



**Kleiner
Perkins
Caufield
& Byers**

San Francisco Office
Four Embarcadero Center
Suite 3620
San Francisco, CA 94111
TEL • (415) 421-3110
FAX • (415) 421-3128

Partners
Frank J. Caufield
Thomas J. Perkins

Menlo Park Office
2750 Sand Hill Road
Menlo Park, CA 94025
TEL • (650) 233-2750
FAX • (650) 233-0300
www.kpcb.com

Partners
Brook H. Byers
Kevin R. Compton
L. John Doerr
William R. Hearst III
Thomas A. Jermoluk
Vinod Khosla
E. Floyd Kvamme
Joseph S. Lacob
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John A. Denniston

Recruiting Advisor
Norbert Gottenberg

To the Directors of the Hewlett-Packard Company:

As you know, I resigned in protest from the board of directors of the Hewlett-Packard Company, suddenly and unexpectedly, during a board meeting on May 18th of this year. The Nominating and Governance Committee of the board, which I chaired, had not been informed that the chair of the board had instigated a sub-rosa investigation to uncover the source of an alleged "leak" of information to the Internet news site CNET.com in January 2006. The chair's investigation used the fraudulent method of "pretexting" in order to obtain private telephone records of other board members.

We learned that the investigation did, indeed, uncover a contact between a director and this web news site—and it confirmed that I was not the source. I resigned solely to protest the questionable ethics and the dubious legality of the chairman's methods, as they were disclosed to the board for the first time during the meeting. I also questioned the wisdom and propriety of the chair's demand that the source of the "leak" resign from the Board. Apparently the board has come around to this view, as it has not initiated proceedings to dismiss for cause after the director rightly refused to resign.

In a subsequent press release and required Form 8-K filing with the SEC, the company announced my resignation, but made no reference to the cause or to the fraudulent activities involved. At no time has the Company provided me with a copy of the filing or advised me on my right to review and approve it, as mandated by Item 5.02 of Form 8-K. Concerned about the likely illegality of the chair's investigation, I asked outside counsel Larry Sonsini to look into the matter. On June 28, he confirmed in an e-mail that the investigating team "did obtain information regarding phone calls made and received by the cell or home phone of directors" and that it was "done through a third party that made pretext calls to phone service providers." In pretext calls, an impostor contacts a phone company posing as the company's customer (in this case the directors of Hewlett-Packard) and through false pretense and misrepresentation obtains the confidential records and information of that customer. The Federal Trade Commission and a number of state Attorneys General have brought enforcement actions against pretexting firms for violating federal and state laws relating to fraud, misrepresentation, and unfair competition. Indeed, director Larry Babbio's company, Verizon, has filed fraud suits against persons and companies engaged in pretexting.

I have direct proof of these untoward and illegal practices. My personal phone records were "hacked." Attached is a letter from AT&T confirming this unauthorized and fraudulent access of my personal phone records for January 2006, the month covered by the chair's investigation.

To be sure that the facts of my resignation were accurately recorded and reported, I wrote to the Company Secretary and Chief Legal Counsel on July 18th, requesting that the draft minutes of the May 18th meeting be corrected to reflect the

reasons for my resignation and to remove the incorrect statement that as N&G chair I had been informed of the fraud and was thus by implication complicit in it. A copy of that memo is attached.

To date, I have received no response to my letter. My telephone messages to the Secretary and Chief Legal Counsel, also, have not been returned.

On July 28th I again wrote the Company with copies to the full board with detailed references to the illegality of pretexting. I also requested that the board appoint a special committee to investigate both the propriety and the legality of the chair's activities in this matter, and to take whatever disclosure and corrective action is required. This formal request has been ignored as well. A copy of that letter is also attached.

Having received no response to either communication, I am assuming that the Company has rejected my request to amend the minutes and to refer my concerns of illegal conduct to a special committee. Thus, it appears that my disagreement is not only with the chair, as I initially thought, but also with the Company. As my disagreement concerns probable unlawful conduct, improper board procedures, and breakdowns in corporate governance, it constitutes a disagreement "on any matter relating to the registrant's operations, policies or practices" requiring disclosure to the SEC under Item 5.02 of Form 8-K and section 409 of the Sarbanes-Oxley Act of 2002.

I am hereby providing the Company notice that I consider the Company's Form 8-K filed on May 22, 2006, relating to my resignation to be defective because it did not describe my objection to and disagreement with the Company's operations, policies and practices as they relate to the chair's improper and likely unlawful investigation. I therefore disagree with the Company statements concerning my resignation and ask that, pursuant to Item 5.02(a)(3)(iii), the Company file this letter and its attachments with the Securities and Exchange Commission.

As the Company failed to make a full and accurate report (as required by federal law) and having given the Company several opportunities to correct the record, I am now legally obliged to disclose publicly the reasons for my resignation. This is a very sad duty. My history with the Hewlett-Packard Company is long and I have been privileged to count both founders as close friends. I consider HP to be an icon of Silicon Valley, and one of the great companies of the world. It now needs, urgently, to correct its course.

Sincerely,


Thomas J. Perkins

[Signed originals sent to: Mr. Sonsini, Mr. Wayman and Ms. Baskins]



Travis M. Dodd
General Attorney

AT&T Services, Inc.
175 E. Houston Street
Room 266
San Antonio, TX 78205

T: 210.351.5047
F: 210.351.3509
Travis.M.Dodd@att.com

Via UPS Overnight

August 11, 2006

Mr. Thomas J. Perkins
[REDACTED]
[REDACTED]

Dear Mr. Perkins,

Thank you for your August 7, 2006 letter to Mr. Steven Harrison of the AT&T Customer Care Unit and your call to Mr. Mark Toponce of AT&T's Fraud unit. Your request for further information was referred to me and I am writing to provide the additional information we have at this time with respect to the apparently unauthorized activity on the online accounts related to the above-referenced telephone number.

As an initial matter, I want to apologize for any inconvenience or concern this incident has caused you. AT&T takes very seriously our customers' privacy and we are working hard to prevent unauthorized access to our customers' account information. We face, however, increasingly clever and unscrupulous third-parties who are determined to obtain information and are willing to utilize a myriad of tactics to do so. Indeed, the access related to your account was discovered as part of a broader AT&T review of "pretexting" practices - third-parties falsely representing themselves as our customer in order to obtain account access and/or information. We are working with law enforcement and regulatory officials to learn more about how third parties may be obtaining calling record information without customers' authorization and potentially to pursue such wrongdoers.

Turning to your inquiry, this is what we know. First, with respect to your "local" residential telephone account with the former SBC (now AT&T), an online account was established on January 30, 2006. Notably, that appears to be the only date of access to this account - i.e., it appears this was a one-time attempt to obtain information and, although your billing records for December 2005 and January 2006 would have been accessible, it appears that the person reviewed only your bill for the January 2006 billing period. The person registering the online account did so through the Internet and provided your telephone number and the last four digits of your Social Security Number to identify himself/herself as the authorized account holder. We have no way of determining how the person obtained this Social Security Number information.

The e-mail address provided at the time of account registration was mike@yahoo.com. In addition, our servers captured the Internet Protocol ("IP") address associated with the person's computer browser on that date, which was 68.99.17.80. Based upon information obtained from http://www.networksolutions.com/whois/index.jsp, the Internet Service Provider to whom this IP address appears to belong is Cox Communications. At this

Mr. Thomas J. Perkins

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time, however, we do not have further information as to the actual identity of the perpetrator.

Second, with respect to the AT&T long distance account associated with the above-referenced phone number, a separate online account was established January 29, 2006. The background on this account is slightly more complex. Initially, an attempt was made to register this account over the Internet. It appears that this failed because the person attempted to utilize the last four digits of your Social Security Number for authentication, but our account records for this long distance account did not contain that information and thus the authentication failed.

Subsequently, a call was made to the AT&T Customer Care Unit for assistance. Although our records do not contain specific details of the call, it appears the caller represented himself as the customer of record, provided identifying information to the service representatives satisfaction, and sought assistance because of the inability to complete the online registration. The AT&T service representative then apparently established the online account while the person was on the phone. Our records indicate that the online account was subsequently accessed on February 2, 2006. Again, that appears to have been the only date of access for this online account, and our records indicate that although the November 2005 to January 2006 billing records were available for review, the person viewed only your bill for the January 2006 billing period.

The e-mail address provided at the time of this account registration was redsox9855@yahoo.com. Based upon information logged by our servers on February 2, 2006, we know that the person accessing the account was also associated with the IP address of 68.99.17.80 – the same address associated with the mike@yahoo.com address used to establish the online account related to your local telephone service. But again, we don't know the actual identity of the person.

Finally, although we have no way of knowing specifically what information the third-party was seeking, they would have had access to your account billing information, including the amount of your AT&T bill, the types of AT&T services purchased, your toll and long distance call records, etc. (i.e., the information printed on your paper AT&T bill). The online accounts do not provide access to other personally identifiable information such as social security number, driver's license number, credit card number, or bank account number.

I want to again express my regret for any inconvenience this incident has caused. In order to prevent this from recurring, we have locked the online access to these accounts. Please do not hesitate to contact me with any further questions or concerns.

Sincerely,



Travis M. Dodd

From: Tom Perkins
Sent: Tuesday, July 18, 2006 3:22 AM
To: Baskins, Ann
Cc: Sonsini, Larry; Hurd, Mark
Subject: RE: Minutes

Dear Ann:

Thank you for sending the draft minutes of the May 18th meeting. I cannot accept the minutes as written.

Three essential matters of substance have been omitted:


1) An essential point, which I explicitly made, questioned the legality of the surveillance of director's communications by the chairman's outside experts. I specifically questioned this at the time of the meeting and I question it still. As written the minutes state that I concurred in the nature of the investigation---this is not true. I was under the impression that the investigation involved examining calendars, travel schedules, and such. I had no idea that personal communications were involved, and had I known that this was the case I would have brought the matter (of the intrusive nature of the investigation) to the board, for full examination, well in advance of this May 18th meeting;

2) I explicitly stated that the chairman and I (in my role as chair of the N&G committee) had discussed and agreed not to deal with the leak matter "on line," in an open board meeting. I said that I had been "betrayed" by the chairman---my use of the word betrayed was noted by other directors;

3) I specifically asked the board to delay any vote on the motion in regard to [REDACTED], to allow a "cooling off period"---this request was discussed and rejected by the board, as guided by the chairman.

Trusting that these essential elements will be included in the minutes, I will approve them, upon resubmission.

Best regards, Tom

From: Baskins, Ann [mailto:ann.baskins@
Sent: Monday, July 17, 2006 11:49 AM
To: Tom Perkins
Cc: Sonsini, Larry; Baskins, Ann; Hurd, Mark
Subject: Minutes

Dear Tom,

Attached are the confidential draft minutes of the May 18 meeting reflecting the portion of the meeting up through and including your resignation. If you have difficulty opening the file, please let me know and I will try to send a facsimile copy.

Regards,
Ann

From: Tom Perkins

Sent: Friday, July 28, 2006 1:52 PM

To: ann.baskins@ [REDACTED], babbio@ [REDACTED], sbaldauf@ [REDACTED], pcdunn1@ [REDACTED], boise77@ [REDACTED], mark.hurd@ [REDACTED], gkeyworth@ [REDACTED]

john.hammergren@ [REDACTED], rl@ [REDACTED], isalhany@ [REDACTED], bob.wayman@ [REDACTED]

Cc: lsonsini@ [REDACTED]

Subject: Confidential: May 18th HP Board of Directors Meeting

Importance: High

Dear Ann and HP Board Members,

The twice requested final approved minutes of the May 18th minutes have not been forwarded to me. I assume that they do not differ significantly from the DRAFT version, and do not include the requests from my July 18th email to you, attached.

As previously stated, I cannot accept these minutes.

While a number of points were made in my earlier memo, the essential point to be acknowledged is that the sub-rosa surveillance of the HP Board member's personal communications was, and is, illegal.

I attach a memo from Larry Sonsini, in which he acknowledges that HP hired consultants who engaged in "pretexting," a practice using an illegal misrepresentation – the pretext – of identity to carrier companies in order to obtain confidential telecommunication records. This is a fraudulent practice.

Interestingly, HP has on its board an expert in the matter, namely Larry Babbio, whose company, Verizon, has testified before the F. C. C. on the illegality of the practice, and has filed suits against consultants who engage in "pretexting." I attach two pertinent documents pertaining to Verizon's activities in the area. Indeed, AT&T, my home telephone carrier, has confirmed that my confidential records have been compromised pursuant a fraudulent pretext, where the imposter pretending to be me opened an untraceable and inaccessible online account in order to steal the records. AT&T is investigating further.

That the illegal pretext was done by a consultant is no excuse or defense to HP, which authorized, induced and benefited from the illegal fraud.

As Chairman of HP's Nominating and Governance Committee, had I been informed of these illegal activities prior to the May 18th meeting, I would have stopped them, or, failing that, brought them to the attention of the full board. Now, I must insist that the HP board undertake a full investigation of the practices, via an independent committee of the board (not including the Chairman, who initiated the illegal behavior) and take whatever disclosure and/or corrective action is required.

This is an extremely serious matter, and I have engaged counsel for advice. I attach a copy of his CV from the Georgetown U. Law School, where he is a professor. I did not resign from the board for frivolous reasons, but because HP was standing into dangerous waters – waters hazardous with both illegal and unconscionable governance practices – and because my advice was being ignored. I have had a long history with the company; and I am appalled at the events, and at the

disclosures of the May 18th meeting, which are so out of character for the corporation, formerly an icon of the Valley.

I trust that the board will undertake an investigation and take corrective action, without external pressure. I believe that my objections are material to the performance and prospects of the Company, and there may well be an obligation to ensure that proper and legally required disclosures are made. So, your urgent attention is required to confirm that full investigatory board action will, indeed, be taken – and taken promptly.

Sincerely,

Tom