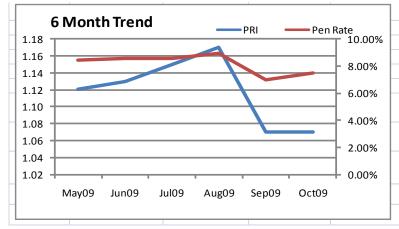
PRI Scorecard Tour



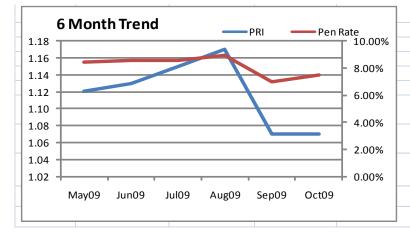
Seller Company Level Name										
Location ID PartnerONE Membership			· · · · · · · · · · · · · · · · · · ·							
12 Month Snapshot										
		Select	Different Partner						ario B: Raise	
See Page 3 upda									ince for met	
								1	Market Ave	–
HP Services Relati	PRI Scoreco	aras w	/III be gen	iera	rea r	nc	onthiy	/ TC) % of HP Ma age (1.2PRI)	
Services Sales Elite							· · ·		performance	
ASSF ASF		the to	llowing p	artr	iers				er metrics	
APSF			U I							
HP Your 12 Month	1 Г)l	ed >\$3M						ntal	
Unit / Only Product	. I. I	reterr	ea >⊅୬୬୲୰୲						ue	
Ietric [A] Sales\$ [B]	2. 6								B [J]	
IPG \$ 60,930	Ζ. [2,332	
PSG \$ 2,814,121	2	\thar	inad Supr		Douct	00	ro		-	
BCS \$ 1,163,926	J. F		ized Supp	JOH	Fan	ne	IS		-	
ISS \$ 6,682,917 SWD \$ 2,388,870									8,509	
PNB \$ 25,514									272	
/alue Svc \$ 10,261,226	And nost		ach nartr	oor'	Dar	to			-	
Totals \$ 13,136,277	And poste		ach pani	ier :	srai		erOr	NL	8,456	
		Ror	nefit State	mor	,					
6 Month Trend		Der	iem sidie	mer	11					
) B 1,240	
1.16									8,456	
1.14									9,696	
1.12		0.0070	PartnerONE Compensat	tion					6,454	
1.10		- 4.00%	Benefit (% of Sales)		2.1%		2.5%		2.5%	
1.08		4.00%	Estimated Annual	\$	20,710	\$	29,423	\$	32,349	
1.06		- 2.00%	PartnerONE Compensat HP Care Pack Delivery	tion 4	_3,7.10	*		+		
1.02	· · · ·	0.00%	Rebates (ASP + APSP)	1 \$	-	\$	-	\$	-	
	Jul09 Aug09 Sep09 Oct0	9	Total Gross Margin	\$	169,396	\$	208,106	\$	228,803	
		1		· · ·	, -	1.1	, -		· .	

Seller Com	pany Level Name						1					
	Location ID									_		
	ONE Membership											
12	Month Snapshot	Nov 08 Oct 09)									
	See Page 3 updat		<mark>Ave</mark> r							se hetrics verage verage	Scenario B: R performance for below HP Market up to 120% of HF	metrics Average
	rvices Sales Elite	nanpa			- 1			6 .1		ain	Average (1.2	
00	ASSP				et's	take a	tour o	ot the		other –	Maintain perform	
	ASP	YES									. other metr	ICS
	APSP	YES		-	nont	hly PRI	See re			JL		
					noni	ΠΙΥ ΓΝΙ	SCOLE	cara				
HP Business Unit / Metric [A]	Your 12 Month HP Product Sales\$ [B]	HP Market Average Penetration Rate [C]	ץ Ser @ אי			,				∍mental venue ario A [l]	Incremental Revenue Scenario B [J]	
IPG	\$ 60,930	4.39%	\$							1,797	\$ 2,332	
PSG	\$ 2,814,121	2.08%	\$							-	\$-	
BCS	+ , ,	13.65%	· ·	158,833	. ,		-	8.9%	*		\$-	
ISS	+ -,,-	5.28%	•	352,760			-	50.9%	· ·	197,957	\$ 268,509	
SWD	+)	10.44%		,	\$ 251,8		-	18.2%	*	-	\$ 47,343	
PNB	+ - / -	0.89%		227	\$ ·	- 0.00%		0.2%	•	227	\$ 272	
/alue Svc	+ -, -, -	1.00%		102,612	. ,				\$	-	\$ -	
Totals	\$ 13,136,277		\$	924,992	\$ 991,2	240 7.55%	1.07	100.0%	\$	199,981	\$ 318,456	



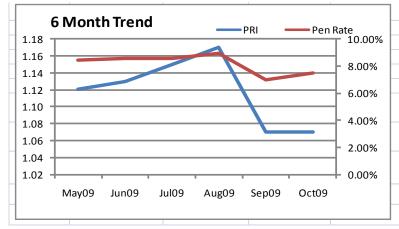
Annu	al F	Financial	Sir	nulation			
		Current		Scenario A		Scenario B	
Partner Actual Sales	\$	991,240	\$	991,240	\$	991,240	
Incremental Sales			\$	199,981	\$	318,456	
Total Sales	\$	991,240	\$	1,191,221	\$	1,309,696	
Estimated Margin at 15%	\$	148,686	\$	178,683	\$	196,454	
PartnerONE Compensation		2.1%		2.5%		2.5%	
Benefit (% of Sales)		2.170		2.370		2.370	
Estimated Annual	\$	20,710	\$	29.423	\$	32,349	
PartnerONE Compensation	Ψ	20,710	Ψ	23,423	Ψ	52,545	
HP Care Pack Delivery	<u>م</u>		¢		¢		
Rebates (ASP + APSP) ¹	\$	-	\$	-	\$	-	
Total Gross Margin	\$	169,396	\$	208,106	\$	228,803	
Change from Current	\$	-		22.9%		35.1%	

Seller Com	pany Level Name											_ / 📮
	Location ID											
Partner	ONE Membership	Elite										
12	Month Snapshot	Nov 08 Oct 09			Soloct D	ifferent Partner						
					Select D							
	See Page 3 updat	te on HP Market	Avera es					Scenari	io A :Raise		Scenario B: R	
										s	performance for below HP Market	
										3e	up to 120% of HP	
HP	Services Relation	onships								e	Average (1.2	
Se	rvices Sales Elite										Maintain perform	
	ASSP					Parti	her Nar	ne			other metri	
	ASP	YES										
	APSP	YES				Loc	ation II)		-		
HP Business Unit / Metric [A]	Your 12 Month HP Product Sales\$ [B]	HP Market Average Penetration Rate [C]	Your Es Services S @ HP Ma Average	Sales arket				embersh date rar		ntal ue A [l]	Incremental Revenue Scenario B [J]	
IPG	\$ 60,930	4.39%	\$2	,675						1,797	\$ 2,332	
PSG	\$ 2,814,121	2.08%	\$ 58	,534						-	\$-	
BCS	\$ 1,163,926	13.65%	\$ 158	,833	\$ 367,430	31.57%	2.31	8.9%	\$	-	\$-	
ISS	\$ 6,682,917	5.28%	\$ 352	,760	\$ 154,803	2.32%	0.44	50.9%	\$ 1	97,957	\$ 268,509	
SWD	\$ 2,388,870	10.44%	\$ 249	,351	\$ 251,878	10.54%	1.01	18.2%	\$	-	\$ 47,343	
PNB	\$ 25,514	0.89%	\$	227	\$ -	0.00%	0.00	0.2%	\$	227	\$ 272	
/alue Svc	\$ 10,261,226	1.00%	\$ 102	,612	\$ 127,565	1.24%	1.24		\$	-	\$-	
Totals	\$ 13,136,277		\$ 924	,992	\$ 991,240	7.55%	1.07	100.0%	\$ 1	99,981	\$ 318,456	



Annu	al F	inancial	Sim	nulation		
		Current	S	cenario A		Scenario B
Partner Actual Sales	\$	991,240	\$	991,240	\$	991,240
Incremental Sales			\$	199,981	\$	318,456
Total Sales	\$	991,240	\$	1,191,221	\$	1,309,696
Estimated Margin at 15%	\$	148,686	\$	178,683	\$	196,454
PartnerONE Compensation		2.1%		2.5%		2.5%
Benefit (% of Sales)		2.170		2.370		2.370
Estimated Annual	\$	20,710	\$	29,423	\$	32,349
PartnerONE Compensation	Ψ	20,710	φ	29,423	φ	52,549
HP Care Pack Delivery	¢		¢		¢	
Rebates (ASP + APSP) ¹	\$	-	\$	-	\$	-
Total Gross Margin	\$	169,396	\$	208,106	\$	228,803
Change from Current	\$	-		22.9%		35.1%

Seller Com	npan	y Level Name											
		Location ID				Î							הה –
Partner	ONE	Membership	Elite										-49
12	2 Mo	nth Snapshot	Nov 08 Oct 09			Salact D	ifferent Partner						
						Jelect D						Constantia D. D.	
	See	Page 3 updat	e on HP Market	Aver	ages					o A :Raise ce for metric	~	Scenario B: R performance for	
									Demormani	e nor menne	ა აღ —	below HP Market	
											te –	up to 120% of HP	•
		rvices Relatio	onships									Average (1.2	PRI).
Se	ervice	es Sales Elite										Maintain perforn	nance of 🛛 🗕
		ASSP										other metri	cs 🔤
		ASP	YES										
		APSP	YES						• •				
HP			HP Market	v	′our Est.	- Hr	^o Services	s Kelati	onsnips				
пr Business	Yo	ur 12 Month		-	vices Sales						ntal	Incremental	
Unit /	F	IP Product	Penetration		HP Market						ue	Revenue	
Metric [A]	Ś	Sales\$ [B]	Rate [C]	-	/erage [D]						A [l]	Scenario B [J]	
				,	iolago [D]								
IPG	\$	60,930	4.39%	\$	2,675						1,797	\$ 2,332	
PSG	\$	2,814,121	2.08%	\$	58,534						-	\$ -	
BCS	*	1,163,926	13.65%	\$	158,833	\$ 367,430	31.57%	2.31	8.9%		-	\$ -	
ISS	*	6,682,917	5.28%	•	352,760	\$ 154,803	2.32%	0.44	50.9%	• ·	7,957	\$ 268,509	
SWD		2,388,870	10.44%		249,351	\$ 251,878	10.54%	1.01	18.2%	•	-	\$ 47,343	
PNB		25,514	0.89%		227	\$ -	0.00%	0.00	0.2%	•	227	\$ 272	
Value Svc		10,261,226	1.00%		102,612	\$ 127,565	1.24%	1.24		\$	-	\$ -	
Totals	\$	13,136,277		\$	924,992	\$ 991,240	7.55%	1.07	100.0%	\$	9,981	\$ 318,456	



Annu	al I	Financial	Sir	nulation	
		Current		Scenario A	Scenario B
Partner Actual Sales	\$	991,240	\$	991,240	\$ 991,240
Incremental Sales			\$	199,981	\$ 318,456
Total Sales	\$	991,240	\$	1,191,221	\$ 1,309,696
Estimated Margin at 15%	\$	148,686	\$	178,683	\$ 196,454
PartnerONE Compensation Benefit (% of Sales)		2.1%		2.5%	2.5%
Estimated Annual PartnerONE Compensation	\$	20,710	\$	29,423	\$ 32,349
HP Care Pack Delivery Rebates (ASP + APSP) ¹	\$	-	\$	-	\$ -
Total Gross Margin	\$	169,396	\$	208,106	\$ 228,803
Change from Current	\$	-		22.9%	35.1%

	Locatio	on ID													
Partner	ONE Membe	rship	Elite												
12	2 Month Snap	oshot	Nov 08 Oct 09				Select F	Different Partner							
						_	001001 2			Scenar	io A . I		50	enario B: R	aica
	See Page 3	update	e on HP Market	Aver	ages					performan				mance for	
						D				below HP M				IP Market	
						P		es your HP Se		up to HP M		<u> </u>		20% of HF	
	Services R		nships					/larket Averag		(1.0 PRI		.		erage (1.2	
Se	ervices Sales						RI =1.2	20% Above	Average	performa	ance c	fother	Mainta	in perforn	nance of
		SSP					RI=1.0	at Average		m	etrics		. c	ther metri	ics
		ASP	YES			PR	RI =0.75	25% Below A	Average						
	A	PSP	YES												
HP Business Unit / Metric [A]	Your 12 Mc HP Produ Sales\$ [E	ict	HP Market Average Penetration Rate [C]	Serv @ I	our Est. ices Sales HP Market erage [D]	Mo HF	Your 12 nth Actual Services ales\$ [E]	Your Actual HP Services Penetration Rate [F]	Your Penetration Rate Index (PRI) [G]	% of Total HP Product Sales\$ [H]	R	remental evenue enario A [l]	Incren Reve Scenar	enue	
IPG	\$ 60	,930	4.39%	\$	2,675	\$	878	1.44%	0.33	0.5%	\$	1,797	\$	2,332	
PSG	\$ 2,814	,121	2.08%	\$	58,534	\$	88,686	3.15%	1.52	21.4%	\$	-	\$	-	
BCS		-	13.65%		158,833		367,430	31.57%	2.31	8.9%		-	\$	-	
ISS			5.28%		352,760		154,803	2.32%	0.44	50.9%		197,957	1	268,509	
SWD			10.44%		249,351	\$	251,878	10.54%	1.01	18.2%		-	\$	47,343	
PNB		,514	0.89%		227	\$	-	0.00%	0.00	0.2%		227	\$	272	
Value Svc	, ,		1.00%		102,612		127,565	1.24%	1.24		\$	-	\$	- 318,456	
Totals		,277		\$	924,992	\$	991,240	7.55%	1.07	100.0%	1.55	199,981	\$	218 156	

FY10 HP Market Average penetration rates

Annu	al F	Financial	Sin	nulation		
		Current	S	cenario A	Scenario B	
Partner Actual Sales	\$	991,240	\$	991,240	\$ 991,240	
Incremental Sales			\$	199,981	\$ 318,456	
Total Sales	\$	991,240	\$	1,191,221	\$ 1,309,696	
Estimated Margin at 15%	\$	148,686	\$	178,683	\$ 196,454	
PartnerONE Compensation Benefit (% of Sales)		2.1%		2.5%	2.5%	
Estimated Annual PartnerONE Compensation	\$	20,710	\$	29,423	\$ 32,349	
HP Care Pack Delivery Rebates (ASP + APSP) ¹	\$	-	\$	-	\$ -	
Total Gross Margin	\$	169,396	\$	208,106	\$ 228,803	
Change from Current	\$	-		22.9%	35.1%	

Seller Com	pany	Level Name											
		Location ID											דה 🖌
Partner	ONE	Membership	Elite										-42
12	2 Mor	nth Snapshot	Nov 08 Oct 09				Select D	ifferent Partner					
							Delect D						
	See	Page 3 updat	e on HP Market	Ave	rages						o A :Raise	Scenario B: R performance for	
											ce for metrics arket Average	below HP Market	
						P		es your HP Se			arket Average	up to 120% of HF	
		vices Relatio	onships				to HP N	1arket Averag			. Maintain	Average (1.2	
Se	rvice	s Sales Elite				PR	l=1.2	20% Above A	Average		nce of other	Maintain perform	
		ASSP				PR	l=1.0	at Average		 	etrics	other metr	ics
		ASP	YES			PR	l =0.75	25% Below A	verage				
		APSP	YES										
HP Business Unit / Metric [A]	Н	ur 12 Month P Product ales\$ [B]	HP Market Average Penetration Rate [C]	Ser @	Your Est. vices Sales HP Market verage [D]	Mo HP	Your 12 nth Actual ? Services ales\$ [E]	Your Actual HP Services Penetration Rate [F]	Your Penetration Rate Index (PRI) [G]	% of Total HP Product Sales\$ [H]	Incremental Revenue Scenario A [I]	Incremental Revenue Scenario B [J]	
IPG	\$	60,930	4.39%	\$	2,675	\$	878	1.44%	0.33	0.5%	\$ 1,797	\$ 2,332	
PSG	+	2,814,121	2.08%	\$	58,534	\$	88,686	3.15%	1.52	21.4%		\$-	
BCS		1,163,926	13.65%	\$	158,833	\$	367,430	31.57%	2.31	8.9%		\$-	
ISS	+	6,682,917	5.28%	\$	352,760	\$	154,803	2.32%	0.44	50.9%		\$ 268,509	
SWD	+	2,388,870	10.44%	· ·	249,351	\$	251,878	10.54%	1.01	18.2%		\$ 47,343	
PNB		25,514	0.89%	· ·	227	\$	-	0.00%	0.00	0.2%	•	\$ 272	
Value Svc	*	10,261,226	1.00%	\$	102,612	\$	127,565	1.24%	1.24		\$-	\$-	
Totals	\$	13,136,277		\$	924,992	\$	991,240	7.55%	1.07	100.0%	\$ 199,981	\$ 318,456	

	Annu	an	Inancial	311	nulation		
			Current	5	Scenario A		Scenario B
	Partner Actual Sales	\$	991,240	\$	991,240	\$	991,240
	Incremental Sales			\$	199,981	\$	318,456
	Total Sales	\$	991,240	\$	1,191,221	\$	1,309,696
RI Metric	Estimated Margin at 15%	\$	148,686	\$	178,683	\$	196,454
	PartnerONE Compensation		2.1%		2.5%		2.5%
	Benefit (% of Sales)		2.170		2.5%		2.5%
	Estimated Annual	\$	20,710	\$	29,423	\$	32,349
	PartnerONE Compensation	Ψ	20,710	φ	29,423	φ	52,549
	HP Care Pack Delivery	<u>م</u>		¢		¢	
	Rebates (ASP + APSP) ¹	\$	-	\$	-	\$	-
	Total Gross Margin	\$	169,396	\$	208,106	\$	228,803
	Change from Current	\$	-		22.9%		35.1%

Annual Financial Simulation

Penetration Rate and PRI Metric calculations

Seller Com	pany	Level Name											
		Location ID											תה
Partner	ONE N	/lembership	Elite										
12	2 Mont	h Snapshot	Nov 08 Oct 09				Select D	ifferent Partner					
							Ocidet D					Convertie D. D	- 1
	See P	age 3 updat	e on HP Market	Aver	ages						o A :Raise ce for metrics	Scenario B: R performance for	
											arket Average	below HP Market	
						P		es your HP Se			arket Average	up to 120% of HF	•
		ices Relatio	onships				to HP N	1arket Averag			. Maintain	Average (1.2	
Se	ervices	Sales Elite				PR	l =1.2	20% Above A	Average		nce of other	Maintain perform	
		ASSP				PR	l=1.0	at Average		me	etrics	other metr	
		ASP	YES			PR	l =0.75	25% Below A	verage				
		APSP	YES										
HP Business Unit / Metric [A]	HP	12 Month Product les\$ [B]	HP Market Average Penetration Rate [C]	Ser @	′our Est. vices Sales HP Market verage [D]	Mo HP	Your 12 nth Actual ? Services ales\$ [E]	Your Actual HP Services Penetration Rate [F]	Your Penetration Rate Index (PRI) [G]	% of Total HP Product Sales\$ [H]	Incremental Revenue Scenario A [I]	Incremental Revenue Scenario B [J]	
IPG	\$	60,930	4.39%	\$	2,675	\$	878	1.44%	0.33	0.5%	\$ 1,797	\$ 2,332	
PSG	\$	2,814,121	2.08%	\$	58,534	\$	88,686	3.15%	1.52	21.4%	\$ -	\$-	
BCS		1,163,926	13.65%	\$	158,833	\$	367,430	31.57%	2.31	8.9%		\$-	
ISS		6,682,917	5.28%	\$	352,760	\$	154,803	2.32%	0.14	50.9%		\$ 268,509	
SWD		2,388,870	10.44%	\$	249,351	\$	251,878	10.54%	1.0	18.2%		\$ 47,343	
PNB	*	25,514	0.89%		227	\$	-	0.00%	.00	0.2%	•	\$ 272	
Value Svc		10,261,226	1.00%	\$	102,612	\$	127,565	1.24%	1.24		\$-	\$-	
Totals	\$	13,136,277		\$	924,992	\$	991,240	7.55%	1.07	100.0%	\$ 199,981	\$ 318,456	

Top three product sales areas

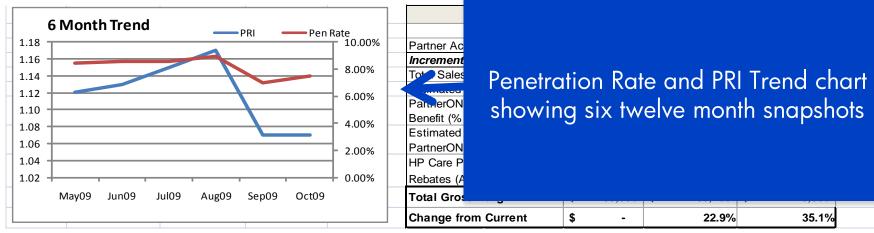
Typically the biggest opportunity areas.

Annual Financial Simulation										
	Current				Scenario B					
Partner Actual Sales	\$	991,240	\$	991,240	\$	991,240				
Incremental Sales			\$	199,981	\$	318,456				
Total Sales	\$	991,240	\$	1,191,221	\$	1,309,696				
Estimated Margin at 15%	\$	148,686	\$	178,683	\$	196,454				
PartnerONE Compensation		2.1%		2.5%		2.5%				
Benefit (% of Sales)		2.170		2.5%		2.5%				
Estimated Annual	\$	20.710	\$	29,423	\$	32,349				
PartnerONE Compensation	⊅	20,710	φ	0 29,423	Ψ	52,549				
HP Care Pack Delivery			¢							
Rebates (ASP + APSP) ¹	\$	-	\$	-	\$	-				
Total Gross Margin	\$	169,396	\$	208,106	\$	228,803				
Change from Current	\$	-		22.9%		35.1%				

PRI Compares your PP services Sales to HP Market Average Services Sales Elite ASSPup to HP Market Average (1.0 PRI). Maintain performance of other metricsup to 120% of HP Market Average (1.2 PRI). Maintain performance of other metricsHP Services Sales Elite ASSPYESPRI = 1.2 PRI = 0.7520% Above Average at AverageVour PRI=0.75% of Total HP Product Sales\$ [B]Up to 120% of HP Market Average PRI=0.75Up to 120% of HP Market AverageUp to 120% of HP Market AverageUp to 120% of HP Market Average PRI=0.75Up to 120% of HP Market AverageUp to 120% of HP Market AverageUp to 120% of HP Market AverageHP Business Unit / Metric [A]YUESYOUT Est. Services Sales Penetration Rate [C]Your Actual HP Services Sales\$ [E]Your Actual HP Services Sales\$ [E]Your Penetration Rate [F]% of Total HP Product Sales\$ [H]Incremental Revenue Scenario A [I]Incremental Revenue Scenario B [J]IPG IPG S60,9304.39% 4.39%\$ 2,675\$ 8781.44%0.330.5%\$ 1,797\$ 2,332PSG ISS S5.8,534\$ 88,6863.15%1.5221.4%\$ -\$ -\$ -BCS SWD S2,388,87010.44%\$ 249,351\$ 251,8032.32%0.4450.9%\$ 197,957\$ 268,509SWD S 2,388,87010.44%\$ 249,351\$ 251,87810.54%1.0118.2%\$ -\$ 47,343PNB S2,5140.89% <td< th=""><th></th><th>Location ID</th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th></td<>		Location ID												
12 Month Snapshot Nov 08 - Oct 09 Select Different Partner Select Different Partner Select Different Partner Scenario A :Raise performance for metrics below HP Market Average up to HP Market Average (1.0 PRI). Maintain performance of other metrics Scenario A :Raise performance for metrics below HP Market Average (1.0 PRI). Maintain performance of other metrics HP Services Relationships PRI = 1.2 20% Above Average at Average (1.0 PRI). Maintain performance of other metrics below HP Market Average (1.2 PRI). Maintain performance of other metrics ASSP PRI = 0.75 25% Below Average PRI = 0.75 25% Below Average PRI = 1.0 Your 72 Your Actual HP Services Sales (Pri = 1.2 PRI). Maintain performance of other metrics HP Product Saless [B] HP Market Average PRI = 0.75 Your 12 Your Actual HP Services Sales (Pri = 1.2 PRI). Month Actual HP Services Sales (Pri = 1.2 PRI). Maintain performance of other metrics Scenario A [I] Scenario A [I] HP Product Saless [B] HP Market Average PRI = 0.75 Your 12 Your Actual HP Services Sales (Pri = 1.2 PRI). Month Actual HP Services Sales Saless [E] Your 12 You	Partner	ONE Membership	Elite	1				<u> </u>	1					
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HP Services Relationships Your Services Relationships												•		
HP Services Relationships Image: Construct of the point of the						PRI C	Compar	es your HP Se	rvices Sales				•	
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ASSP YES PRI=1.0 at Average metrics other metrics ASP YES YES PRI=0.75 25% Below Average metrics other metrics HP APSP YES Yes Your 12 Month HP Market Your Est. Your 12. Your Actual Your Actual Your Penetration % of Total HP Incremental Revenue Scenario A [I] Scenario B [J] IPG 60,930 4.39% \$ 2,675 \$ 878 1.44% 0.33 0.5% \$ 1,797 \$ 2,332 PSG 2,814,121 2.08% \$ 58,534 \$ 88,686 3.15% 1.52 21.4% \$ - \$ - BCS \$ 1,163,926 13.65% \$ 158,833 \$ 367,430 31.57% 2.31 8.9% \$ - \$ - ISS 6,682,917 5.28% \$ 154,803 2.32% 0.44 50.9% \$ 197,95 268,509 SWD 2,3514 0.88% 227 - 0.00% 0.00 0.2% \$ 2272 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 102,612 \$ 127,565	Se	rvices Sales Elite				PRI =1	2	20% Above A	Average					
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Business Unit / Metric [A]Average Penetration Rate [C]Services Sales Penetration Rate [C]Month Actual HP Market Average [D]HP Services Sales\$ [E]Penetration Rate [F]% of Iotal HP Product Sales\$ [H]Incremental Revenue Scenario A [I]Incremental Revenue Scenario B [J]IPG\$ 60,9304.39%\$ 2,675\$ 8781.44%0.330.5%\$ 1,797\$ 2,332PSG\$ 2,814,1212.08%\$ 58,534\$ 88,6863.15%1.5221.4%\$ -\$ -BCS\$ 1,163,92613.65%\$ 158,833\$ 367,43031.57%2.318.9%\$ -\$ -ISS6,682,9175.28%\$ 352,760\$ 154,8032.32%0.4450.9%\$ 197,957\$ 268,509SWD\$ 2,388,87010.44%\$ 249,351\$ 251,87810.54%1.0118.2%\$ -\$ 47,343PNB\$ 25,5140.89%\$ 227\$ -0.00%0.000.2%\$ 227\$ 272Value Svc\$ 10,261,2261.00%\$ 102,612\$ 127,5651.24%1.24\$ -\$ -\$ -		APSP	YES										-	
Metric [A] Rate [C] Average [D] Sales\$ [E] Rate [F] (PRI) [G] Contained of [C] Contained of [C] Contained of [C] IPG \$ 60,930 4.39% \$ 2,675 \$ 878 1.44% 0.33 0.5% \$ 1,797 \$ 2,332 PSG \$ 2,814,121 2.08% \$ 58,534 \$ 88,686 3.15% 1.52 21.4% \$ - \$ - BCS \$ 1,163,926 13.65% \$ 158,833 \$ 367,430 31.57% 2.31 8.9% \$ - \$ - ISS \$ 6,682,917 5.28% \$ 352,760 \$ 154,803 2.32% 0.44 50.9% \$ 197,957 \$ 268,509 SWD \$ 2,388,870 10.44% \$ 249,351 \$ 251,878 10.54% 1.01 18.2% - \$ 47,343 PNB \$ 25,514 0.89% \$ 227 \$ - 0.00% 0.00 0.2% \$ 2277 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 102,612 \$ 127,565 1.24% 1.24 \$ - \$ - \$ -	Business	HP Product	Average	Services	s Sales	Month	Actual	HP Services	Penetration	Product	Revenue	Revenue		
PSG \$ 2,814,121 2.08% \$ 58,534 \$ 88,686 3.15% 1.52 21.4% \$ - \$ - BCS \$ 1,163,926 13.65% \$ 158,833 \$ 367,430 31.57% 2.31 8.9% \$ - \$ - ISS \$ 6,682,917 5.28% \$ 352,760 \$ 154,803 2.32% 0.44 50.9% \$ 197,957 \$ 268,509 SWD \$ 2,388,870 10.44% \$ 249,351 \$ 251,878 10.54% 1.01 18.2% \$ - \$ 47,343 PNB \$ 25,514 0.89% \$ 227 \$ - 0.00% 0.00 0.2% \$ 227 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 102,612 \$ 127,565 1.24% 1.24 \$ - \$ -	Metric [A]		Rate [C]	Averag	ge [D]	Sales	\$ [E]	Rate [F]	(PRI) [G]		Scenario A [i]	Scenario B	[J]	
BCS \$ 1,163,926 13.65% \$ 158,833 \$ 367,430 31.57% 2.31 8.9% \$ - \$ - ISS \$ 6,682,917 5.28% \$ 352,760 \$ 154,803 2.32% 0.44 50.9% \$ 197,957 \$ 268,509 SWD \$ 2,388,870 10.44% \$ 249,351 \$ 251,878 10.54% 1.01 18.2% \$ - \$ 47,343 PNB \$ 255,514 0.89% \$ 227 \$ - 0.00% 0.00 0.2% \$ 227 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 127,565 1.24% 1.24 \$ - \$ -	IPG	\$ 60,930	4.39%	\$	2,675	\$	878	1.44%	0.33	0.5%	\$ 1,797	\$ 2,3	32	
ISS \$ 6,682,917 5.28% \$ 352,760 \$ 154,803 2.32% 0.44 50.9% \$ 197,957 \$ 268,509 SWD \$ 2,388,870 10.44% \$ 249,351 \$ 251,878 10.54% 1.01 18.2% \$ - \$ 47,343 PNB \$ 25,514 0.89% \$ 227 \$ - 0.00% 0.00 0.2% \$ 227 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 102,612 \$ 127,565 1.24% 1.24 \$ - \$ - 4	PSG	\$ 2,814,121	2.08%				88,686	3.15%	1.52	21.4%	\$-	\$	-	
SWD \$ 2,388,870 10.44% \$ 249,351 \$ 251,878 10.54% 1.01 18.2% \$ - \$ 47,343 PNB \$ 25,514 0.89% \$ 227 \$ - 0.00% 0.00 0.2% \$ 227 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 102,612 \$ 127,565 1.24% 1.24 \$ - \$ - \$ -					58,833	\$ 36	67,430	31.57%	2.31			\$	-	
PNB 25,514 0.89% 227 \$ - 0.00% 0.00 0.2% \$ 227 \$ 272 Value Svc \$ 10,261,226 1.00% \$ 127,565 1.24% 1.24 \$ - \$ -														
Value Svc \$ 10,261,226 1.00% \$ 102,612 \$ 127,565 1.24% 1.24 \$ \$ -							51,878					+ /-		
						- T	-						272	
I otals \$ 13,136,277 \$ 924,992 \$ 991,240 7.55% 1.07 100.0% \$ 199,981 \$ 318.456			1.00%								*		·	
	Lotala	\$ 13,136,277		\$ 92	24,992	\$ 99	91,240	7.55%	1.07	100.0%	\$ 199,981	\$ 318.4	56	
	Totals													
6 Month Trend		 1onth Trend												



Seller Com	npany Level Name									
	Location ID									דה 🖌
Partner	ONE Membership	Elite								-44
12	2 Month Snapshot	Nov 08 Oct 09		Select F)ifferent Partner					
				Gelect L						
	See Page 3 upda	te on HP Market	Averages					o A :Raise ce for metrics	Scenario B: R performance for	
								arket Average –	below HP Market	
					es your HP Se			arket Average	up to 120% of H	•
	Services Relation			to HP N	/larket Averag	e Sales		. Maintain	Average (1.2	
Se	ervices Sales Elite			PRI =1.2	20% Above	Average		nce of other	Maintain perform	· · · · · · · · · · · · · · · · · · ·
	ASSP			PRI=1.0	at Average		me	etrics	other metr	ics
	ASP	YES		PRI =0.75	25% Below A	Average				
	APSP	YES								
HP Business Unit / Metric [A]	Your 12 Month HP Product Sales\$ [B]	HP Market Average Penetration Rate [C]	Your Est. Services Sales @ HP Market Average [D]	Your 12 Month Actual HP Services Sales\$ [E]	Your Actual HP Services Penetration Rate [F]	Your Penetration Rate Index (PRI) [G]	% of Total HP Product Sales\$ [H]	Incremental Revenue Scenario A [l]	Incremental Revenue Scenario B [J]	
IPG	\$ 60,930	4.39%	\$ 2,675	\$ 878	1.44%	0.33	0.5%	\$ 1,797	\$ 2,332	-
PSG	\$ 2,814,121	2.08%	\$ 58,534	\$ 88,686	3.15%	1.52	21.4%	\$ -	\$ -	
BCS	+ ,,	13.65%			31.57%	2.31	8.9%	*	\$ -	
ISS		5.28%		1	2.32%	0.44	50.9%		\$ 268,509	
SWD	+)	10.44%	+ - ,	\$ 251,878	10.54%	1.01	18.2%		\$ 47,343	
PNB	+ - / -	0.89%		\$ -	0.00%	0.00	0.2%	•	\$ 272	
Value Svc		1.00%	\$ 102,612 \$ 924,992	\$ 127,565 \$ 991,240	1.24% 7.55%	1.24 1.07	100.0%	\$- \$199,981	\$- \$318,456	



Seller Com	pany Level Name										
	Location ID									תה	
Partner	ONE Membership	Elite									
12	Month Snapshot	Nov 08 Oct 09		Select [Different Partner						
				OCICCT E					Conversion Du D		
	See Page 3 updat	e on HP Market	Averages					io A :Raise ce for metrics	Scenario B: R performance for		
								arket Average –	below HP Market		
					es your HP Se			arket Average	up to 120% of HF		
	Services Relation	onships			∕larket Averag			. Maintain	Average (1.2PRI).		
Se	rvices Sales Elite			PRI =1.2	20% Above	Average	· · · · · · · · · · · · · · · · · · ·	nce of other	Maintain perform		
	ASSP			PRI=1.0	at Average		me	etrics	other metrics		
	ASP	YES		PRI =0.75	25% Below /	Average					
	APSP	YES									
HP Business Unit / Metric [A]	Your 12 Month HP Product Sales\$ [B]	HP Market Average Penetration Rate [C]	Your Est. Services Sales @ HP Market Average [D]		Your Actual HP Services Penetration Rate [F]	Your Penetration Rate Index (PRI) [G]	% of Total HP Product Sales\$ [H]	Incremental Revenue Scenario A [I]	Incremental Revenue Scenario B [J]		
IPG	\$ 60,930	4.39%		\$ 878	1.44%	0.33	0.5%	\$ 1,797	\$ 2,332		
PSG		2.08%			3.15%	1.52		,	\$ -		
BCS	+ , ,	13.65%			31.57%	2.31	8.9%		\$ -		
		5.28%	, ,	\$ 154,803	2.32%	0.44	50.9%		\$ 268,509		
SWD	. , ,	10.44%	, ,	\$ 251,878	10.54%	1.01	18.2%		\$ 47,343		
PNB	+ - / -	0.89%		\$ -	0.00%	0.00			\$ 272		
Value Svc	+ - , - , -	1.00%			1.24%	1.24		\$ -	\$ -		
Totals	\$ 13,136,277		\$ 924,992	\$ 991,240	7.55%	1.07	100.0%	\$ 199,981	\$ 318,456		

Annual Financial Simulation
including the Additional Revenue
Scenarios

Annu	Annual Financial Simulation											
		Current		Scenario A		Scenario B						
Partner Actual Sales	\$	991,240	\$	991,240	\$	991,240						
Incremental Sales			\$	199,981	\$	318,456						
Total Sales	\$	991,240	\$	1,191,221	\$	1,309,696						
Estimated Margin at 15%	\$	148,686	\$	178,683	\$	196,454						
PartnerONE Compensation		2.1%		2.5%		2.5%						
Benefit (% of Sales)		2.170		2.370		2.370						
Estimated Annual	\$	20,710	\$	29.423	\$	32,349						
PartnerONE Compensation	Ψ	20,710	Ψ	23,423	Ψ	52,543						
HP Care Pack Delivery	¢		ድ		¢							
Rebates (ASP + APSP) ¹	\$	-	\$	-	\$	-						
Total Gross Margin	\$	169,396	\$	208,106	\$	228,803						
Change from Current	\$	-		22.9%		35.1%						

Projected Benefit Rates	with PRI of 0.04		ogy Service Part			ASP Care Pack Non-Event based payment				
Tojected Denent Mates	WITH IN 01 0.04	Co	mpensation Rat	es	C	Compensation Ra	ates			
		MDF Accrual % Rate*	Growth Rebate (\$1 to 100% Goal)	Growth Rebate (> Goal to Cap)	PSG	IPG	TSG			
PRI Level 3	(PRI >= 1.2)	1.00%	0.50%	7.50%	15.00%	13-63%	13-66%			
PRI Level 2	(PRI >=1 & < 1.2)	1.00%	0.35%	4.50%	10.00%	7-58%	10-63%			
PRI Level 1	(PRI >=.75 & < 1)	1.00%	N/A	N/A	Entry Level	Entry Level	Entry Level			
PRI Level 0	(PRI < .75)	1.00%	N/A	N/A	N/A	N/A	N/A			
		Partr	nerONE Eligible	YES		PS&D Eligible				
MG MDF Rate = 0.25%	% for PRI Levels 1,	2 and 3								
HP Services Sales Elite Eligibility PRI >= 7		PRI >= 1.2	Value S PRI >=		NO					
· · · · · · · · · · · · · · · · · · ·										
nderstanding PRI Ca our 12 Month HP Prod Market Average Pe our Estimated Service our 12 Month Actual I our Actual HP Service our Penetration Rate I cremental Revenue S cremental Revenue S	ls this p PartnerC	oartner e DNE con			ls this ASP	partner delivery	eligible fo v benefits?	of page) r fpage)		

Compensation Table (page 2) displays your projected TS PartnerONE and ASP compensation rates based upon your current PRI performance and your eligibility for PartnerONE compensation and Partner Sell & Deliver (PS&D) compensation.

¹ Your Actual HP Care Pack Delivery Rebates (ASP + APSP) for the 12 month snapshot period reported (displayed upper left of page)

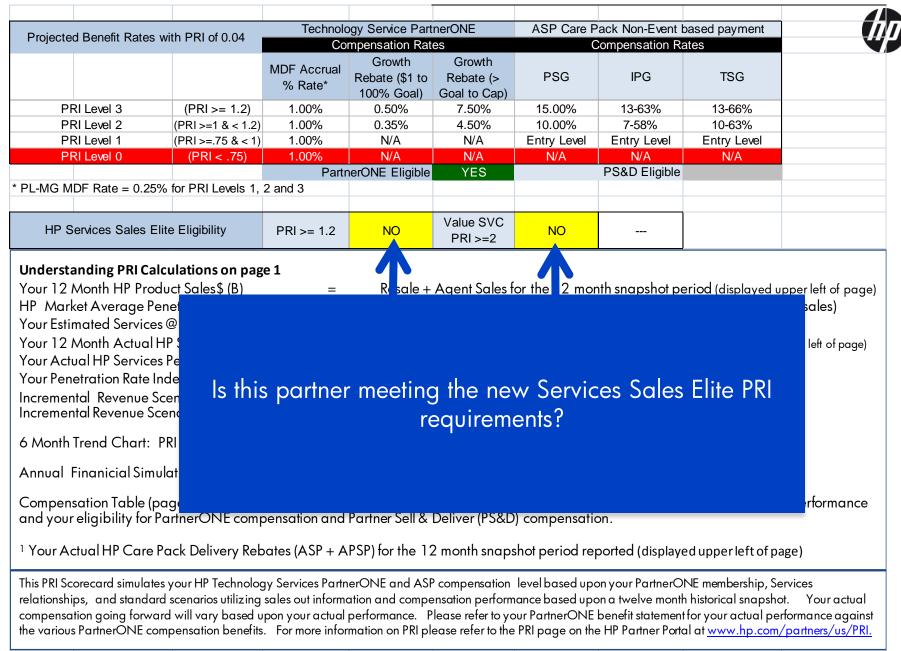
This PRI Scorecard simulates your HP Technology Services PartnerONE and ASP compensation level based upon your PartnerONE membership, Services relationships, and standard scenarios utilizing sales out information and compensation performance based upon a twelve month historical snapshot. Your actual compensation going forward will vary based upon your actual performance. Please refer to your PartnerONE benefit statement for your actual performance against the various PartnerONE compensation benefits. For more information on PRI please refer to the PRI page on the HP Partner Portal at www.hp.com/partners/us/PRI.

ojected Benefit Rates	with PRI of 0.04		ogy Service Part			based payment		
,		Co MDF Accrual % Rate*	mpensation Rat Growth Rebate (\$1 to 100% Goal)	es Growth Rebate (> Goal to Cap)	PSG	Compensation Ra	TSG	
PRI Level 3	(PRI >= 1.2)	1.00%	0.50%	7.50%	15.00%	13-63%	13-66%	
PRI Level 2	(PRI >=1 & < 1.2)	1.00%	0.35%	4.50%	10.00%	7-58%	10-63%	
PRI Level 1	(PRI >=.75 & < 1)	1.00%	N/A	N/A	Entry Level	Entry Level	Entry Level	
PRI Level 0	(PRI < .75)	1.00%	N/A	N/A	N/A	N/A	N/A	
		Partr	nerONE Eligible	YES		PS&D Eligible		
MG MDF Rate = 0.25	5% for PRI Levels 1,	2 and 3						
HP Services Sales E	lite Eligibility	PRI >= 1.2	l D	Value SVC PRI >=2	NO	-		
derstanding PRI or 12 Month HP P Market Average or Estimated Servi or 12 Month Actuo or Actual HP Servi or Penetration Rat	PartnerON				^{asi} for	Compe	ay FY10 A ensation this partne	9

Compensation Table (page 2) displays your projected TS PartnerONE and ASP compensation rates based upon your current PRI performance and your eligibility for PartnerONE compensation and Partner Sell & Deliver (PS&D) compensation.

¹ Your Actual HP Care Pack Delivery Rebates (ASP + APSP) for the 12 month snapshot period reported (displayed upper left of page)

This PRI Scorecard simulates your HP Technology Services PartnerONE and ASP compensation level based upon your PartnerONE membership, Services relationships, and standard scenarios utilizing sales out information and compensation performance based upon a twelve month historical snapshot. Your actual compensation going forward will vary based upon your actual performance. Please refer to your PartnerONE benefit statement for your actual performance against the various PartnerONE compensation benefits. For more information on PRI please refer to the PRI page on the HP Partner Portal at www.hp.com/partners/us/PRI.



sed payment Project Explanations of how calculations are performed TSG Disclaimers 13-66% 10-63% Entry Level N/A PartnerONE Eligible YES PS&D Eligible PL-MG MDF Rate = 0.25% for PRI Levels 1. 2 and 3 Value SVC HP Services Sales Elite Eligibility PRI >= 1.2NO PRI >=2**Understanding PRI Calculations on page 1** Your 12 Month HP Product Sales\$ (B) Resale + Agent Sales for the 12 month snapshot period (displayed upper left of page) = 12 month average measured across HP's US Partners (Resale + Agent sales) HP Market Average Penetraton Rate (C) = Your Estimated Services @ HP Market Average (D) = BxC Your 12 Month Actual HP Services Sales\$ (E) Resale + Agent Sales for the 12 month snapshot period (displayed upper left of page) = Your Actual HP Services Penetration Rate(F) E / B = Your Penetration Rate Index (G) E/D = Incremental Revenue Scenario A (I) IFD > E Then D - E = Incremental Revenue Scenario B (J) = $IF(D \times 1.2) > E Then (D \times 1.2) - E$

6 Month Trend Chart: PRI and Penetration Rate Trend of six 12 month snapshots of information

Annual Finanicial Simulation Table: Estimate of Your annual HP Services financial performance based upon scenario A and B.

Compensation Table (page 2) displays your projected TS PartnerONE and ASP compensation rates based upon your current PRI performance and your eligibility for PartnerONE compensation and Partner Sell & Deliver (PS&D) compensation.

¹ Your Actual HP Care Pack Delivery Rebates (ASP + APSP) for the 12 month snapshot period reported (displayed upper left of page)

This PRI Scorecard simulates your HP Technology Services PartnerONE and ASP compensation level based upon your PartnerONE membership, Services relationships, and standard scenarios utilizing sales out information and compensation performance based upon a twelve month historical snapshot. Your actual compensation going forward will vary based upon your actual performance. Please refer to your PartnerONE benefit statement for your actual performance against the various PartnerONE compensation benefits. For more information on PRI please refer to the PRI page on the HP Partner Portal at www.hp.com/partners/us/PRI.







U.S. Penetration Rate Index

Frequently Asked Questions (FAQ)

Introduction to Penetration Rate Index (PRI)

Q. What is PRI?

A. PRI (Penetration Rate Index) is a single measure that compares an HP partner's services penetration rate (ratio of HP Services dollars sold to HP Product dollars sold) to the HP Market Average penetration rate. PRI is made up of seven services penetration sub-metrics aligned with HP product businesses. Each eligible partner has a unique PRI "score" that is weighted by their HP product sales in each area and rolled up into one index measurement. Each partner's PRI score can be compared to another partner's PRI score regardless of the product mix of the partner.

Q. What are the HP objectives for introducing PRI as a performance metric?

A. There are four primary goals for the PRI Metric:

- 1. Create a fair and balanced metric to compare HP Services sales performance by partner across the U.S. geography.
- 2. Allow HP to understand if a partner is investing in increasing their HP services sales relative to their HP product sales and relative to other HP partners.
- 3. Report to the partner their performance as well as identify possibilities for increased margin with HP Services sales.
- 4. Create one simple metric to structure pay for performance benefits for partners in both services sales and delivery programs.

Q. What partners will be measured on PRI starting in FY10?

A. All PartnerONE Preferred Partners with > \$3M in annual HP total sales and Elite partners. Note: PRI is used as a prerequisite for the Services Sales Elite program. PRI is also used as a prerequisite for the Authorized Support Partner (ASP) program. All Authorized Support Partners (ASP) and Authorized Professional Services Partners (APSP) will be measured based on their PRI performance.

Q. How does the PRI scoring work?

A. A PRI score equal to 1 indicates a partner is performing exactly at the HP Market Average. A PRI score of 1.2 indicates a partner is performing twenty percent above the HP Market Average. A PRI score below 1 indicates a partner is performing below the HP Market Average.



Q. What are the PRI sub-metrics?

A. ISS, BCS, SWD, IPG, PSG, ProCurve, and a Value Services metric). The PLs included in each submetric calculation are listed in the program guide. Please note that two new PLs for FY10 -- PLK3 (software support) and PLK2 (IPG) -- are included.

Metric Acronym	Description
IPG	Imaging and Printing Group
PSG	Personal Systems Group
BCS	Business Critical Servers
ISS	Industry Standard Servers
SWD	Storage Products
PNB	ProCurve Networking Business
Value Services	Mission Critical, Data Center, Education, Consulting Services

Q. How is PRI calculated?

A. To determine a partner's PRI score, we first look at that partner's HP product sales by PRI sub-metric for the most recent twelve month period. Next, we look at the HP Market Average penetration rate for each PRI sub-metric category. By multiplying this partner's twelve month product sales by the related HP Market Average penetration rate, you see what this partner would be selling <u>if</u> they were performing exactly at market average. Then, we look at the partner's actual services sales for the most recent 12 months in each of the seven categories. When you divide the actual HP Services sales by the HP Market Average Services sales, you get the PRI score. A PRI score of 1.0 is exactly market average, anything above 1.0 is above average, and anything below 1.0 is below average. There is a good illustration of how PRI works in the program guide.

Q. How was the U.S. market average penetration rate determined?

A. The formula for penetration rate is Total Services sales dollars divided by Total Product sales dollars. The HP Market Average penetration rates are set by PRI sub-metric and are measured across HP's US PartnerONE eligible partners. HP Market Average penetration rates are set for a one year period providing HP partners with a consistent target and the ability to over-perform against the HP Market Averages throughout the year. The FY10 HP Market Averages were set based upon the Aug 2008 – July 2009 twelve month period. The HP Market Averages include partners that resell HP Services and partners that do not sell any HP Services with the HP products they sell.

Q. Why is a 12 month rolling view used for PRI measurement?

A. Each partner's PRI score will be measured on a twelve month snapshot because HP is looking for consistent performance by partners towards increasing their HP Services sales. The twelve month view indicates consistent performance, removes seasonality and mitigates other deal specific impacts that may affect a shorter time horizon.

Q. What data is used to measure PRI performance?

A. HP utilizes Sales Out information that is reported to HP by HP partners to generate the PRI measurements. To recognize partner sales efforts regardless of the sales channel, HP includes both resale and agent sales in all the PRI measurements. For definitions of Sales Out reporting, resale and agent sales, please refer to the PartnerONE program guide on the HP Partner Portal.



Q. What services are counted in the PRI calculation?

- A. HP Services sales include:
 - HP Care Pack Services
 - New or Day 1 Service Agreements and Custom Statement of Work sales reported using FM-LIST1-xx part numbers are counted towards a partner's PRI score. These sales types flow into PL 72 and show up in the BCS metric performance as well as the Total PRI performance.
 - HP Post Warranty Care Pack services

PartnerONE Compensation Changes

Q. How is HP Technology Services PartnerONE compensation impacted by the PRI metric?

A. HP Technology Services PartnerONE compensation in the U.S. will be reshaped around the Penetration Rate Index (PRI) as a core metric. Beginning May 1, 2010, TS Growth Accelerator rebates will now be based on PRI scores for all targeted partners. HP will be measuring four levels of PRI performance. Only level 2 and level 3 performing partners will be eligible for the TS Growth Accelerator rebate. Rebate. Level 0 or Level 1 performers are not eligible to participate in the TS Growth Accelerator rebate. Reference the Program Guide for more details. At Level 2, Growth rebates apply – and increase significantly once the partner meets 100% of their growth target. At Level 3, the benefits increase again significantly. So this is truly an implementation of pay for results, and rewarding and investing in partners who are performing well on HP Services penetration rate. Note: beginning May 1, 2010, IPG Services (PL R4), Graphics Services (PL K2), and PSG Services (PL MG) will participate in the TS Growth Accelerator. Services results and the TS Growth Accelerator Rebate. Their inclusion further enhances an HP partner's ability to earn more with the TS Growth Accelerator.

Q. What changes will be made for Services Sales Elite?

A. Services Sales Elite has been updated to include the following requirements:

- Eligible partners must have a PRI Score of >=1.2
- Eligible partners must have a PRI Value Services sub-metric score of 2.0

The former replaces the penetration rate metric that Services Elite partners had to meet in FY09, and the latter replaces the \$300K Value Services sales requirement. This change is implemented November 1, 2009. Partners have until May 1, 2010 to meet the new requirements. Eligible Services Sales Elite Partners earn a 6% rebate on all "Value" Services sales, such as HP Mission Critical, Data Center, Education and Implementation Services. For details on the Services Sales Elite, please refer to the PartnerONE program guide on the HP Partner Portal.

Q. Is Accrued MDF impacted by the PRI measurement?

A. Technology Services Accrued MDF benefit is <u>not</u> impacted by PRI. For details on PartnerONE benefits such as Accrued MDF (and Growth Accelerator and Services Sales Elite), please refer to the PartnerONE Demand and Compensation matrix. See the FY10 PartnerONE Demand and Compensation matrix for the current percentage.



Q. How will the PRI metric impact Authorized Support Partner (ASP) partners?

A. ASP requirements have been updated to include the following:

- Eligible Partners must have a PRI Score of >=.75 to participate in the ASP program.
- The \$10k in Services and \$50k in Hardware Sales will still be in force.

The new PRI requirement replaces the penetration requirement by business unit November 1, 2009. Partners who have met the entry goals that were established for 2009 will earn program entry in 2010. HP will not terminate partners in 2010 based upon the .75 PRI metric, as termination in 2010 will be based on previously communicated ASP performance goals.

Q. What is the ASP compensation changes related to PRI?

A. Beginning May 1, 2010, ASP HP Care Pack Services Non-Event-based payments will now be based on PRI scores for all targeted partners. HP will be measuring four levels of PRI performance. Only level 2 and level 3 will be eligible for the ASP HP Care Pack Services Non-Event-based payments. Please reference the chart in the program guide for more details. You'll see that for PRI Level 0 or Level 1 performance, the partner is not eligible to participate in the ASP HP Care Pack Services Non-Eventbased payments. At PRI Level 1, an ASP partner is eligible to participate in warranty repairs on HP's behalf at the entry level. At PRI Level 2, ASP HP Care Pack Services Non-Event-based payments apply. At PRI Level 3, the ASP HP Care Pack Services Non-Event-based payments increase significantly. So this is truly an implementation of pay for results, and rewarding and investing in partners who are performing well on HP services penetration and HP delivery.

Q. What is the timeline for implementing the changes in compensation?

A. Beginning November 2009, HP will measure and report PRI performance to targeted partners on a monthly basis. HP will measure partner performance through on the twelve month period of January 2009 through December 2009 and will assign the partner to a one of four performance groups based upon their PRI performance. The partner's second half FY2010 PartnerONE compensation will be set at that level for the next six months. PartnerONE compensation for Technology Services will not be based upon PRI performance until May 1, 2010.

Monthly Reporting

Q. How often will I get a progress update on my PRI performance?

A. Each eligible partner will have a monthly PRI Scorecard (refer to program guide Appendix A: PRI Scorecard Reporting) posted on their HP PartnerONE Benefit Statement beginning November 2, 2009. The scorecard will display their performance and how they are tracking for TS PartnerONE Growth Accelerator, Services Sales Elite, and ASP Delivery compensation. Updated PRI Scorecards will be posted at the beginning of the month going forward. Partners can access their benefits statement by logging into the HP Partner Portal at <u>www.hp.com/partners/us</u> and then selecting "Programs", then selecting "Benefit Statement".



Q. When will measurements be taken to determine my PRI-related compensation level?

A. In March 2010, HP will measure the partner's performance using a 12 month snapshot through December 2009. The partner will then be placed in one of the four levels based upon their PRI score and HP will assign their PartnerONE and ASP Delivery compensation for the 2H FY 2010 based upon these levels. Once placed, the Partner's compensation is predictable for the next six months, and will not change based upon the partner's PRI performance in 2H 2010. Basically, their 2H PRI performance is now setting the stage for their 1H FY 2011 TS compensation.

Q. What information will be provided in the monthly scorecards?

A. PRI scorecards will be posted to each Partner's PartnerONE Benefit Statement approximately the first week of each month – and each scorecard will represent a 12 month snapshot of partner information. The program guide contains a list of the scorecard contents and an example scorecard. Please refer to the program guide for these details.

Q. What is the source for monthly reporting information, and how can I be confident that it's accurate?

A. SPO Operations provides monthly reporting using Sales Out information that reporting partners or their HP Distributor (if they are not a reporting partner) reports back to HP. The PRI Scorecards will always be approximately 60 days old due to the fact that partners can report daily, weekly or monthly. HP Technology Services will not pull the data for the scorecard until 45 days after it has been reported to HP to allow for data to be captured for all the participating partners..

Q. What process should I follow if I have questions about the information on my monthly scorecard?

A. Please discuss questions with your HP Channel Services Sales contact. You can also send questions on your PRI Scorecard to <u>USpartnerPRI@hp.com</u>.

Q. If my PRI performance improves during a six-month measurement window (e.g. moves from <1.0 PRI to >1.2 PRI), will it change my performance level (and related PartnerONE compensation) during that same window?

A. PRI performance during one six-month period determines Growth compensation for the following six months. If a partner shows significant improvement during a six-month measurement window, it will not move from Level 2 to Level 3 for example during that six month period, but rather will be rewarded in the subsequent six month period. A chart illustrating the timeline is included in the program guide

Q. Are there any "exception" rules for PRI calculations?

A. Yes, there are two exceptions that are taken into consideration for PRI calculation adjustments: major hardware reseller (MHR), and Services Non-Attachable (SNA). See below for additional information on each.



Q. What is the Major Hardware Reseller (MHR) exception?

A. There are a few partners in the U.S. that are so large that they contribute significantly to the U.S. market average penetration rate and so it would be difficult for them to exceed the average. For these partners, HP will make a "Major Hardware Reseller Exception and adjust their PRI Score based upon their size. This will be applied to partners with greater than 1% of total U.S. partner product sales. The adjustment to their PRI score will allow them to compete with other partners to be 20% greater than the average. The MHR exception will be displayed on the Partner's PRI Scorecard. The adjustment is designed to level the playing field allowing these larger partners to improve their PRI score. The MHR exception will be calculated monthly. If a partner is eligible for both the Services Not Attachable (see below) and a Major Hardware Reseller exception, the Services Not Attachable will be calculated first. If the partner is still eligible for the Major Hardware Reseller exception, then it will be calculated second.

Q. What is the Services Non-Attachable (SNA) exception?

A. HP recognizes that there are some circumstances when a partner is not able to sell HP services – for example when all the products sold into a particular customer are put on a direct HP Services agreement. If these types of deals make up a significant portion of a partner's business, the partner's PRI score would be disadvantaged. Their unadjusted PRI score would not be a fair assessment of their efforts to sell services. However, the HP Market Averages already account for much of this type of activity as they include all of these situations in an unadjusted fashion. This partner's unadjusted performances as well as the performance of all other partners who have some level of this type of situation are included in the HP Market Averages. For an SNA exception to be granted, the level of product sales in a Services Not Attachable situation must be greater than or equal to 25% of the partner total product sales in a twelve month measurement period. If an exception is granted, the value of the HP product and services sales in the SNA Exception Account or Deal are removed from their PRI calculation for a set period of time.

Q. If I've been granted the Major Hardware Reseller (MHR) exception, how will I know if the adjustment (premium) to my PRI score has been included in the monthly reports? A. Adjustments will be highlighted on your monthly scorecard.

Q. If I've been granted the Services Non Attachable (SNA) exception, how will I know that this adjustment has been included in my scorecard?

A. Adjustments will be highlighted on your scorecard.

Q. What should I do to improve my PRI score?

A. Look for areas of opportunity – where you are below the market average PRI, and where an improvement would make a significant impact on your PRI score based on your hardware sales mix. Talk with your HP Channel Services Sales representative about what could be done to improve in these areas, and agree on an improvement plan of action to be implemented.