirement_home.page. As part of the U.S. Phased Retirement Program, HP will make a special credit to your RMSA, if needed, to bring your total company credits (including any HP or Compaq matching credits) up to the RMSA maximum of $12,000. In addition, you can use any employee contributions you previously made to the RMSA for reimbursement of eligible expenses.
You have been employed with HP continuously since December 31, 2002, you did not join HP as part of the Compaq merger, you had at least 62 age-plus-service points as of December 31, 2005, and you were age 50 or older with at least 10 years of qualifying service as of June 30, 2007*	You will qualify for coverage under the Pre-2003 HP Retiree Medical Program. After paying similar retiree medical premium rates as active HP employees for the first 24 months following your retirement, retiree premium contributions will be based on years of service, with longer-service employees paying a lower share of premium costs. Years of service used for determining retiree premium contributions are calculated as of your actual retirement date. You can find information on 2014 premium rates under all of HP's retiree medical programs on the 2014 U.S. Phased Retirement Program website on the @hp portal (under Human Resources & Benefits > Retirement > U.S. Phased Retirement program) at https://hrcontent.corp.hp.com/sites/USBenRetirement/smp/protected/PhasedRetirement_home.page
You are a former employee of Digital Equipment Corporation who met eligibility criteria as of February 28, 1999 and has been continuously employed with Compaq/HP since that date	You will qualify for coverage under the former Digital Retiree Health Program. After paying similar retiree medical premium rates as active HP employees for the first 24 months following your retirement, you will pay retiree premium rates determined under the former Digital Retiree Health Program. You can find information on 2014 premium rates under all of HP's retiree medical programs on the 2014 U.S. Phased Retirement Program website on the @hp portal (under Human Resources & Benefits > Retirement > U.S. Phased Retirement program) at https://hrcontent.corp.hp.com/sites/USBenRetirement/smp/protected/PhasedRetirement_home.page

* Also includes any other eligible employees who have been notified of eligibility for the Pre-2003 HP Retiree Medical Program, and employees who joined HP as part of the Compaq merger but previously worked at HP and earned a minimum of 5.5 years of prior HP service.

More information about the retiree medical program for which you are eligible, including costs of coverage, is provided with your personalized benefit statement. If you have questions, see the 2014 U.S. Phased Retirement Program website or the HP retiree medical program summary plan description. You can also contact the HP Benefits Center through Your HP Directory at 1-800-890-3100 (choose "HP Benefits Center").

Electing Dental and/or Vision Benefits Under COBRA

The retiree medical programs (other than the Digital Retiree Health Program for certain former Digital employees) do not include dental or vision benefits. Therefore, following your retirement, you may elect COBRA coverage for a period of up to 18 months in order to continue HP dental and vision benefits.

Equity Grants

Participation in the Program will qualify employees for immediate vesting following retirement, and the special treatment accorded to a "retiree" under the HP equity plans. The particular treatment depends on the plan your grants were issued under, as well as the terms of your grant and the circumstances of your termination of employment. For most Program participants (subject to approval of the Human Resources & Compensation Committee of the HP Board of Directors for employees notified of workforce reduction or mutual separation between September 22 and October 13, 2014, and see exceptions below), the following rules apply:

- **Restricted Stock Units and Long-Term Cash** - Any restricted stock units and long-term cash grants you currently hold will generally vest in full upon termination, in accordance with the terms and conditions of the applicable grant agreement.

- **Stock Options** - Any non-qualified stock options or Stock Appreciation Rights (SARs) you currently hold will automatically vest, and you will have up to three years to exercise outstanding nonqualified stock options or SARs (or until the original expiration date, if earlier). This generally provides a longer exercise period than would otherwise apply for a voluntary or involuntary termination.

  The expiration date shown on the Merrill Lynch website is the last day that your stock option(s) is available for exercise. You must exercise your stock option(s), if at all, on a day that the New York Stock Exchange is open for trading and before the Expiration/Last Date to Exercise, which is shown on the Grant Summary page located in the Equity Plans tab on the Merrill Lynch website. The New York Stock Exchange is open from Monday through Friday, 9:30 a.m. to 4:00 p.m. Eastern Time, except for stock exchange holidays. You are solely responsible for tracking your own stock option expiration dates.

Exceptions: The exceptions described in the following chart will apply to the equity grant treatment described above.

Exception Group	Equity Grant Treatment (subject to approval by the Human Resources & Compensation Committee of the HP Board of Directors)
Program participants who **either:** • Voluntarily terminated employment on or after July 21, 2014, and prior to the Program announcement date on September 8, 2014; or • Terminate or are notified of termination of employment on or after July 21, 2014, through September 21, 2014, due to WFR or similar involuntary termination.	Your equity grant treatment will be the same as for all other Program participants with respect to restricted stock units and long-term cash grants. However, your stock options will retain the treatment provided at the time of your separation. For example, under WFR, unvested stock options will be forfeited and vested stock options must be exercised, if at all, within 3 months of termination or before the original expiration date, if earlier.

For questions about your equity grants, please access the Merrill Lynch website at www.mybenefits.ml.com or call Merrill Lynch at 888-447-7862.

Career Counseling and Outplacement Assistance

Employees retiring under the Program will receive career transition and outplacement support for a period of four months following retirement under the Program (six months for employees in a Director-level position or higher).

Signing and Returning the Release Agreement

In order to receive benefits under the Program, you will need to submit the applicable signed Waiver and General Release Agreement. You have up to 45 days after your retirement date to return your signed Agreement, but you may turn it in anytime during that period, following your retirement date. You have seven days after you return the Agreement to revoke it. Employees in a Director-level position or higher must complete the version of the Agreement that applies to Director-level positions.

If you do not return the applicable Waiver and General Release Agreement, you modify it in any way, or you revoke it within seven days after submitting it, your employment will be terminated on your designated retirement date, but you will not receive Program benefits.

WFR Program participants must complete the U.S. Phased Retirement Program Waiver and General Release Agreement, in addition to completing their WFR Release within the timeframes described in the WFR Program. Participants who terminated employment on or after July 21, through September 21, 2014, or who are notified of WFR or similar involuntary termination on or after July 21, through

October 13, 2014, generally have 45 days from their Program acceptance notification date to return the Program Waiver and General Release Agreement.

Rehire Policy

Employees who retire under the Program will be subject to HP's policies regarding rehire, which are subject to change at HP's discretion. These policies currently provide that you will not be eligible to be rehired or to work as a contractor for HP at any time in the future.

If You Die During the Program Period

If you are eligible for the Program and die during the election period before making an election to participate, or after making an election but before you take payment of your Program benefit, payment of the Program retirement incentive will be made to your estate (subject to the estate signing and returning a Waiver and General Release Agreement). Your covered family members under HP medical benefits will also be eligible for continued coverage for up to 24 months at rates similar to active employees.

Other Information You Should Know

The 2014 U.S. Phased Retirement Program provides cash retirement incentives, eligibility for special health benefit continuation, and career counseling services. Special treatment for certain equity grants applies to some participants. This summary describes the special benefits or treatment resulting from participation in the 2014 U.S. Phased Retirement Program, and constitutes the Program's formal legal plan document, but it does not describe all of the terms and conditions that apply in order to be eligible for or receive benefits from the HP retiree medical programs and other benefit plans. You should refer to the *HP U.S. Benefits Summary Plan Descriptions* for additional information about HP benefit plans.

The terms and conditions for participation in the retiree medical programs are governed by the applicable plan documents. In the event of a conflict between this summary or other materials and the plan documents, the terms of the plans will control.

Administrative Information

Administrator Discretion

HP, as plan sponsor, has full discretion to determine employee service, pay amounts, termination dates and all other factors relating to any aspect of employment and the 2014 U.S. Phased Retirement Program. The HP Plan Committee (or its delegate) is the "plan administrator" for purposes of ERISA, and has full discretion to interpret the terms of all of HP's employee benefit plans, including eligibility provisions and benefit amounts under this Plan. All such determinations will be final and binding on all parties. HP reserves the right to amend and terminate the 2014 U.S. Phased Retirement Program, any of its benefit plans and any Company policies at any time. Retirement under the 2014 U.S. Phased Retirement Program does not change this.

Claiming Benefits

In order to participate in and claim benefits under this Program, you must file an election form (in the manner specified by HP) during the period beginning September 22 and ending October 10, 2014 at 5:00 p.m. Pacific Time, you must be accepted for Program participation, and you must terminate your HP employment on the retirement date designated by HP. In addition to the election form, you may also be required to enroll for retiree medical coverage in the manner specified by HP and to pay any applicable premiums.

Denial of Benefits

If you believe you are eligible to participate in the 2014 U.S. Phased Retirement Program but did not receive a Program information packet mailed to your home, or you believe that your Program retirement incentive or medical benefits have not been determined correctly, you should first submit your inquiry through Contact HR via the @hp portal (accessible via the "Employee Links" tab). If your eligibility or other concerns cannot be resolved informally through this channel, you may file a formal claim for benefits by writing to:

U.S. Phased Retirement Program—Claims Administrator
Hewlett-Packard Company
c/o ERISA Counsel
3000 Hanover St.
MS 1050
Palo Alto, CA 94304

Your claim must be filed no later than January 31, 2015 if it relates to eligibility for the U.S. Phased Retirement Program, or within 90 days following your termination date for claims related to the retirement incentive or retiree medical benefits payable through the Program. Your claim should set out the reasons you believe you are eligible, and you should provide copies of any supporting documentation. If your claim is denied, you will receive a written notice of the denial within 90 days after the date the administrator receives the claim (or within 180 days after such receipt, if special circumstances require an extension of time for processing the claim). If an extension is required, you will be notified before the end of the first 90-day period.

If your claim is denied, you will receive a notice that states the specific reason(s) for the denial with specific reference to the Plan provision(s) on which the denial is based. This notice will also tell you:

- A description of any additional material or information necessary for you to perfect your claim,
- An explanation of why such material or information is necessary, and
- A description of the review procedures and the time limits applicable to such procedures.

Please note that the special equity grant treatment accorded some participants under the Program is not subject to the federal Employee Retirement Income Security Act of 1974 (ERISA), and therefore any questions or claims regarding the treatment of HP equity grants should be directed to Merrill Lynch or HP Global Equity Administration.

Appealing a Denied Claim

If your claim is denied in whole or in part, then you (or your authorized representative) may appeal this determination within 60 days of the notice of denial. Your appeal should include the reasons you are requesting a review of the denial, facts supporting your request, and any other relevant comments. You will have reasonable access, upon request and free of charge, to copies of all documents, records and other information relevant to your claim for benefits (other than information, documents, and records that are legally privileged). You should submit your appeal in writing to:

HP Phased Retirement Program—Appeals Committee
Hewlett-Packard Company
c/o ERISA Counsel
3000 Hanover St.
MS 1050
Palo Alto, CA 94304

Your appeal will be considered by the Welfare Benefits Appeals Committee, which hears appeals regarding employee benefit plans. Your appeal will be considered at the next quarterly meeting of the Committee, so long as it is received within 30 days of such meeting, and otherwise will be considered at the next following quarterly meeting. You will be notified of the Plan Committee's decision on your appeal.

When considering your appeal, the Committee will take into account all comments, documents, records, and other information that you submit, whether or not such information was submitted or considered in the initial benefit determination. The Committee may require you to submit additional facts, documents or materials as it deems necessary to review your claim.

The Committee will generally make a final determination regarding your claim within 60 days of receipt of your request for review (or within 120 days after such receipt if special circumstances require an extension of time for processing the claim). If an extension is required, you will be notified before the end of the first 60-day period.

If the Committee affirms the denial of your claim on appeal, you will be provided notice of the specific reason for the denial, reference to the Plan provisions on which the denial is based, a statement that you are entitled to access copies of documents, records, and other information that is relevant to your claim (other than information, documents, and records that are legally privileged) upon request and free of charge, and a statement of your right to initiate a civil action in Federal district court under ERISA section 502(a) only after this process has been timely and properly completed.

Limitation on Actions

You may not bring a lawsuit to recover benefits under this Plan until you have exhausted the administrative process described above. In addition, no equitable or legal action may be brought more than one year after the date that a decision on appeal is issued, and in no event may any equitable or legal action be brought more than two years after the date on which the facts giving rise to the legal or equitable claim occurred.

No Right to Terms of Employment

The establishment of this Program, the granting of benefits, and any action of HP or any other person shall not be held or construed to confer upon any person any right to continue or be rehired as an Employee or in any other capacity for any specified period or on any specified terms and conditions of employment. Employment at HP remains at-will, and no provision of this Program shall restrict the right of HP or its affiliates to discharge an employee at any time, with or without cause or notice.

Severability of Provisions

If any provision of this Program is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision herein, and the Program shall be construed and enforced as if such provision had not been included.

No Pension Payments; Effect of Code Section 409A

This Program is intended to be an employee welfare benefit plan within the meaning of ERISA Section 3(1) and Section 2510-3-1 of the regulations thereunder, as the total of all payments will in no event exceed two times a participant's annual compensation during the year immediately preceding his or her termination, and all payments under the Program shall be completed within 24 months of the participant's termination date.

In addition, benefits under the Program are not intended to be covered by Section 409A of the Internal Revenue Code of 1986, as amended, as the Program is intended to constitute an exempt severance plan under regulations issued under Section 409A.

Employee Retirement Income Security Act of 1974 (ERISA) Information

Plan Name: 2014 U.S. Phased Retirement Program, Plan #558

Name and Address of Plan Sponsor, Plan Administrator and Agent for Service of Process:

The employer and plan sponsor for the plan is:

Hewlett-Packard Company
c/o ERISA Counsel
3000 Hanover Street
MS 1050
Palo Alto, CA 94304
EIN: 94-1081436
1-650-857-1501

The plan administrator is the Hewlett-Packard Company Plan Committee, at the above address and phone number. If legal action should become necessary to settle a claim under the plan, the agent on whom notice of such legal action may be served is:

Hewlett-Packard Company
c/o CT Corporation System
818 West 7th Street
Los Angeles, CA 90017
1-213-627-8252 or 1-800-888-9207

Type of Plan: Welfare/severance

Contribution Sources:

Hewlett-Packard Company pays all retirement incentive amounts under the Program. Participant contributions are required for health coverage for the retiree and any covered dependents.

Plan Year: Fiscal year ending October 31

ERISA Rights:

If you are a participant in the 2014 U.S. Phased Retirement Program, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Federal law and regulations require the following description of your rights be given to you. ERISA provides that you shall be entitled to:

(1) Examine, without charge, at the Plan Administrator's office and at other specified locations all Plan documents, including insurance contracts and copies of all documents filed by the Plan with the U.S. Department of Labor, such as annual reports and Plan descriptions.

(2) Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.

(3) Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of this Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently in the interest of you and other Plan participants and beneficiaries. No one may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA. If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if requested materials are not received within 30 days, if upon reconsideration of a claim for benefits the claim has been denied or ignored, or if it should happen that Plan fiduciaries misuse Plan assets, you may bring a legal action in state or federal court.

In case of misuse of Plan assets by fiduciaries, you may also seek assistance from the U.S. Department of Labor. If you take legal action the court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. However, if you lose, the court may order you to pay these costs and fees (for example, if it finds your claim is frivolous).