

# HP Retirement Plan and HP Deferred Profit Sharing Plan Summary Plan Description

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**Important! Please note:**

The *HP Retirement Plan and HP Deferred Profit Sharing Plan Summary Plan Description* (SPD) provides important information about the Hewlett-Packard Company Retirement Plan and the Hewlett-Packard Company Deferred Profit Sharing Plan (DPSP), including benefit features, resources, and summaries of what happens when you experience certain changes in your life.

This *HP Retirement Plan and HP Deferred Profit Sharing Plan SPD* applies to eligible HP employees, former employees, and beneficiaries with vested benefits that have not been fully paid.

- You may have a benefit in the HP Retirement Plan if you were employed by HP in an eligible position on or before December 31, 2002.
- You may have a benefit in the HP Deferred Profit Sharing Plan if you were an eligible DPSP participant before November 1, 1993. DPSP benefits are payable separately from the HP Retirement Plan, but are considered in determining the amount (if any) of your HP Retirement Plan benefit for service before November 1, 1993.

The HP Retirement Plan was closed to new participants on January 1, 2003, and existing participants stopped accruing additional benefits on December 31, 2005 or December 31, 2007, depending on age and qualifying years of service. The HP Deferred Profit Sharing Plan was closed to new participants on November 1, 1993, and no further contributions were made after that date.

This *HP Retirement Plan and HP Deferred Profit Sharing Plan SPD* represents your summary plan description under the Employee Retirement Income Security Act of 1974, as amended (ERISA). As a summary, this information does not contain all of the details about the plans. The complete terms of the plans are contained in the plan documents. In the event of a conflict or inconsistency between this summary and the terms of the plans, the terms of the plans will control.

This SPD has been updated to reflect changes effective January 1, 2008. Please note, however, that benefits may be changed from time to time. Updates about benefit changes will be provided to you as they occur, or otherwise as required by ERISA.

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## Overview

The HP Retirement Plan provides pension benefits for eligible employees employed by HP on or before December 31, 2002. The plan was “frozen” effective December 31, 2007, meaning that no participants earn additional benefits after that date. If you were an eligible employee with less than 62 combined years of age and qualifying service as of December 31, 2005, you stopped earning additional benefits on December 31, 2005 instead (see “Impact of HP Retirement Plan freeze” on the following page).

Benefits under the HP Retirement Plan are calculated using a formula based on your eligible pay and your years of “credited service.” Benefits are paid after you terminate employment or retire, and are paid in the form of a monthly annuity or a single lump-sum payment. The cost of the plan is paid entirely by HP; you are not permitted or required to make contributions.

You are a participant in the HP Retirement Plan if you are a regular U.S. employee and:

- You were employed by HP as of December 31, 2002 (including pre-merger Compaq employees) and remained continuously employed with HP since then; and
- You met the plan’s two years of service eligibility requirement.

You also may be a participant if you continue to have vested benefits in the plan that have not been fully paid because you are a former employee who was employed by HP in an eligible status on or before December 31, 2002, or because you are the beneficiary of a deceased participant.

**Impact of HP Retirement Plan freeze**

The HP Retirement Plan was “frozen” effective December 31, 2007, meaning that no participants earn additional benefits after that date.

If you were an eligible employee with less than 62 combined years of age and qualifying service as of December 31, 2005, you stopped earning additional benefits on December 31, 2005 instead. For this purpose, qualifying years of service included full and partial years calculated using your “service date” on the HP Global HRMS System (the same date used to determine vacation accrual rates). The combination of your age and service is called “points.”

The pension benefit payable to you from the HP Retirement Plan at the time of your retirement or termination of employment will be determined using your eligible pay and Years of Credited Service as of the date you stopped earning additional benefits (December 31, 2005 or December 31, 2007, depending on your age-plus-service points).

If you were an HP Deferred Profit Sharing Plan (DPSP) participant before November 1, 1993, you may also have a benefit in the DPSP. HP Retirement Plan benefits coordinate with the DPSP, and benefits are only payable from the HP Retirement Plan for service before November 1, 1993 if your DPSP balance is less than your HP Retirement Plan benefit for that period.

## Benefits resources and phone numbers

The chart below provides a handy reference of resources and phone numbers for the HP Retirement Plan and the HP Deferred Profit Sharing Plan.

Benefit program	Whom to contact	Web resources	Phone resources
<b>HP Retirement Plan and HP Deferred Profit Sharing Plan</b>	HP Retirement Services Center at Fidelity <ul style="list-style-type: none"> <li>• General questions</li> <li>• Program details</li> <li>• Applying for benefits</li> <li>• Retirement benefit modeling</li> <li>• Beneficiary designations or changes</li> <li>• Changes to mailing address (for former employees, beneficiaries, alternate payees, and employees being paid on a non-U.S. payroll)</li> <li>• Changes to direct deposit or tax withholdings (for participants receiving monthly annuity payments)</li> </ul>	<a href="http://www.netbenefits.com">www.netbenefits.com</a>	1-800-457-4015  Outside the U.S., call 1-800-457-4015 after dialing the AT&T direct access number for the specific country (log on to <a href="http://www.att.com/traveler">www.att.com/traveler</a> for AT&T direct access numbers). If you are in a country that does not have the AT&T Direct Toll Free Service, call collect at 508-787-9902.  1-888-343-0860 (TDD number for the hearing- or speech-impaired)

### Fidelity NetBenefits®

You can use Fidelity NetBenefits (the online site for your plan information) to access information about your HP Retirement Plan and/or HP Deferred Profit Sharing Plan benefit, as well as any benefits you may have under the HP 401(k) Plan. You can access the site through the Internet at [www.netbenefits.com](http://www.netbenefits.com).

The first time you access NetBenefits®, you'll be asked to create a personal identification number (PIN). You'll also have the option of creating a "Customer ID" to use in place of your Social Security number when you access the site. You'll use your Social Security number/Customer ID and your PIN for future online interactions with NetBenefits and whenever you call the HP Retirement Services Center. Your PIN and Customer ID provide an important security measure and represent your electronic signature for certain types of transactions. Be sure to keep this information secure at all times.

If you forget or lose your PIN, you can log on to NetBenefits and reset your PIN. Your new PIN will be updated immediately. Here's a sample of some of the services Fidelity NetBenefits provides:

- Check current pension benefit amounts and DPSP balance (if applicable);
- Model future benefits;
- Designate or update beneficiaries; and
- Apply for benefit payment.

### **HP Retirement Services Center at Fidelity**

The HP Retirement Services Center at Fidelity is a full-service retirement programs service center that can help with your HP Retirement Plan and DPSP needs, as well as any balance you may have in the HP 401(k) Plan.

The HP Retirement Services Center can provide retirement planning tools and help with beneficiary designations or filing a claim for benefits, or if you just have general questions about your HP retirement benefits.

To reach the HP Retirement Services Center, call the phone numbers listed earlier in this SPD under "Benefits resources and phone numbers."

### **Eligibility**

The HP Retirement Plan is closed to new participants. Participation was open to regular full-time, regular part-time, and limited-term employees (as determined by HP) who were employed by HP on or before December 31, 2002 and paid from HP's U.S. payroll.

Individuals classified by HP as interns, independent contractors, agency contractors, consultants, temporary employees, leased employees, or other similar classifications were not eligible for plan participation.

### **Plan participation**

Eligible employees generally began participating in the HP Retirement Plan on the May 1 or November 1 following completion of two years of eligibility service. Pre-merger Compaq employees who had two years of service on October 31, 2002 became participants on January 1, 2003.

For purposes of the plan’s two-year eligibility requirement, years of service were determined as follows:

Status	How years of service were determined for participation
<p><b>If you worked for HP prior to the HP/Compaq merger effective May 3, 2002</b></p> <p><i>Also includes post-merger hires who were being paid on the pre-merger HP payroll as of December 31, 2002</i></p>	<p>Eligibility service was based on years of service in which you were credited with 1,000 or more hours in each “anniversary year,” measured from your date of hire.</p> <p>Employees on the U.S. payroll were credited with 95 hours of service for each semimonthly pay period in which earnings were paid for hours worked. Hours of service were also credited for periods of approved FMLA Leave and Military Leave, if you returned from leave on a timely basis.</p>
<p><b>If you were a pre-merger Compaq employee</b></p> <p><i>Also includes post-merger hires who were being paid on the former Compaq payroll as of December 31, 2002</i></p>	<p>Eligibility service included your current period of continuous employment at HP, as well as your pre-merger Compaq service. If you worked at HP before the HP/Compaq merger, your prior HP service also counted.</p>

Your participation in the HP Retirement Plan continues until your benefits are paid to you, even after you are no longer earning additional benefits under the plan. If you are a former employee or beneficiary, you’re eligible to continue participation if your vested benefits have not yet been fully paid to you.

## Vesting

“Vesting” refers to ownership rights in your HP Retirement Plan and/or DPSP benefits and whether your benefit will be payable to you following termination of employment.

- If you are a current HP employee, you became 100% vested in your HP Retirement Plan and/or DPSP benefits as soon as you met the participation requirements for the plans. This means that, as a participant, 100% of your benefit will be paid to you when you leave HP.
- If you are a former HP employee, the vested portion of your benefit was determined at the time of termination of employment from HP based on plan rules then in effect. If part or all of your benefit was not yet vested at the time employment terminated, the nonvested portion was forfeited.

## Amount of benefits

The HP Retirement Plan is designed to provide you with retirement income, either in the form of a monthly lifetime pension or a single lump-sum payment (subject to your spouse's consent, if you're married at the time payments begin). You can receive, or begin receiving, your benefits when you terminate employment with HP, regardless of your age.

### HP Retirement Plan pension formula

*This section describes the HP Retirement Plan benefit formula in effect as of December 31, 2007. If you are a former employee with service before 1994, your benefit was determined based on the formulas in effect at the time your benefit was earned. For more information, contact the HP Retirement Services Center at Fidelity.*

Your pension benefit under the HP Retirement Plan is based on a formula that considers your eligible pay and years of service up until the date you stopped earning additional benefits (the earliest of your termination date, December 31, 2005, or December 31, 2007, as described in "Impact of HP Retirement Plan freeze" earlier in this SPD). The formula determines your benefit as a monthly pension payable for your lifetime starting at the plan's normal retirement date of age 65 (or later, if you retire after age 65).

*1.5% x Highest Average Pay Rate  
x total Years of Credited Service*

minus

*0.6% x Final Average Compensation  
x total Years of Credited Service*

Definitions of each of the capitalized terms used in the formula are provided in the chart later in this SPD. Here are some important points to keep in mind about this formula:

- The reduction equal to 0.6% of Final Average Compensation recognizes HP's role in providing Social Security benefits, although it is not the actual amount of the Social Security benefit you may receive.
- No more than 30 Years of Credited Service is used in calculating your pension benefits.
- For pre-merger Compaq employees, Years of Credited Service do not include service before you joined the plan on January 1, 2003 (other than prior HP service).



- For eligible employees who stopped earning additional benefits on December 31, 2005 (due to having less than 62 combined years of age and qualifying service on that date), eligible pay and Years of Credited Service are determined as of December 31, 2005. For eligible employees who stopped earning additional benefits on December 31, 2007, eligible pay and Years of Credited Service are determined as of December 31, 2007.
- If you are a DPSP participant, your HP Retirement Plan benefit with respect to Years of Credited Service earned before November 1, 1993 is reduced by the amount of your DPSP balance. See the example later in this SPD for more information about how this works.

The chart below provides definitions for each of the capitalized terms used in the HP Retirement Plan benefit formula.

Term	Definition
<b>Highest Average Pay Rate</b>	<p>The amount determined by averaging your monthly base pay rates during the 20 consecutive fiscal quarters (five years) when your pay rate was the highest. Your monthly pay rate was determined at the end of each fiscal quarter (January 31, April 30, July 31, and October 31). In addition:</p> <ul style="list-style-type: none"> <li>• If you were eligible to receive sales commissions, your monthly pay rate was your monthly target salary.</li> <li>• If you received a bonus award under the Pay for Results program, this award is included in the Highest Average Pay Rate calculation.</li> <li>• No pay rates are used during periods you were being paid on a non-U.S. payroll (such quarters are also excluded when determining your consecutive fiscal quarter pay rates).</li> <li>• No pay rates are used after the date that you stopped earning additional pension benefits due to the plan freeze (see "Impact of HP Retirement Plan freeze" earlier in this SPD).</li> </ul> <p>For pre-merger Compaq employees who joined the plan on January 1, 2003, only pay rates in effect after that date are considered when determining your Highest Average Pay Rate, unless you had prior HP service. Also, pay earned by employees rehired after 2002 is not counted under this definition.</p> <p>Eligible pay was subject to an IRS maximum that was adjusted each year with inflation. If you had eligible pay that exceeded the IRS maximum, you may have qualified to earn additional benefits under the nonqualified Excess Benefit Retirement Plan.</p>

Term	Definition
<b>Final Average Compensation</b>	<p>The lesser of your Average Compensation or Covered Compensation, determined as follows:</p> <ul style="list-style-type: none"> <li>• <b>Average Compensation:</b> Average Compensation was your most recent monthly pay rates averaged over the preceding 12 fiscal quarters (three years), where your annual pay rate in any fiscal quarter was not more than the Social Security wage base for that plan year (for example, \$97,500 for the plan year starting November 1, 2007). For pre-merger Compaq employees who joined the plan on January 1, 2003, no pay before that date is considered.</li> </ul> <p>Please note that only pay rates in effect on or before the date you stopped earning additional pension benefits (December 31, 2005 or December 31, 2007, depending on your age-plus-service points) are taken into account in determining your benefit. See "Impact of HP Retirement Plan freeze" earlier in this SPD for more information.</p> <p>For employees rehired after 2002, compensation earned after that date is not counted under this definition.</p> <ul style="list-style-type: none"> <li>• <b>Covered Compensation:</b> Covered Compensation is a 35-year average of Social Security wage bases ending with the year you attain your Social Security retirement age (which can be age 65, 66, or 67). Your Covered Compensation changes each year and depends on your year of birth. For employees impacted by the plan freeze, Covered Compensation is determined as of the date you stopped earning additional pension benefits (December 31, 2005 or December 31, 2007, depending on your age-plus-service points). See "Impact of HP Retirement Plan freeze" earlier in this SPD for more information.</li> </ul>

Term	Definition
<b>Years of Credited Service</b>	<p>Your Years of Credited Service were based generally on the number of hours you worked during each anniversary year while on HP's U.S. payroll as an eligible employee earning pension benefits. An anniversary year was the 12-month period starting with your date of hire and each anniversary of your date of hire after that.</p> <p>Here's how you could earn Years of Credited Service based on your hours worked on the U.S. payroll during your anniversary year:</p> <ul style="list-style-type: none"> <li>• 1,600 or more hours: You earned a full Year of Credited Service.</li> <li>• 1,200 to 1,599 hours: You earned 0.8 Years of Credited Service.</li> <li>• 1,000 to 1,199 hours: You earned 0.6 Years of Credited Service.</li> <li>• Less than 1,000 hours: You did not earn a full or partial Year of Credited Service.</li> </ul> <p>Participants impacted by the plan freeze stopped earning Credited Service on December 31, 2005 or December 31, 2007, depending on age-plus-service points (see "Impact of HP Retirement Plan freeze" earlier in this SPD). During the anniversary year that began in the year the participant stopped earning pension benefits, participants could earn a partial Year of Credited Service as follows:</p> <ul style="list-style-type: none"> <li>• 900 to 999 hours: You earned 0.5 Years of Credited Service.</li> <li>• 700 to 899 hours: You earned 0.4 Years of Credited Service.</li> <li>• 500 to 699 hours: You earned 0.3 Years of Credited Service.</li> <li>• 300 to 499 hours: You earned 0.2 Years of Credited Service.</li> <li>• 100 to 299 hours: You earned 0.1 Years of Credited Service.</li> <li>• Less than 100 hours: You did not earn any Credited Service.</li> </ul> <p>Partial Years of Credited Service were also earned under this formula by participants who transferred to or from HP's U.S. payroll during an anniversary year in which they were eligible to earn Credited Service.</p> <p>Once you became a participant, you received Years of Credited Service for the period during which you satisfied the plan's two-year eligibility requirement, if you were in an eligible position during that time.</p> <p>For pre-merger Compaq employees who joined the plan on January 1, 2003, Years of Credited Service does not include any service before 2003 (except for prior HP service).</p> <p>No more than 30 Years of Credited Service are taken into account under the plan.</p> <p>You did not earn Years of Credited Service during any period of disability longer than 26 weeks, or for pre-1976 service if you are a pre-merger HP employee who worked less than 20 hours per week during this period. You also did not earn Credited Service if you were rehired after 2002.</p>

### How benefits may be limited

Benefits under the HP Retirement Plan are subject to certain limits imposed by the Internal Revenue Code, including the amount of compensation that can be taken into account in calculating your benefits and the amount that can be paid as an annual benefit. If these limits apply to you, you may receive a portion of your benefits under the nonqualified Excess Benefit Retirement Plan.

### Benefit reductions for early commencement

If you leave HP before age 65, you can choose to receive payment of benefits at any time. If you begin monthly lifetime payments before age 65, the amount of your monthly HP Retirement Plan benefit will be reduced because payments will be made over a longer period of time. The amount by which your benefit is reduced depends on when you begin payment, as shown below:

If annuity payments begin when you reach age...	You will receive this percentage of your Retirement Plan age 65 benefit...
65	100%
64	93.33%
63	86.67%
62	80.00%
61	73.33%
60	66.67%
59	63.33%
58	60.00%
57	56.67%
56	53.33%
55	50.00%
Before age 55	An additional reduction will be applied based on the number of months before age 55, using mortality tables and interest rates specified by the plan.

If you elect to receive your HP Retirement Plan benefit as a lump-sum payment, this amount is also adjusted to take into account a variety of factors, including your age when payment is made, your life expectancy, and applicable interest rates. The interest rates used by the plan change monthly, and therefore the amount of your lump-sum benefit will also change every month.

### If you continue to work past age 65

If you continue to work past age 65 in an eligible position, benefit payments will not be made while you continue to be employed, but you can start to receive your benefits as soon as you leave HP.

**If you leave HP and are rehired**

If you previously participated in the HP Retirement Plan and/or DPSP and are rehired, your plan participation and benefits vary, depending on your rehire date.

Rehire date	How benefits are affected
<p><b>If you were rehired before January 1, 2003</b></p> <p><i>Includes pre-merger Compaq employees who worked for HP before the HP/Compaq merger and rejoined the HP Retirement Plan on January 1, 2003</i></p>	<p>When you again retire or leave HP, your benefits will be calculated using any additional Years of Credited Service or compensation you earned after your rehire date (through the December 31, 2005 or December 31, 2007 plan freeze dates, depending on your age-plus-service points). If you received a benefit from the plan(s) when you first left HP, your benefits will be adjusted when you again retire or leave HP to reflect the value of benefits already received.</p>
<p><b>If you are rehired on or after January 1, 2003</b></p>	<p>The value of your benefits under the plan(s) will not change as a result of your new period of service. You will not earn additional Years of Credited Service under the HP Retirement Plan (even if you continue to have a benefit in the plan that has not been paid to you). If you were rehired on or before December 31, 2005, you may have been eligible to earn future pension benefits under HP’s Cash Account Pension Plan. If you were rehired after December 31, 2005, you did not earn pension benefits under any HP pension plan.</p>

If you are already receiving a monthly annuity payment from the plan(s) when you are rehired, these payments will continue. However, if you were scheduled to receive a lump-sum payment, or to commence an annuity payment option, payment will be postponed until you again leave or retire from HP and all of its affiliates.

**Retirement benefit example: Alice (benefits in Retirement Plan only—no DPSP balance)**

Alice is 35 years old on January 1, 1996, which is the date she began her career as a pre-merger HP employee. She was born in 1961. She works on a full-time basis until age 45 and then leaves HP on December 31, 2005, but does not take payment of her benefit until age 65. Her compensation data and service on December 31, 2005 are as follows:

	December 31, 2005
Years of Credited Service	10
Monthly Highest Average Pay Rate	\$5,000
Monthly Final Average Compensation	\$5,250

Because Alice stopped working on December 31, 2005, her benefit is calculated the same way as an active employee who had fewer than 62 points on December 31, 2005 (and therefore stopped earning additional pension benefits on that date). Also, because she was not a participant in the HP Deferred Profit Sharing Plan as of October 31, 1993, Alice's benefit is determined exclusively under the HP Retirement Plan formula. Her benefit is calculated as follows:

<b>Alice's monthly Retirement Plan benefit</b>
$1.5\% \times \text{Highest Average Pay Rate} \times \text{Years of Credited Service}$ minus $0.6\% \times \text{Final Average Compensation} \times \text{Years of Credited Service}$
$.015 \times \$5,000 \times 10$ minus $.006 \times \$5,250 \times 10$
Monthly Retirement Plan benefit: $\$750 - \$315 = \$435/\text{month}$ starting at age 65
The lump-sum value of Alice's benefit at age 65 would be \$56,700 based on current mortality tables and a 6% interest rate. If these tables and interest rates change, the lump-sum amount will be different.

If Alice chooses to receive monthly pension benefits before age 65, the monthly amount will be smaller because payments are expected to be made over a longer period of time. For example, if she elects to receive monthly lifetime payments starting at age 55, her monthly benefit would be \$218 instead of \$435. The monthly amount is reduced by 50% because payments will be made over a longer period (see chart of reduction percentages under "Benefit reductions for early commencement" earlier in this SPD).

Alice's monthly benefit will also be smaller if she chooses a payment option that continues benefits to her spouse or other joint annuitant following her death. See "How benefits are paid" later in this SPD for more information.

### **Using the retirement modeling tool to project your future benefits**

In addition to the information provided in this SPD, participants who have not yet commenced payment of benefits can access a retirement modeling tool to project future retirement benefits **using your own assumptions**, including interest rates, future fund performance, and when you'd like to begin receiving your benefit. The tool provides benefit estimates for the HP Retirement Plan and DPSP, based on your assumptions. You can access the tool on Fidelity NetBenefits at [www.netbenefits.com](http://www.netbenefits.com).

The modeling tool takes into account the impact of the plan freeze (see "Impact of HP Retirement Plan freeze" earlier in this SPD), so that active HP participants are able to obtain pension estimates based on their accrued benefit earned as of December 31, 2005 or December 31, 2007, using different retirement dates and other factors.

When using the modeling tool, keep in mind that the data you receive is only an estimate based on the assumptions you enter and your salary and service data provided to Fidelity by HP at the time the estimate is provided. **It is not a guarantee of actual benefits.** Actual benefits are determined based on the terms of the plan, as well as your personal data and other relevant factors in effect at the time benefits are calculated for payment.

### **HP Deferred Profit Sharing Plan benefits**

If you were a participant in the DPSP on October 31, 1993, you may have a benefit under the DPSP. The final contribution to the DPSP was made for the year ended October 31, 1993.

Your DPSP benefit is payable separately from your HP Retirement Plan benefit, but is used in determining the amount (if any) of your HP Retirement Plan benefit for service before November 1, 1993. Benefits under the DPSP (expressed in the form of a monthly benefit at age 65) are compared to your benefit under the HP Retirement Plan based on your Years of Credited Service before November 1, 1993. This comparison works the same way the old Supplemental Pension Plan and DPSP did before November 1, 1993, and is made at the time you elect to begin payments.

- **If your DPSP benefit is more than your HP Retirement Plan benefit** for service before November 1, 1993, you will receive your DPSP benefit, but no benefit from the HP Retirement Plan for service before November 1, 1993.
- **If your DPSP benefit is less than your HP Retirement Plan benefit** for service before November 1, 1993, you will receive your DPSP benefit plus an additional benefit from the HP Retirement Plan equal to the difference between your DPSP benefit and your HP Retirement Plan benefit for service before November 1, 1993.

- If you have already taken payment of your DPSP account when benefits are determined under the HP Retirement Plan, or if a portion of your DPSP account has previously been paid as part of a Qualified Domestic Relations Order, the amount of your prior DPSP payments will be taken into account in determining your pre-November 1, 1993 benefit from the HP Retirement Plan, using an 8% annual compound interest factor from the date your DPSP payment was made. This value of your DPSP prior payment will then be added to any remaining DPSP balance for purposes of comparing DPSP benefits to benefits under the HP Retirement Plan formula.

Your DPSP and any additional HP Retirement Plan benefit based on Years of Credited Service before November 1, 1993 are known as your “Old Plan Benefit.” Your Old Plan Benefit for service prior to November 1, 1993 will be at least as great as the HP Retirement Plan formula, but may be larger, depending on the value of your DPSP account. See “Retirement benefit example: Mary” later in this SPD for more information.

***Your DPSP account***

If you have an account in the DPSP, your account shares in the gains and losses earned by investments held under the plan until your account is paid to you. Your DPSP account is valued monthly, and your share of gains and losses is based on the value of your account at the end of the preceding month, compared to the value of all participant accounts in the DPSP at the time the gains and losses are allocated.

**Retirement benefit example: Mary (Retirement Plan benefit plus DPSP balance)**

Mary started work as a pre-merger HP employee on November 1, 1980, at age 29. She works on a full-time basis until age 55 and leaves HP on October 31, 2006 with 26 Years of Credited Service. She does not elect to take payment of her DPSP or HP Retirement Plan benefit until age 65. Her compensation data, service, and DPSP account values on October 31, 2006 are as follows:

	<b>October 31, 2006</b>
Years of Credited Service	26
Monthly Highest Average Pay Rate	\$6,700
Monthly Final Average Compensation	\$5,560
DPSP Account Balance	\$130,000

Because she was a participant in the DPSP as of October 31, 1993, Mary’s HP Retirement Plan benefit for service before November 1, 1993 (her “Old Plan Benefit”) is calculated by comparing her HP Retirement Plan benefit to her DPSP account balance.



<p align="center"><b>“Old Plan Benefit”</b></p> <p align="center"><b>Under the DPSP and HP Retirement Plan based on Years of Credited Service before November 1, 1993</b></p>	<p align="center"><b>“New Plan Benefit”</b></p> <p align="center"><b>Under the HP Retirement Plan based on Years of Credited Service after November 1, 1993</b></p>
<p align="center"><i>HP Retirement Plan formula</i></p> <p>1.5% x Highest Average Pay Rate x Years of Credited Service before November 1, 1993 minus 0.6% x Final Average Compensation x Years of Credited Service before November 1, 1993</p>	<p align="center"><i>HP Retirement Plan formula</i></p> <p>1.5% x Highest Average Pay Rate x Years of Credited Service after November 1, 1993 minus 0.6% x Final Average Compensation x Years of Credited Service after November 1, 1993</p>
<p align="center">.015 x \$6,700 x 13 minus .006 x \$5,560 x 13</p> <p><b>HP Retirement Plan benefit at age 65:</b> \$1,307 – \$434 = \$873/month at age 65 = “A”</p> <p><b>DPSP balance at age 65</b> = \$281,000 DPSP annuity at age 65 = \$2,155/month based on plan conversion factors* = “B”</p> <p>“Old Plan Benefit” = Greater of “A” or “B”</p>	<p align="center">.015 x \$6,700 x 13 minus .006 x \$5,560 x 13</p> <p><b>HP Retirement Plan benefit at age 65:</b> \$1,307 – \$434 = \$873/month at age 65, or \$113,800 lump sum based on plan conversion factors*</p>
<p><b>“Old Plan Benefit” at age 65</b> = \$2,155/month, or \$281,000 lump sum (“B”) (payable entirely from DPSP)*</p>	<p><b>“New Plan Benefit” at age 65</b> = \$873/month, or \$113,800 lump sum based on plan conversion factors*</p>
<p align="center"><b>Mary’s total retirement benefit at age 65</b> = \$3,028/month, or \$394,800 lump sum based on plan conversion factors*</p>	

\* These lump-sum conversion examples are based on current mortality tables and a 6% interest rate. If these tables or interest rates change, the lump-sum amounts will be different. Also, the “Old Plan Benefit” lump-sum amount is based on an assumed DPSP growth rate of 8% over 10 years. This assumption, along with other assumptions used in this example, is for illustrative purposes only and is not a guarantee of account growth rate or of actual benefit payments.

Like Alice, if Mary chooses to receive benefits before age 65, her benefits will be reduced to take into account the longer period of time over which benefits will be paid. See “Benefit reductions for early commencement” earlier in this SPD for more information.

Mary’s monthly benefit will also be reduced if she chooses a payment option that continues benefits to her spouse or other joint annuitant following her death. See “How benefits are paid” later in this SPD for more information.

## **When benefits are payable**

Your HP Retirement Plan and DPSP benefits are payable to you at any time after you leave HP, regardless of your age. You can request payment shortly after you leave HP, or defer payment until as late as your “required beginning date” (April 1 of the calendar year following the calendar year in which you reach age 70½). However, if the lump-sum values of your benefits under the HP Retirement Plan and the DPSP (if applicable) are both \$5,000 or less, you do not have the option to defer payment (see “If your benefit is \$5,000 or less” later in this SPD).

## **Considerations when deferring payment**

If you are eligible to defer payment of your benefits, here are some important points to keep in mind as you consider whether to defer payment:

- The amount of a lump-sum benefit from the HP Retirement Plan is affected by changes in interest rates and other factors in effect at the time you choose to receive your benefits. Interest rates change monthly: if interest rates increase, the amount of your lump sum will decrease; if interest rates fall, you may receive a larger lump-sum amount. However, in each case, the lump-sum amount is “actuarially equivalent” to the monthly annuity benefit determined under the plan’s formula, even though the actual dollar amounts may be different.
- The amount of your benefit from the DPSP will vary based on gains and losses earned by investments held under the plan.
- If you elect to receive benefits as lifetime annuity payments, the amount you receive each month will depend on your age. You will generally receive a larger monthly benefit if payment starts when you are older (because you will be receiving payments over a shorter time frame). For more information, see “Benefit reductions for early commencement” earlier in this SPD.
- If you die before you begin receiving your benefits, your designated beneficiary(ies) under the DPSP will receive 100% of the value of your DPSP account, and your designated beneficiary(ies) under the HP Retirement Plan are eligible for 50% of the value of your HP Retirement Plan benefit calculated as of the day prior to your death.

If you have benefits under both the HP Retirement Plan and the DPSP, you must begin payment of your DPSP benefit in order to receive your HP Retirement Plan benefit.

## How benefits are paid

Both the HP Retirement Plan and the DPSP offer the same payment options. If you have benefits under both the HP Retirement Plan and the DPSP, you can elect different payment options under each plan.

If the lump-sum value of your HP Retirement Plan and/or DPSP benefit is more than \$5,000 at the time you terminate employment, you can select from among the payment options discussed later in this SPD in “Normal forms of payment” and “Optional forms of payment” (subject to obtaining any required spousal consent, if you are married). However, if the value of your benefit under both plans is \$5,000 or less, your benefit is only payable in the form of a lump sum. See “If your benefit is \$5,000 or less” later in this SPD.

For information on how to apply for payment of your benefit, see “Applying for benefits” later in this SPD.

## Normal forms of payment

If your benefits are more than \$5,000, there are two normal forms of payment—one for individuals who are single when payments start, and one for married individuals. If you want to receive benefits in a different form than the normal form of payment, you must make an election and obtain any necessary spousal consent.

<b>Your marital status when payments begin</b>	<b>Normal form of payment for HP Retirement Plan and DPSP</b>
<b>Single</b>	<p>The normal form of benefit payment for single individuals is a single life annuity. A single life annuity pays you a monthly benefit for your lifetime. When you die, all benefits stop.</p> <ul style="list-style-type: none"><li>• For the HP Retirement Plan, the single life annuity equals the amount determined by the plan’s benefit formula and is reduced for early payment if benefits begin before age 65.</li><li>• For the DPSP, the monthly amount of your single life annuity is determined based on your DPSP account balance and applicable plan conversion factors at the time payments begin (these conversion factors include your age, mortality tables, and interest rates used by the DPSP). The total amount paid to you in monthly benefits may be more or less than the lump-sum amount you could have received when payments began.</li></ul>

<b>Your marital status when payments begin</b>	<b>Normal form of payment for HP Retirement Plan and DPSP</b>
<b>Married</b>	<p>The normal form of benefit payment for married individuals is a joint and 50% survivor annuity with your spouse as joint annuitant. This annuity pays you a smaller monthly benefit for your lifetime because payments continue to your surviving spouse after your death for his or her lifetime. The monthly amount received by your spouse will be 50% of the monthly benefit you have been receiving.</p> <ul style="list-style-type: none"> <li>• If your spouse dies before you do, you continue to receive the same monthly amount for the remainder of your life. You cannot elect another joint annuitant.</li> <li>• The amount payable to you (and your surviving spouse, if any) will also be reduced if payments begin before age 65.</li> <li>• For the DPSP, the monthly amount payable to you is based on your DPSP account balance and applicable plan conversion factors at the time payments begin (these conversion factors include your age, your spouse's age, and mortality tables and interest rates used by the DPSP). The total amount paid to you in monthly benefits may be more or less than the lump-sum amount you could have received when payments began.</li> </ul>

## Optional forms of payment

If you do not wish to receive payment of your benefits in the “normal” form of a lifetime annuity, you may elect one of the optional forms of payment. If you’re married at the time payments begin, your spouse must consent to your election (see “Spousal consent requirements” later in this SPD). The optional payment forms are as follows:

Payment option	How it works
<b>Single life annuity</b>	You receive a fixed monthly benefit payable during your lifetime, but no further benefit payments are made to your beneficiary(ies) after your death. This option provides the largest monthly pension amount.
<b>Joint and survivor annuity</b>	<p>You receive a reduced monthly benefit for your lifetime. When you die, a percentage of your benefit (50%, 75%, or 100%, depending on your election) is continued for the lifetime of the joint annuitant you selected at the time you claimed your benefit for payment. Because this benefit may continue beyond your lifetime, your monthly payment amount is reduced based on the percentage option you choose and on the ages of you and your joint annuitant.</p> <p>You can select the annuity percentage and name anyone as your joint annuitant under this form of payment. However, keep in mind that naming a person a great deal younger than you as a joint annuitant will result in a significant reduction in the amount of your monthly payments. Also, certain restrictions apply to this option if you choose a joint annuitant other than your spouse who is more than 10 years younger than you.</p> <p>Under the joint and survivor annuity option, your choice of joint annuitant cannot be changed at any time after your first monthly payment has been processed. If your joint annuitant dies before you, you are not permitted to name a different joint annuitant or change your payment option at that time, and no further benefits will be payable following your death.</p>
<b>Lump-sum distribution</b>	<p>You receive your entire benefit amount and/or DPSP balance as a one-time cash payment. Once you receive a lump sum, no additional pension payments are made to you or your beneficiary in the event of your death. Lump-sum payment amounts are determined as follows:</p> <ul style="list-style-type: none"> <li>• <b>HP Retirement Plan benefit.</b> The benefit formula for the HP Retirement Plan determines a monthly annuity payable to you for your lifetime starting at age 65. If you want to take your benefit in the form of a lump sum, the value of this age-65 annuity is converted into a lump sum using a number of conversion factors, including mortality tables and interest rates approved by the IRS at the time payment is made. The interest rate used by the plan changes monthly, and this results in a change in the amount of your lump-sum benefit. In general, if all other factors stay the same, an increase in interest rates will result in a smaller lump-sum benefit; if interest rates decrease, your lump-sum benefit will be larger.</li> <li>• <b>DPSP benefit.</b> Lump-sum benefits under the DPSP are based on the current value of your DPSP account.</li> </ul>

Payment option	How it works
	<p>If you choose a lump-sum distribution, you have several choices for how to receive your payment. Your choice will affect the amount of tax you owe, if any. (See “Taxes and your pension” later in this SPD for more information.)</p> <ul style="list-style-type: none"> <li>• <b>Direct rollover.</b> A direct rollover is a tax-deferred payment of your plan benefits directly to an individual retirement account (IRA) or another eligible employer retirement plan (for example, another employer’s 401(k) plan). The check is made payable to the custodian of your IRA or the trustee of your eligible employer retirement plan and mailed to your address on file. It is your responsibility to send the check to your new plan or IRA to complete the rollover. If you intend to roll over your benefits to a new employer’s retirement plan, you should check with your new employer to determine whether the plan accepts rollovers before requesting a distribution.</li> <li>• <b>Direct rollover to your Hewlett-Packard Company 401(k) Plan account.</b> This tax-deferred payment of your plan benefits is made directly to your HP 401(k) Plan account. This option is only available if you have an existing HP 401(k) Plan balance at the time of payment. The rollover will automatically be handled by the HP Retirement Services Center, and you will not receive a check.</li> <li>• <b>Direct payment to you.</b> Under this option, the check is made payable to you and mailed to your address on file, with mandatory federal and any state taxes withheld. You may still be eligible to roll over your payment to an IRA or another eligible employer retirement plan (and defer taxes on your payment) if you do so within 60 days of receiving payment. Mandatory tax withholding will still apply, so you will need to make up the amount withheld for taxes, or else you will be subject to tax on any portion of your distribution that you do not roll over.</li> <li>• <b>Partial direct rollover.</b> This option combines certain of the lump-sum payment options described above. With this option, you elect to have a portion of your lump-sum distribution directly rolled over on a tax-deferred basis, and a portion paid directly to you on a taxable basis.</li> </ul>

### Spousal consent requirements

If you are married at the time you claim your benefits and you want to elect a payment form other than a joint and 50% (or greater) survivor annuity with your spouse, federal law requires your spouse to consent in writing to your election. This spousal consent must be notarized and must be given within 180 days of when your benefits are to begin or are to be paid in full. By providing written consent, your spouse waives the right to receive pension benefits after your death.

### Changing your form of payment

You may change your form of payment or name a different joint annuitant at any time **before** benefit payments have been processed. Any change is subject to the spousal consent rules described on the previous page.

If your spouse or joint annuitant under a joint and survivor annuity form of payment dies **before** payments are scheduled to begin, your benefit will be paid as a single life annuity, unless you choose a different form.

No changes to your payment option or joint annuitant can be made after your payment election has been processed.

### If your benefit is \$5,000 or less

If your HP Retirement Plan and your DPSP benefits (if any) both have a lump-sum value of \$5,000 or less when you leave HP, your benefit will automatically be paid to you in a lump sum, and you cannot choose an annuity payment option. Benefits will be paid in one of two ways, depending on the value of your benefit:

Benefit value	How benefits are paid
<b>Your HP Retirement Plan and/or DPSP benefit is more than \$1,000, up to \$5,000</b> (but neither benefit is over \$5,000)	<p>Your benefits will be automatically rolled over to an IRA in your name at Fidelity Investments, unless you elect another distribution option within 60 days of receiving notice of your upcoming distribution from Fidelity. Different payment elections you can make include a taxable cash distribution or a direct rollover to a different IRA provider or an eligible employer retirement plan.</p> <p>If you do not make a different election within 60 days of receiving a notice from Fidelity, your benefit will be transferred to an IRA in your name at Fidelity. No tax withholding will apply on the rollover to the IRA. The funds in the IRA established for you at Fidelity will be invested in Fidelity Cash Reserves until you make a different investment choice. The fund description for Fidelity Cash Reserves is as follows:</p> <ul style="list-style-type: none"><li>• <b>What it is:</b> A money market mutual fund.</li><li>• <b>Goal:</b> Seeks to provide a stable level of current income as is consistent with the preservation of capital and liquidity.</li><li>• <b>What it invests in:</b> Primarily invests in U.S. dollar-denominated money market securities, including U.S. government securities, and repurchase agreements, and enters into reverse repurchase agreements. The fund invests more than 25% of its assets in the financial services industry. <i>An investment in this portfolio is not guaranteed or insured by the FDIC or any other government agency. Although this money market fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in this fund. Yield will vary.</i></li></ul>

Benefit value	How benefits are paid
	<ul style="list-style-type: none"> <li>• <b>Who may want to invest:</b> <ul style="list-style-type: none"> <li>— Someone with an aggressive portfolio who wants to help balance his or her overall investment strategy.</li> <li>— Someone who may need to use this portion of his or her money soon (for example, for retirement income) and who is looking for the value of his or her investment to stay stable.</li> </ul> </li> </ul> <p>Once your Fidelity IRA has been established, you can exchange out of Fidelity Cash Reserves into any of the investment options available through Fidelity FundsNetwork®, which offers you access to more than 4,500 mutual funds from over 350 of America’s most popular fund companies, including Fidelity. More than 1,100 of these funds are available with no transaction fee. You can also take a distribution or roll over your account to another IRA provider.</p> <p>No annual fees apply to the Fidelity IRA, but a \$50 fee will be applied upon termination of the IRA.</p> <p>For more information about the Fidelity Rollover IRA and related fees, contact the HP Retirement Services Center at Fidelity at 1-800-457-4015, Monday through Friday, from 5:30 a.m. to 9 p.m. Pacific time (7:30 a.m. to 11 p.m. Central time).</p>
<p><b>Both your HP Retirement Plan and DPSP benefits are \$1,000 or less</b></p>	<p>Your benefits will be paid as a taxable lump-sum cash distribution, net of withholdings, unless you elect to roll over your balance. You may elect a direct rollover to an IRA or another eligible employer retirement plan (including the HP 401(k) Plan, if you have a balance) provided you take action within 60 days of receiving notice of your upcoming distribution from Fidelity.</p>

**Consider the tax implications**

The decision you make about *how* to receive benefits will have significant tax implications. You are advised to consult a tax expert before you make a decision about how to take payment of your HP Retirement Plan and/or DPSP benefit. Also be sure to review the “Special Tax Notice Regarding Plan Payments” and “Participant Distribution Notice” for more detailed information about tax consequences. These notices are available on Fidelity NetBenefits at [www.netbenefits.com](http://www.netbenefits.com) and from the HP Retirement Services Center at Fidelity.

For additional information, see “Taxes and your pension” later in this SPD.



## Taxes and your pension

In general, your HP Retirement Plan and/or DPSP benefits will be taxable income in the year you receive them. The plans are required to withhold federal income taxes (and state income taxes, where applicable) from your benefit payments unless you elect a direct rollover, or you elect a monthly payment option and opt out of withholding. Please note that the amount withheld by the plans (if any) may not be enough to meet your tax obligations, including estimated payments.

- *Direct rollovers.* If you choose a direct rollover of a lump-sum distribution, the check will be made payable to your IRA or eligible employer retirement plan, and mailed to your home address on file at Fidelity. No federal or state income taxes will be withheld. Taxes will be due when you subsequently withdraw your funds from the IRA or eligible employer retirement plan.
- *Lump sums.* If you choose to have benefits paid directly to you in a lump sum, the plan is required to withhold federal income tax from your benefit at the rate of 20%; state taxes will also be withheld, where required. At the end of the year, you may be eligible for a refund or owe additional taxes on the distribution, depending on your personal tax situation. You can still defer taxes on your payment if you roll it over to an IRA or an eligible retirement plan within 60 days of when you receive it. You can even roll over the amount withheld for taxes, but you will have to use cash from another source to replace the amount withheld. If you do not choose to roll over your payment, you may be subject to a 10% additional penalty tax if you are under age 59½. State tax penalties also may apply. However, you will not have to pay the 10% federal penalty tax if you reach age 55 before the end of the calendar year in which you leave HP (certain other exceptions may apply as well).
- *Delayed distribution.* If you defer payment until April 1 following the year you turn age 70½ (or April 1 following the year you retire from HP, if later), a portion of your lump-sum distribution will not be eligible for rollover, and so will be paid directly to you, as required by IRS rules. This portion of your distribution will be taxable to you in the year received.
- *Annuities.* If you elect a monthly payment option, you may opt out of federal and state withholding requirements. Please note that this may subject you to estimated tax payment obligations.

In January following the year payment is made to you, you will receive a Form 1099-R indicating how much was paid to you and the amount of any withholdings for federal or state income tax. This information will also be sent to the IRS.

You are responsible for all taxes and penalties, and may be subject to additional penalties if insufficient taxes are deposited.

Special rules apply for payments made to individuals who live outside the United States.

If you receive a distribution from the plans as a beneficiary or an alternate payee pursuant to a Qualified Domestic Relations Order, your tax treatment may be different. Contact a tax expert for more information about applicable tax treatment.

As with all tax-related matters, you are encouraged to speak to a tax advisor before you make any decisions. Also be sure to carefully review the “Special Tax Notice Regarding Plan Payments” and “Participant Distribution Notice” for more detailed information about tax consequences. These notices are available on Fidelity NetBenefits at [www.netbenefits.com](http://www.netbenefits.com) and from the HP Retirement Services Center at Fidelity.

**Special note if you were born before January 1, 1936:** Under current law, your payout may qualify for special tax treatment. As with all tax-related matters, HP cannot give you individual tax advice. You should seek that advice from a tax expert before you make any decisions.

## Naming a beneficiary

It’s important to designate a beneficiary to receive your benefit in the event of your death.

If you die before you begin receiving your benefits, your designated beneficiary will be entitled to:

- In most cases, 50% of the present lump-sum value of your HP Retirement Plan benefit; and
- The full value of your DPSP account (if applicable).

Under each plan, you can designate:

- A primary beneficiary (or beneficiaries), who will receive your benefit if you die; and
- A contingent beneficiary (or beneficiaries), who will receive your benefit if your primary beneficiary (or beneficiaries) dies before you.

The designation must be received by the plan before your death in order to be a valid designation.

Who you can name as a beneficiary depends on your marital status:

Marital status	Your options
<b>Single</b>	You can name any person you wish as your beneficiary.
<b>Married</b>	<p>Your spouse is automatically your sole primary beneficiary. You can name a different beneficiary, but only if your spouse provides written, notarized consent on the plan's form. If your spouse does not agree in writing to a different designation, the designation will not be valid, and benefits will be paid to your surviving spouse.</p> <p>Under federal law, if you name a beneficiary other than your spouse (with your spouse's consent) prior to age 35, that designation will become invalid at the start of the plan year when you reach age 35, and your spouse will automatically become your sole primary beneficiary. You can designate a new beneficiary or re-designate your prior beneficiary only with your spouse's renewed consent.</p> <p><b>Note:</b> For purposes of the plans (including beneficiary designations and benefit payment options), "marriage" and "spouse" refer only to opposite-sex marriages. Same-sex marriages are treated as domestic partnerships for purposes of the plans, even if recognized by state law.</p>

If you are single or divorced and later marry, your new spouse will automatically become your beneficiary, unless your new spouse gives written, notarized consent to a different designation. Please note that if you divorce but previously named your spouse as your beneficiary, your former spouse remains your beneficiary until you make a change or you remarry.

**Important note: Only beneficiary designations made with Fidelity since January 5, 2004 are valid under the plans.** A beneficiary designation made under plan procedures before January 5, 2004, or in other documents, such as a will, trust, or divorce decree, is not valid for plan purposes.

You can make or update a beneficiary designation at any time. If you don't designate a beneficiary, benefits will be paid according to the default beneficiary rules specified by the plans (see the following page for more details).

If you die with no valid beneficiary designation on file with Fidelity, or if all named beneficiaries have died, your benefits will be paid as follows:

- First, to your surviving spouse or qualifying domestic partner. If none survives you, then
- Second, to your surviving children (in equal shares). If no children survive you, then
- Third, to your surviving parents (in equal shares). If no parents survive you, then
- Fourth, to your surviving brothers and sisters (in equal shares). If none survive you, then
- Fifth, to your estate.

If you have benefits in both the HP Retirement Plan and the DPSP, you designate beneficiaries separately under each plan. To designate a beneficiary for either plan, access the “Your Profile” tab on Fidelity NetBenefits at [www.netbenefits.com](http://www.netbenefits.com). Once you indicate your beneficiary choices online, you can change your beneficiaries at any time. If your designation requires your spouse’s notarized, written consent, you must print a spousal consent form. You’ll then need to complete the form, have your spouse sign it in the presence of a notary public, and return it to the HP Retirement Services Center in order for your designation to be valid.

If you do not have Internet access or you have special circumstances, you can request a Beneficiary Designation Form (which includes the spousal consent form) by calling the HP Retirement Services Center at Fidelity. To reach a Customer Service Representative, call 1-800-457-4015, Monday through Friday (excluding holidays recognized by the New York Stock Exchange), between 5:30 a.m. and 9 p.m. Pacific time (7:30 a.m. and 11 p.m. Central time).

**Note:** When you apply for distribution of your benefits, some payment options allow you to designate a beneficiary or joint annuitant for your payment option at that time. You can change your payment option or name a different joint annuitant at any time **before** benefit payments have been processed. No changes to your payment option or joint annuitant can be made after payments begin. See “How benefits are paid” earlier in this SPD.

## How certain life events affect your benefits

If you get married, have a baby, relocate, become disabled, or otherwise experience a major life event, you should know how your HP Retirement Plan and HP Deferred Profit Sharing Plan benefits may be affected. The chart below describes what happens to your benefits when you experience certain life events.

Life event	How benefits are affected
<b>You get married</b>	<p>Your spouse automatically becomes your sole primary beneficiary, unless you elect a different beneficiary or have already commenced payment of your benefits. You can elect a different beneficiary only with your spouse's written, notarized consent (as required by law). You can designate or change beneficiaries by logging on to Fidelity NetBenefits at <a href="http://www.netbenefits.com">www.netbenefits.com</a>. For more information, see the "Naming a beneficiary" section of this SPD.</p> <p>If you have already commenced payment of your benefits, your participation continues normally, and any beneficiary (joint annuitant) designation you made under a joint and survivor income option cannot be changed.</p>
<b>You establish a new domestic partnership</b>	<p>Your participation continues normally. If you have not yet commenced payment of your benefits, you may want to re-evaluate your beneficiary designations. You can designate or change beneficiaries by logging on to Fidelity NetBenefits at <a href="http://www.netbenefits.com">www.netbenefits.com</a>. For more information, see the "Naming a beneficiary" section of this SPD.</p> <p>If you have already commenced payment of your benefits, any beneficiary (joint annuitant) designation you made under a joint and survivor income option cannot be changed.</p>
<b>You give birth or adopt a child</b>	<p>Your participation continues normally. If you have not yet commenced payment of your benefits, you may want to re-evaluate your beneficiary designations. If you're married, you can elect a primary beneficiary other than your spouse only with your spouse's written, notarized consent (as required by law). You can designate or change beneficiaries by logging on to Fidelity NetBenefits at <a href="http://www.netbenefits.com">www.netbenefits.com</a>. For more information, see the "Naming a beneficiary" section of this SPD.</p>

Life event	How benefits are affected
<b>You get divorced</b>	<p>If you have not yet commenced payment of your benefits, your former spouse is no longer your automatic beneficiary as of the date of divorce, and you can elect another beneficiary. However, any existing beneficiary designations on file (including designation of a former spouse) will remain valid until you make a change or marry again. You can designate or change beneficiaries by logging on to Fidelity NetBenefits at <a href="http://www.netbenefits.com">www.netbenefits.com</a> (for more information, see the "Naming a beneficiary" section of this SPD). The plan must honor properly issued Qualified Domestic Relations Orders (QDROs) assigning a portion of your benefit to your former spouse. If you remarry, your new spouse automatically becomes your sole, primary beneficiary.</p> <p>If you have already commenced payment of your benefits, any beneficiary (joint annuitant) designation you made under a joint and survivor income option cannot be changed.</p>
<b>You become disabled while employed at HP</b>	Your participation continues normally. Benefits are not payable before termination of employment or retirement. (See "You leave HP" later in this chart.)
<b>You take an unpaid FMLA or unpaid leave of absence from HP</b>	Your participation continues normally. Benefits are not payable before termination of employment or retirement. (See "You leave HP" later in this chart.)
<b>You take a military leave of absence from HP</b>	Your participation continues normally. Benefits are not payable before termination of employment or retirement. (See "You leave HP" later in this chart.)
<b>You transition from intern or another ineligible employment status to an eligible regular employee status at HP</b>	You are not eligible for the HP Retirement Plan or DPSP if your transition occurs on or after January 1, 2003, because these plans are closed to new participants.
<b>You permanently transfer to an HP subsidiary outside the U.S. and off the U.S. HP payroll</b>	<p>Your participation continues normally. Benefits are payable only following your retirement or termination of employment from HP and all subsidiaries. For more information about payment options after you leave HP, see the "How benefits are paid" section of this SPD, or call the HP Retirement Services Center at Fidelity at 1-800-457-4015.</p> <p><i>Be sure to contact the HP Retirement Services Center at Fidelity if you have a change of address. Address changes are not reported by HP if you are being paid on a non-U.S. payroll.</i></p>

Life event	How benefits are affected
<b>You leave HP</b>	<p>You're eligible to begin receiving any benefits you have earned.</p> <ul style="list-style-type: none"> <li>• If the lump-sum value of your benefit is less than \$1,000, you will automatically receive a lump-sum payout unless you make a different election.</li> <li>• If the lump-sum value of your benefit is between \$1,000 and \$5,000, your benefit will be automatically rolled over to an individual retirement account (IRA) with Fidelity, unless you make a different election.</li> <li>• If your benefit is over \$5,000, you can defer payment until as late as April 1 following the year you turn age 70½ (or April 1 following the year you retire from HP, if later).</li> </ul> <p>If you have both an HP Retirement Plan and DPSP benefit, you cannot commence your HP Retirement Plan benefit before your DPSP benefit.</p> <p>For more information, see the "How benefits are paid" section of this SPD, or call the HP Retirement Services Center at Fidelity at 1-800-457-4015.</p>
<b>You leave and are later rehired by HP</b>	<p>Employees who return to work on or after January 1, 2003 are not eligible for the HP Retirement Plan or the DPSP, because these plans are closed to new participants. If you have benefits from a prior period of HP service that have not been paid, these benefits will be payable when you subsequently terminate employment.</p> <p>Benefits from the HP Retirement Plan and/or DPSP cannot be paid to you while you are actively at work. If you were scheduled to receive a lump-sum payment when you are rehired, payment will be postponed until you again retire or leave HP. However, if you are receiving monthly payments under an annuity payment option, these payments will continue when you are rehired. For more information, see the "How benefits are paid" section of this SPD.</p>
<b>You die while employed at HP</b>	<p>Your spouse or designated beneficiary is eligible for the full value of any DPSP balance and 50% of the value of your HP Retirement Plan benefit, determined as of the day before your date of death. For more information, see the "If you die before payments begin" section of this SPD.</p>
<b>You die after leaving HP</b>	<p>If you have not commenced payment of your benefits, your spouse or designated beneficiary is eligible for the full value of any DPSP balance and 50% of the value of your HP Retirement Plan benefit, determined as of the day before your date of death. For more information, see the "If you die before payments begin" section of this SPD.</p> <p>If you have already commenced payment of your benefits, any continuing benefit payments will be based on the payment form you elected, and are only available if you elected a joint and survivor income option.</p>

Life event	How benefits are affected
<b>Your spouse dies after you leave HP</b>	<p>If you have not commenced payment of your benefit, your spouse is no longer your automatic beneficiary. You can elect another beneficiary by logging on to Fidelity NetBenefits at <a href="http://www.netbenefits.com">www.netbenefits.com</a>. If you remarry, your new spouse automatically becomes your sole, primary beneficiary. For more information, see the “Naming a beneficiary” section of this SPD.</p> <p>If you have already commenced payment of your benefit, your payments are unaffected. If you are currently receiving payment under a joint and survivor income option naming your spouse as joint annuitant, your joint annuitant designation cannot be changed.</p>

### **If you die before payments begin**

If you die while employed at HP, or after leaving HP but before commencing payment of benefits, your beneficiary will be entitled to the full value of your DPSP account (if any) and 50% of the present lump-sum value of your HP Retirement Plan benefit determined as of the day before your date of death.

- **If the beneficiary is your surviving spouse** and benefits are over \$5,000 in either plan (HP Retirement Plan or DPSP), your spouse can elect either a lump-sum payment or lifetime annuity payments. If benefits are payable under both the HP Retirement Plan and the DPSP, your spouse is not required to elect the same form of payment under both plans. A lump sum payable to a surviving spouse can also be rolled over to an IRA in your spouse’s name. Benefits must begin no later than the month following when the HP employee would have attained age 65.

For benefits of \$5,000 or less, but more than \$1,000, unless the surviving spouse makes a different election such as a rollover or a taxable distribution, payment will be made in the form of an automatic transfer to an IRA opened in your spouse’s name at Fidelity. Benefits of \$1,000 or less will be paid in cash as a taxable distribution unless your surviving spouse makes a different election.

- **If the beneficiary is not your surviving spouse**, benefits over \$5,000 will be paid as a lump sum no later than 60 months after the date of death. A lump sum payable to a non-spouse beneficiary can also be rolled over to an IRA in your beneficiary’s name. Alternatively, if the beneficiary is your qualifying domestic partner and the lump-sum value of benefits is greater than \$5,000, your domestic partner can elect a lifetime annuity, with payments to begin no later than 12 months after the date of death.



For benefits of \$5,000 or less, but more than \$1,000, unless the beneficiary makes a different election such as a rollover or a taxable distribution, payment will be made in the form of an automatic transfer to an IRA opened in your beneficiary's name at Fidelity. Benefits of \$1,000 or less will be paid in cash as a taxable distribution unless your beneficiary makes a different election.

For information on naming a beneficiary and what happens if you do not have a valid beneficiary designation on file, see "Naming a beneficiary" earlier in this SPD.

## Other information

Here's some more information about the HP Retirement Plan and DPSP.

### Applying for benefits

In order to receive benefits under the HP Retirement Plan and/or the DPSP, you (or your beneficiary, in the event of your death) must complete an application and obtain any spousal consent required. All applications for benefits under the HP Retirement Plan and/or the DPSP should be directed to the HP Retirement Services Center at Fidelity. There are three ways you can apply for benefits:

If you want to initiate payment...	Follow these instructions...
<b>Online</b>	Access Fidelity NetBenefits at <a href="http://www.netbenefits.com">www.netbenefits.com</a> and use the Online Retirement Initiation (ORI) tool.
<b>By mail</b>	Call the HP Retirement Services Center at Fidelity (see phone number below) and request a Commencement Kit through a Customer Service Representative. An estimate of benefits and the paperwork necessary to begin the benefit payment process will be mailed to you. Complete the appropriate forms and return them to the HP Retirement Services Center.
<b>By phone</b>	Call the HP Retirement Services Center at Fidelity at 1-800-457-4015, Monday through Friday (except New York Stock Exchange holidays), from 5:30 a.m. to 9 p.m. Pacific time (7:30 a.m. to 11 p.m. Central time) to speak with a Customer Service Representative. Outside the U.S., call 1-800-457-4015 after dialing the AT&T direct access number for the specific country (log on to <a href="http://www.att.com/traveler">www.att.com/traveler</a> for AT&T direct access numbers). If you are in a country that does not have the AT&T Direct Toll Free Service, call collect at 508-787-9902.

Benefits will be paid as soon as administratively feasible after receipt of your completed application for payment. Please note that your application must be completed **and received by** the HP Retirement Services Center within 180 days of the date it is sent to you. If your completed application is not received within 180 days, a new application must be requested using a later payment date.

If you do not make a request to start your benefits, HP will assume you are waiting until a later date to request payment of your HP Retirement Plan and/or DPSP benefits, unless the lump-sum value of benefits under the plan(s) is \$5,000 or less. When you're ready to receive your benefits, please allow 60 to 90 days to process your application.

If you are paid an incorrect benefit amount (for example, if the information used to calculate your benefit was wrong or incomplete), your benefit amount will be adjusted accordingly. If for any reason the HP Retirement Plan or DPSP has paid a larger benefit amount than you were entitled to receive, you must repay the amount of the overpayment to the plan.

### ***Receiving monthly pension checks***

If you elect a monthly payment option, you can receive your monthly payments in two ways. You can have them:

- Directly deposited to your bank account. The amount of your pension payment will be electronically transferred directly into your bank account. No check will be mailed.
- Mailed to your address on file. A check will be mailed to your address on file with the HP Retirement Services Center at Fidelity.

You must indicate your payment election (direct deposit or mail) when you initiate payment of your benefits. You can change your payment or tax-withholding elections at any time by accessing Fidelity NetBenefits at [www.netbenefits.com](http://www.netbenefits.com) or calling the HP Retirement Services Center at Fidelity.

### ***Excess Benefit Retirement Plan***

If, during your participation in the plans, your benefits or eligible pay exceeded certain IRS limits, you may have an additional benefit payable from HP's Excess Benefit Retirement Plan (EBP). Under current rules, amounts due under the EBP are determined at the time you leave HP and converted to an account balance. The account balance is reduced to reflect the impact of applicable Social Security and Medicare (FICA) taxes, and then is transferred to the Hewlett-Packard Company Executive Deferred Compensation Plan (EDCP). Your balance remains in the EDCP until payable as follows:

- **If you are under age 55 or your EBP account balance is less than \$150,000**, benefits are paid as a lump sum from the EDCP in the January following the calendar year in which you retire or terminate employment with HP. For example, if you leave HP during 2008, your benefit is paid to you in a lump sum in January 2009. Tax rules may require a six-month delay in payment to certain employees.

- **If you are age 55 or older and your EBP account balance is greater than \$150,000**, you have the option to defer your payment and/or receive your benefit in annual installments from the EDCP over 10 years, subject to certain restrictions. You will receive more information about these options if you become eligible.

Because the EBP is a nonqualified retirement plan, plan payments are not eligible for rollover to an IRA or another eligible employer retirement plan. For more information about the EBP or the EDCP (including options to invest your EDCP account), access Fidelity NetBenefits at [www.netbenefits.com](http://www.netbenefits.com) or call the HP Retirement Services Center at Fidelity at 1-800-457-4015, Monday through Friday, from 5:30 a.m. to 9 p.m. Pacific time (7:30 a.m. to 11 p.m. Central time).

#### **Other notes regarding benefit payments**

Here are some important notes regarding the benefit application process and payments.

- Benefits are payable beginning on your “benefit commencement date.” Your benefit commencement date is the date benefit payments are assumed to commence when generating your payment application materials. The benefit commencement date is generally the first of a calendar month. If your application materials need to be updated to reflect a new benefit commencement date, your benefit amounts will be subject to change.
- Lump-sum and initial annuity payments are usually processed by the first Friday of the month following your benefit commencement date; ongoing monthly annuity payments are usually processed on the first day of the month.
- In order to receive payment, you must be terminated, all eligible earnings from HP must be received in good order by the HP Retirement Services Center at Fidelity, and all required benefit application forms must be received by the HP Retirement Services Center at least one day prior to your benefit commencement date.
- With the exception of lump-sum payments you roll over directly to your HP 401(k) Plan account, or that are automatically transferred to an IRA at Fidelity, all benefit checks or direct deposit notices are mailed to you at your address on file with Fidelity, regardless of the payee indicated on the check.
- After you leave HP, it’s important to be sure the HP Retirement Services Center at Fidelity has your most current address on file for mailing your monthly pension checks or any required tax forms.

#### **Making a claim for benefits**

If you apply for benefits under the HP Retirement Plan and/or the DPSP and your application is denied, or if you believe there are errors in the amount or type of benefit that plan records show is payable to you, you may file a claim with the plan administrator. You can obtain a claim form by calling the HP Retirement Services Center at Fidelity at 1-800-457-4015. Your claim should include a description of the benefits you believe you are entitled to, and the basis for your claim.

The plan administrator will notify you of its decision no later than 90 days after your claim is received, unless special circumstances require an extension of up to an additional 90 days.

- If your claim is approved, the plan administrator will describe how your claim will be resolved.
- If your claim is wholly or partially denied, the plan administrator will provide you with a written notice that includes information on why your claim was denied, any information that you might be able to submit to complete your claim, and an explanation of the plan's appeal procedures.

### **Appealing a denied claim**

If you disagree with the plan administrator's determination, and if there are factual or legal arguments you believe will show that the plan administrator's decision is incorrect, you (or your duly authorized representative) may file an appeal. You have 60 days from the time you receive your claim denial letter to file an appeal. Your appeal must be mailed to the following address:

Hewlett-Packard HP Retirement Plan/DPSP Administrator  
Hewlett-Packard Company  
Attn: ERISA Legal Counsel, MS 1050  
3000 Hanover Street  
Palo Alto, CA 94304

Your appeal should include the reasons you are requesting the review and all facts supporting your claim. You may submit written comments, documents, and any other information you believe is relevant to your claim. You may also be requested to submit additional facts, documents, or other material deemed necessary to carry out the review.

Your appeal will be heard at the next quarterly meeting of the reviewing committee, unless your appeal is filed less than 30 days before the date of such meeting, in which case, your appeal may be heard at the subsequent meeting of the committee. The review of your appeal will take into account all comments, documents, records, and other information that you provide in support of your claim, whether or not such information was submitted or considered at the initial claim level. You will receive notice of the decision as soon as possible, but not later than five business days after the decision has been made.

In the case of an adverse determination on your appeal, you will receive a written notice that includes:

- The specific reason(s) for the denial and reference to the plan provisions on which the denial is based;
- A statement that you have the right to receive, upon request and free of charge, reasonable access to, and copies of, documents, records, and other information (other than legally privileged documents, records, or information) relevant to your claim for benefits;
- A statement that no other voluntary appeals procedures are available to you under the plan; and
- A statement that you have the right to bring a civil action in federal court under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA).

### **Situations that could affect your right to benefits**

There are certain situations that may affect your right to receive a benefit under the plan. The following is a partial list of situations in which benefits could be reduced, lost, or delayed.

- You submit incomplete or improper benefit application information, or you fail to follow proper benefit application procedures.
- You do not submit a benefit application within the time frames allowed under the plans.
- Interest rates, mortality tables, or other similar factors used to calculate benefit payments change according to plan rules or as required by changes in law.
- The plans are modified to reduce or eliminate certain benefits (to the extent permitted by law), or the plans end.
- You have a change in address and do not notify HP (or the HP Retirement Services Center, if you are a former employee, a beneficiary or alternate payee, or an active employee being paid on a non-U.S. HP payroll).
- You reach Internal Revenue Service benefit maximums or pay limits, or you become subject to nondiscrimination rules.
- A court issues a Qualified Domestic Relations Order with respect to your benefits.
- You fail to initiate payment of benefits prior to the required beginning date that applies.

Please note that these are only examples of situations that may affect your right to receive a benefit under the plans. Other circumstances may also affect your right to receive benefits.

### **Assignment of accounts**

Other than as provided under a Qualified Domestic Relations Order or an IRS levy, your HP Retirement Plan benefits and/or DPSP account cannot be transferred, assigned, garnished, attached, or used as collateral.

### **Qualified Domestic Relations Orders**

A Qualified Domestic Relations Order (QDRO) is a domestic relations order (DRO) issued by a court in connection with a divorce or legal separation that is determined by the plans to be qualified. A QDRO may assign a portion of your benefits to an "alternate payee," who may be your spouse, former spouse, child, or other dependent who is recognized in the DRO as having a right to part or all of your plan benefits.

The HP Retirement Plan and DPSP are required to comply with the terms of a QDRO. This may require delaying payment of your benefit while the order is reviewed and subsequently distributing a portion of your benefit to the alternate payee. All submissions of DROs should be directed to the plan at the following address:

QDRO Consultants  
110 South Huntington Street  
Medina, OH 44245

If a QDRO has required the HP Retirement Plan or DPSP to set aside a portion of your benefit to an alternate payee, you will have no rights to or claim on that portion of your benefit.

Please note that documents such as prenuptial agreements, trust agreements, or divorce decrees that are not determined by the plan administrator to be QDROs will not be honored by the plans in the disposition of benefits.

A \$300 processing fee will be applied for all QDROs submitted to the plans. The fee will be adjusted if you have submitted QDROs to more than one HP retirement plan and/or to the HP 401(k) Plan. The fee is generally deducted from your benefit before applying the terms of the QDRO.

## Employer, plan sponsor, and plan administrator

The employer, plan sponsor, and plan administrator for the plans is:

Hewlett-Packard Company  
3000 Hanover Street  
Palo Alto, CA 94304-1112  
1-650-857-1501

The plan administrator has the full discretion to interpret the terms of the plans, to determine eligibility, and to decide all matters of fact in granting or denying benefit claims.

The plan administrator may delegate to any other person or organization any of its powers, duties, and responsibilities with respect to the operation and administration of the plans, including, without limitation, the authority to authorize payment of benefits, the review of denied or modified claims, and the discretion to decide matters of fact and interpret plan provisions.

## Plan administrative information

The chart below provides additional information about the HP Retirement Plan and HP Deferred Profit Sharing Plan.

<b>Topic</b>	<b>HP Retirement Plan</b>	<b>HP Deferred Profit Sharing Plan</b>
<b>Plan name</b>	Hewlett-Packard Company Retirement Plan, a sub-plan of the Hewlett-Packard Company Pension Plan	Hewlett-Packard Company Deferred Profit Sharing Plan
<b>Employer identification number (EIN) and plan number</b>	EIN: 94-1081436 Plan number: 003	EIN: 94-1081436 Plan number: 001
<b>Plan type</b>	Defined benefit pension plan	Defined contribution profit sharing plan
<b>Plan year</b>	November 1–October 31	November 1–October 31
<b>Funding medium and type of plan administration</b>	Third-party administration; funded through trust	Third-party administration; funded through trust

Topic	HP Retirement Plan	HP Deferred Profit Sharing Plan
<b>Plan trustee, service providers, and/or appeals contact</b>	<p>Address for claims:            HP Retirement Services Center            P.O. Box 770003            Cincinnati, OH 45277-0070            1-800-457-4015</p> <p>Address for appeals:            Hewlett-Packard Company            ERISA Counsel; MS 1050            3000 Hanover Street            Palo Alto, CA 94304-1112</p> <p>Administrative services provider:            Fidelity Investments            P.O. Box 770003            Cincinnati, OH 45277-0065            1-800-457-4015</p> <p>Trustee:            State Street Bank and Trust Company            State Street Financial Center            One Lincoln Street            Boston, MA 02111-2900            1-617-786-3000</p>	<p>Address for claims:            HP Retirement Services Center            P.O. Box 770003            Cincinnati, OH 45277-0070            1-800-457-4015</p> <p>Address for appeals:            Hewlett-Packard Company            ERISA Counsel; MS 1050            3000 Hanover Street            Palo Alto, CA 94304-1112</p> <p>Administrative services provider:            Fidelity Investments            P.O. Box 770003            Cincinnati, OH 45277-0065            1-800-457-4015</p> <p>Trustee:            State Street Bank and Trust Company            State Street Financial Center            One Lincoln Street            Boston, MA 02111-2900            1-617-786-3000</p>
<b>Source of contributions under the plan</b>	Hewlett-Packard Company contributions to trust	Contributions were frozen with the plan year ending October 31, 1993.

**Agent for service of legal process and limitation period for filing legal action**

The plans' agent for service of legal process is:

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

Notice of legal action also may be served on the Trustee, whose name and address appears in the plan information chart under "Plan administrative information" earlier in this SPD.



### ***Limitation period for filing legal action***

Any legal action for benefits under the HP Retirement Plan or HP Deferred Profit Sharing Plan must be brought no later than the later of (a) one year after exhausting the administrative claims and appeals procedure that applies to the plan, and (b) two years from the date that the facts giving rise to the claim occurred.

### **Pension Benefit Guaranty Corporation**

Your pension benefits under the HP Retirement Plan are insured, up to certain limits, by the Pension Benefit Guaranty Corporation (PBGC), a quasi-governmental agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people will receive all of the pension benefits they would have received under the plan, but some people may lose certain benefits.

The PBGC guarantee generally does not cover (1) benefits greater than the maximum guaranteed amount set by the law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for less than five years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division; 1200 K Street N.W., Suite 930; Washington, D.C. 20005-4026, or call 1-202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's Web site on the Internet at [www.pbgc.gov](http://www.pbgc.gov).

The PBGC **does not** insure benefits under the DPSP, because the DPSP is not the type of plan that is covered under PBGC rules.

## **Your rights under ERISA**

The HP Retirement Plan and HP Deferred Profit Sharing Plan are classified as retirement plans under the Employee Retirement Income Security Act of 1974, as amended (ERISA). As a plan participant in an ERISA-covered plan, you are entitled to the following rights and protections:

- To examine, without charge, at the plan administrator's office, all documents governing the plan, including a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- To obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including copies of the latest annual report (Form 5500 Series) and updated summary plan descriptions. The plan administrator may make a reasonable charge for the copies.
- To 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.
- For retirement plans, to obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and, if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide the statement free of charge.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, 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 or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce these rights. For instance, if you request materials from the plan (such as a copy of plan documents or the latest annual report) and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the plan administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the plan's money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if it finds your claim is frivolous).

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries; Employee Benefits Security Administration; U.S. Department of Labor; 200 Constitution Avenue, N.W.; Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

### **If the plan changes or ends**

HP expects to continue the HP Retirement Plan and DPSP, but reserves the right to amend or terminate the plans at any time. If either the HP Retirement Plan or DPSP is terminated, all current HP employees will continue to be fully vested in their accrued benefits. These benefits will be payable, in the case of the HP Retirement Plan, only to the extent the trust fund has sufficient assets at the time of the termination. If the DPSP is terminated, each participant retains a nonforfeitable right to all of his or her DPSP account. No part of the trust fund will revert to HP, except as permitted by law.

### **No right to continued employment**

Nothing in this SPD creates a contract of employment between HP and any individual.