

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (date of earliest event reported):  
December 13, 2004**

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**NCR CORPORATION**

(Exact name of registrant as specified in its charter)

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**Commission File Number 001-00395**

**Maryland**  
(State or other jurisdiction of  
incorporation or organization)

**31-0387920**  
(I.R.S. Employer  
Identification No.)

**1700 S. Patterson Blvd.**  
**Dayton, Ohio 45479**  
(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: (937) 445-5000**

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry Into A Material Definitive Agreement.**

The NCR Corporation (“we”, “us” or the “Company”) has two non-qualified executive pension plans, the NCR Officer Plan and the NCR Nonqualified Excess Plan. These plans were filed as Exhibits 10.9 and 10.3, respectively, to the Company’s Annual Report on Form 10-K for the year ended December 31, 2002, and the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 1998. As a result of the actions taken by our Board of Directors with respect to the Company’s pension plans, as described in the Company’s Current Report on Form 8-K, dated May 26, 2004, we have amended both of these plans to close them to new participants. Copies of the First Amendments to both the NCR Officer Plan and the NCR Nonqualified Excess Plan that were each executed on December 16, 2004, are filed as Exhibit 10.1 and 10.2, respectively, to this report and incorporated herein by reference.

The Company also has an NCR Management Incentive Plan for Executive Officers (the “MIP”), a copy of which has been filed as Exhibit 10.19 to the Company’s Annual Report on Form 10-K for the year ended December 31, 1996. Each year, the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”) sets the performance measures and weightings and minimum, target and maximum payouts under the MIP. On December 13, 2004, the Compensation Committee determined that the target payout to executive officers under the MIP for 2005 will depend in part on the Company’s achievement of a certain level of operating income less pension expense after a capital charge. The performance measures and weightings and minimum, maximum and other target payouts under the MIP for the 2005 fiscal year have not yet been set by the Compensation Committee.

The 2004 performance measures and weightings for the Company’s executive officers under the MIP are as set forth in the chart below. The minimum, target and maximum payout amounts associated with each performance measure for the 2004 fiscal year are not disclosed in this report, because these amounts are confidential business information, the disclosure of which would have an adverse effect on the Company.

Financial Performance Measures	Executives/Weightings		
	Messrs. Mark Hurd (CEO), Jonathan Hoak (SVP and General Counsel), Peter Bocian (SVP, and CFO), Christine Wallace (SVP HR), and Eric Berg (CAO)	Messrs. Gagliardi (SVP, WCS), Michael Koehler (SVP, TD), and Mark Quinlan (SVP, SMD)	Messrs. Keith Taylor (SVP, FSD) and Lee Schram (SVP, RSD)
NCR Non-Pension Operating Income (“NPOI”)* after Capital Charge**	100%	50%	50%
Division NPOI		25%	12.5%
Division Services NPOI			12.5%
Division Revenue		25%	25%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* NPOI is a non-GAAP financial measure used by the Company due to the significant change in pension expense from year to year. This measure includes the Company’s income from operations under generally accepted accounting

principles ("GAAP") less pension expense. Under the MIP, the Compensation Committee also has the discretion to adjust the actual payouts under the plan based on its evaluation of the executive's performance for the year or other relevant factors.

\*\* Capital Charge is a formula used to determine the total cost of capital deployed. It includes accounts receivable plus inventory, plant, property and equipment, other current assets, and capitalized software less accounts payable, payroll and employee benefits, other current liabilities, and post retirement benefits.

The Board of Directors of the Company grants equity awards to management employees of the Company on a regular basis. These awards are granted under the NCR Management Stock Plan, as amended (the "Stock Plan"). The Stock Plan was previously approved by the Company's sole stockholder prior to its spin-off from AT&T Corp. at the end of 1996, and is filed as Exhibit 10.6 to our Annual Report on Form 10-K for the year ended December 31, 2003. We are filing as exhibits to this Current Report on Form 8-K, copies of the following forms of documents under the Stock Plan: (1) form of Restricted Stock Agreement, (2) form of Stock Option Agreement, (3) form of Payment Election for Director Pay, and (4) form of Director Option Grant Statement. Copies of these forms are filed as Exhibits 10.3, 10.4, 10.5 and 10.6, respectively, to this report and are incorporated herein by reference.

On September 2, 2004, the Compensation Committee granted the following equity awards to its executive officers: (1) 5,000 shares of restricted common stock and options to purchase 5,000 shares of common stock to Peter Bocian in conjunction with his promotion to Senior Vice President and Chief Financial Officer of the Company, subject to the terms and conditions of the standard equity award form agreements attached as Exhibits 10.3 and 10.4 hereto; and (2) 6,000 shares of restricted common stock to Jonathan Hoak, Senior Vice President and General Counsel, as a retention award, subject to the terms and conditions of the standard Restricted Stock Agreement attached as Exhibit 10.3 hereto, except that the shares will vest at the end of a two-year period on December 31, 2006, rather than at the end of a three-year term.

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**Item 9.01 Financial Statements and Exhibits.**

## (c) Exhibits

The following exhibits are filed with this Current Report on Form 8-K:

<b>Exhibit Number</b>	<b>Description of Exhibits</b>
10.1	First Amendment to the NCR Officer Plan, executed December 17, 2004.
10.2	First Amendment to the NCR Nonqualified Excess Plan, executed December 17, 2004
10.3	Form of Restricted Stock Agreement under the NCR Management Stock Plan.
10.4	Form of Stock Option Agreement under the NCR Management Stock Plan.
10.5	Form of Payment Election for Director Pay under the NCR Management Stock Plan.
10.6	Form of Director Option Grant Statement under the NCR Management Stock Plan.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NCR CORPORATION

Date: December 17, 2004

By: /s/ Peter J. Bocian

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Peter J. Bocian  
Senior Vice President and Chief Financial Officer

### Index to Exhibits

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10.4	Form of Stock Option Agreement under the NCR Management Stock Plan.
10.5	Form of Payment Election for Director Pay under the NCR Management Stock Plan.
10.6	Form of Director Option Grant Statement under the NCR Management Stock Plan.

**FIRST AMENDMENT  
TO THE NCR OFFICER PLAN**

AMENDMENT TO THE RETIREMENT PLAN FOR OFFICERS OF NCR (the "Plan") as restated and in effect January 1, 1997 by NCR Corporation ("NCR").

WHEREAS, NCR desires to amend the Plan to admit no new participants to the plan;

WHEREAS, the change made by this Amendment was approved by the Board of Directors of NCR as of May 17, 2004, and the Senior Vice President, Human Resources was authorized to execute a conforming amendment of the Plan;

NOW, THEREFORE, NCR does hereby amend the Plan, effective September 1, 2004, as follows:

1. Section 2.1 Participation is hereby amended by the addition of the following new paragraph:

"Notwithstanding the above, effective September 1, 2004, no new participants will be admitted to the Plan."

IN WITNESS WHEREOF, NCR has caused this amendment to the Plan to be executed this 17th day of December, 2004.

FOR NCR CORPORATION

By: /s/ Christine Wallace

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Christine Wallace  
Senior Vice President, Human Resources

**FIRST AMENDMENT  
TO THE NCR NONQUALIFIED EXCESS PLAN**

AMENDMENT TO THE NCR NONQUALIFIED EXCESS PLAN (the "Plan") as restated and in effect January 1, 1996 by NCR Corporation ("NCR").

WHEREAS, NCR desires to amend the Plan to freeze accruals for all participants other than those in a "grandfathered group";

WHEREAS, the changes made by this Amendment were approved by the Board of Directors of NCR as of May 17, 2004, and the Senior Vice President, Human Resources was authorized to execute a conforming amendment of the Plan;

NOW, THEREFORE, NCR does hereby amend the Plan, effective September 1, 2004, as follows:

1. Section 2.1 of ARTICLE II is hereby amended by the addition of the following new paragraph:

Notwithstanding the above, effective September 1, 2004, no new Participants will be added to the Plan.

2. Section 3.1 of ARTICLE III is hereby amended by the addition of the following new paragraph:

"Notwithstanding the above, effective August 31, 2004, benefit accruals will cease and no additional benefit will accrue for any Participant in the Plan, with the exception of the following Participants who will continue to accrue benefits:

- (a) Participants who (1) were hired prior to September 1, 2004, (2) were age 40 or older as of August 31, 2004, and (3) did not make an election to cease accruals in the NCR Pension Plan and receive an enhanced company matching contribution in the NCR Savings Plan; and
- (b) Participants who were under age 40 as of August 31, 2004, who (1) were hired prior to May 1, 1985, (2) remained continuously employed by the Company since that date, and (3) did not make an election to cease accruals in the NCR Pension Plan and receive an enhanced company matching contribution in the NCR Savings Plan."

IN WITNESS WHEREOF, NCR has caused this amendment to the Plan to be executed this 17th day of December, 2004.

FOR NCR CORPORATION

By: /s/ Christine Wallace

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Christine Wallace  
Senior Vice President, Human Resources

**Restricted Stock Agreement**  
**NCR Management Stock Plan**

You have been awarded a number of restricted shares of NCR common stock (the "Restricted Shares") under the NCR Management Stock Plan (the "Plan") of NCR Corporation ("NCR") as listed on the Certificate of Restricted Stock Grant on the restricted stock website ("Certificate"), subject to the terms and conditions of this agreement and the Plan.

1. The Restricted Shares will become nonforfeitable ("Vested") as noted on the Certificate (your "Vesting Date"); provided, however, that you are continuously employed by NCR or an affiliate until such date. If your employment terminates prior to such date, the Restricted Shares will be forfeited.
2. In addition, the Restricted Shares will become Vested if, prior to your Vesting Date, you (i) die while actively employed by NCR, or (ii) cease to be actively employed by NCR because you qualify for benefits under the NCR Long Term Disability Plan or another long term disability plan sponsored by NCR ("Disability").
3. By signing this agreement, you agree to keep this agreement confidential and not to disclose its contents to anyone except your attorney, your immediate family, or your financial consultant, provided such persons agree in advance to keep such information confidential and not disclose it to others. The Restricted Shares will be forfeited if you fail to keep this agreement confidential.
4. Promptly after the award date, NCR will instruct its Transfer Agent and Stock Registrar to create a record account for you credited with the number of Restricted Shares, subject to the restrictions described in this agreement.
5. You will be the record owner of the Restricted Shares until such shares are forfeited, and as the record owner you will be entitled to all rights of a common shareholder of NCR, including without limitation, voting rights and rights to cash and in-kind dividends, if any, on the Restricted Shares; provided, however, that the right to dividends will be subject to paragraph 7 below. As soon as practicable after your Vesting Date, subject to paragraph 8 below, NCR will instruct its Transfer Agent and Stock Registrar to release the restrictions on your record account and the Restricted Shares will become freely transferable.
6. At all times before your Vesting Date, the Restricted Shares may not be sold, transferred, pledged, assigned or otherwise alienated, except by beneficiary designation, will or by the laws of descent and distribution upon your death.
7. Any cash dividends declared before your Vesting Date on the Restricted Shares shall not be paid currently, but shall be reinvested in common shares of NCR. Any shares resulting from such reinvestment (the "Dividend Shares") will be considered Restricted Shares for purposes of this agreement and will be subject to all of its provisions. As of each dividend payment date, the number of Dividend Shares will be

determined by dividing the amount of dividends otherwise attributable to the Restricted Shares but not paid on such date by the average of the high and low per share price of NCR's common stock on the dividend payment date. The Compensation Committee of the NCR Board of Directors ("Committee") may, in its discretion, take such action as it deems appropriate regarding in-kind dividends or distributions with respect to the Restricted Shares prior to your Vesting Date, which actions may include, without limitation, current distribution or liquidation or reinvestment in Restricted Shares. Any securities or property so distributed may, in the Committee's discretion, be subject to any or all of the forfeiture provisions set forth in this Agreement.

8. NCR will have the right to deduct or cause to be deducted from, or collect or cause to be collected with respect to the taxation of any Restricted Shares, any country, Federal, state or local taxes required by law to be withheld or paid with respect to such Restricted Shares and you or your legal representative or beneficiary will be required to pay any such amounts. By signing this agreement, you consent and direct that, if you are paid through NCR's U.S. payroll system at the time the restricted stock vests, NCR's stock plan administrator will withhold the number of shares of restricted stock from your award as NCR in its sole discretion deems necessary to satisfy such withholding requirements. If you are paid through a non-U.S. NCR payroll system, you agree that NCR may satisfy any withholding obligations by withholding cash from your compensation otherwise due to you or by any other action as it may deem necessary to satisfy the withholding obligation.

9. By accepting the Restricted Shares, you agree that, where permitted by local law, any controversy or claim related to your employment relationship with NCR shall be resolved by first exhausting any NCR internal dispute resolution process and policy, and then by arbitration pursuant to such policy. If you are employed in the U.S., the arbitration shall be pursuant to the NCR dispute resolution policy and then current rules of the American Arbitration Association and shall be held in Dayton, Ohio. If you are employed outside the U.S., where permitted by local law, the arbitration shall be conducted in the headquarters city of for the business unit in which you work. The arbitration shall be held before an arbitrator who is an attorney knowledgeable of employment law. The arbitrator's decision and award shall be final and binding and may be entered in any court having jurisdiction thereof. For arbitration held in the U.S., issues of arbitrability shall be determined in accordance with the federal substantive and procedural laws relating to arbitration; all other aspects shall be interpreted in accordance with the laws of the State of Ohio. Each party shall bear its own attorney's fees associated with the arbitration and other costs and expenses of the arbitration shall be borne as provided by the rules of the American Arbitration Association for an arbitration held in the U.S., or similar applicable rules for an arbitration held outside the U.S. If any portion of this paragraph is held to be unenforceable, it shall be severed and shall not affect either the duty to arbitrate or any other part of this paragraph.

10. The Restricted Shares will be forfeited if the Committee determines that you engaged in misconduct in connection with your employment.

11. Where permitted by local law, in exchange for the Restricted Shares, you agree that during your employment with NCR and after your termination of employment for any reason, without the prior written consent of the Chief Executive Officer of NCR, you will not (1) render services directly or indirectly to any Competing Organization (as defined below) involving the development, manufacture, marketing, advertising or servicing of any product, process, system or service upon which you worked or in which you participated during the last three years of your NCR employment, (2) directly or indirectly recruit, hire, solicit or induce, or attempt to induce, any exempt employee of NCR to terminate their employment with or otherwise cease their relationship with NCR, (3) canvass or solicit business with any firm or company with whom you worked during the preceding five years while employed by NCR, including customers of NCR, or (4) disclose to any third party any NCR confidential, technical, marketing, business, financial or other information not publicly available. If you breach the terms of this paragraph 12, in addition to recovering damages for breach, the Restricted Shares will be immediately forfeited.

As used in this paragraph 11, "Competing Organization" means an organization identified by the Chief Executive Officer of NCR as a Competing Organization for the year in which your employment with NCR terminates, and any other person or organization which is engaged in or about to become engaged in research on or development, production, marketing, leasing, selling or servicing of a product, process, system or service which is the same or similar to or competes with a product, process, system or service manufactured, sold, serviced or otherwise provided by NCR to its customers.

You understand that if you breach this section, NCR may sustain irreparable injury and may not have an adequate remedy at law. As a result, you agree that in the event of your breach of this section, NCR may, in addition to any other remedies available to it, bring an action or actions for injunction, specific performance, or both, and have entered a temporary restraining order, preliminary or permanent injunction, or order compelling specific performance.

12. You may designate one or more beneficiaries to receive all or part of any Restricted Shares to be distributed in case of your death, and you may change or revoke such designation at any time. In the event of your death, any Restricted Shares distributable hereunder that are subject to such a designation will be distributed to such beneficiary or beneficiaries in accordance with this agreement. Any other Restricted Shares will be distributable to your estate. If there shall be any question as to the legal right of any beneficiary to receive a distribution hereunder, the Restricted Shares in question may be transferred to your estate, in which event NCR will have no further liability to anyone with respect to such Restricted Shares.

11. The terms of this award of Restricted Shares as evidenced by this agreement may be amended by the NCR Board of Directors or the Committee, provided that no such amendment shall impair your rights hereunder without your consent.

**Stock Option Agreement**  
**NCR Management Stock Plan**  
**(Non-Statutory Stock Option)**

You have been granted an option (the "Option") under the NCR Management Stock Plan (the "Plan") of NCR Corporation ("NCR") to purchase from NCR a number of common shares of NCR ("Shares") at the price per Share as listed on the Certificate of Stock Option Grant on the stock option plan website (the "Certificate"), subject to the terms and conditions of this agreement and the Plan.

1. Your right to exercise this Option will expire ten (10) years from the grant date, unless sooner terminated due to your termination of employment as described below. If the expiration date falls on a Saturday, Sunday or holiday, it will be deemed to occur on the next following business day.
2. This Option will vest and may be exercised at any time prior to its expiration as follows: 33 1/3% (rounded down to the nearest whole share) of the Option Shares on the first anniversary of the grant date; an additional installment of 33 1/3% (rounded down to the nearest whole share) of the Option Shares on the second anniversary of the grant date, and on the third anniversary of the grant date, this Option will be fully vested and exercisable; provided, however, that you are continuously employed by NCR or any of its Affiliate companies (referred to collectively herein as "NCR") until the vesting dates. In the event your employment terminates prior to the third anniversary of the date of grant, this Option shall terminate with respect to the unvested installments.
3. This Option will vest and may be exercised in full at any time prior to its expiration if you (i) die while actively employed by NCR; (ii) cease to be actively employed by NCR because you qualify for benefits from the NCR Long Term Disability Plan or another long term disability plan sponsored by NCR ("Disability"), or (iii) terminate employment with NCR when you are eligible to immediately receive pension benefits (other than PensionPlus benefits or any similar pension benefits payable upon any termination of employment) from any NCR pension plan ("Retirement"), either immediately upon termination of employment, or, if your termination is due to reduction-in-force, at any time while you are receiving separation pay from NCR. This option will also vest in full upon the occurrence of a Change-in-Control as defined in the Plan.
4. If you terminate from NCR for any other reason, this Option will terminate on the day prior to the date which is the sixtieth day after the date of termination of employment, or the expiration date, if earlier.
5. If you die after termination of employment with NCR due to Disability or Retirement, this Option will be exercisable by your beneficiary or heir at any time prior to its expiration.

6. This Option will not be exercisable after the expiration date, except that, if you die within six months prior to the expiration date, the expiration date will be extended to the one hundred seventy-ninth day after the date of death.
7. This Option will be cancelled if the Compensation Committee determines that you engaged in misconduct in connection with your employment.
8. This Option shall be exercised in accordance with procedures established by the administrator of NCR's stock option program. In countries where deemed mandatory, upon exercise, the purchase price will be paid by simultaneous sale of the shares exercised, in such a manner that the optionee is not subject to taxation upon grant of the option award. Any taxes required by law to be withheld or paid with respect to exercise of this Option shall be deducted from the proceeds of the Option exercise. If NCR or the administrator of the stock option program is unable to withhold required taxes from the proceeds of the exercise, you or your legal representative or beneficiary will be required to pay such amounts, and NCR may take any action necessary to satisfy such obligation, including but not limited to withholding cash from your compensation otherwise due to you, or withholding from the shares such numbers of Shares as it, in its sole discretion, shall determine to be required to satisfy such withholding requirements.
9. Within a reasonable period after the Option is exercised, NCR will instruct its Transfer Agent and Stock Registrar to credit you or your successor with the number of Shares with respect to which you exercised the Option. Neither you nor your legal representative shall be, or have any of the rights and privileges of, a stockholder of NCR in respect of any Shares purchasable upon the exercise of this Option, in whole or in part, unless and until the Company credits you with such Shares.
10. This Option is not transferable by you otherwise than by beneficiary designation, will or the laws of descent and distribution, and during your lifetime the Option may be exercised only by you or your guardian or legal representative.
11. You may designate one or more beneficiaries to receive all or part of this Option in case of your death, and you may change or revoke such designation at any time. In the event of your death, any portion of this Option that is subject to such a designation will be distributed to such beneficiary or beneficiaries in accordance with this agreement. Any other portion of this Option shall be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder, the Shares in question may be purchased by and distributed to your estate, in which event NCR shall have no further liability to anyone with respect to such Shares.
12. In exchange for this Option, you agree that during your employment with NCR and for a period of eighteen months after termination of your NCR employment for any reason, without the prior written consent of the Chief Executive Officer of NCR, you will not (1) render services directly or indirectly to any Competing Organization (as defined below) involving the development, manufacture, marketing, advertising or servicing of any product, process, system or service upon which you worked or in which you participated during the last three years of your NCR employment, (2) directly or

indirectly recruit, hire, solicit or induce, or attempt to induce, any exempt employee of NCR to terminate their employment with or otherwise cease their relationship with NCR, (3) canvass or solicit business with any firm or company with whom you worked during the preceding five years while employed by NCR, including customers of NCR, or (4) disclose to any third party any NCR confidential, technical, marketing, business, financial or other information not publicly available. If you breach the terms of this paragraph 12, in addition to recovering damages for breach, this Option will be immediately cancelled, and you agree to pay to NCR the difference between the exercise price and the fair market value on the date of exercise of any shares received in connection with exercise of this Option on or after the date which is 90 days prior to the date of your termination of employment.

As used in this paragraph 12, "Competing Organization" means an organization identified by the Chief Executive Officer of NCR at the beginning of the year in which your employment with NCR terminates as a Competing Organization, and any other person or organization which is engaged in or about to become engaged in research on or development, production, marketing, leasing, selling or servicing of a product, process, system or service which is the same or similar to or competes with a product, process, system or service manufactured, sold, serviced or otherwise provided by NCR to its customers.

You understand that if you breach this section, NCR may sustain irreparable injury and may not have an adequate remedy at law. As a result, you agree that in the event of your breach of this section, NCR may, in addition to any other remedies available to it, bring an action or actions for injunction, specific performance, or both, and have entered a temporary restraining order, preliminary or permanent injunction, or order compelling specific performance.

13. By accepting this Option, you agree that, where permitted by local law, any controversy or claim related to your employment relationship with NCR shall be resolved by first exhausting any NCR internal dispute resolution process and policy, and then by arbitration pursuant to such policy. If you are employed in the U.S., the arbitration shall be pursuant to the NCR dispute resolution policy and then current rules of the American Arbitration Association and shall be held in Dayton, Ohio. If you are employed outside the U.S., where permitted by local law, the arbitration shall be conducted in the headquarters city of for the business unit in which you work. The arbitration shall be held before an arbitrator who is an attorney knowledgeable of employment law. The arbitrator's decision and award shall be final and binding and may be entered in any court having jurisdiction thereof. For arbitration held in the U.S., issues of arbitrability shall be determined in accordance with the federal substantive and procedural laws relating to arbitration; all other aspects shall be interpreted in accordance with the laws of the State of Ohio. Each party shall bear its own attorney's fees associated with the arbitration and other costs and expenses of the arbitration shall be borne as provided by the rules of the American Arbitration Association for an arbitration held in the U.S., or similar applicable rules for an arbitration held outside the U.S. If any portion of this paragraph is held to be unenforceable, it shall be severed and shall not affect either the duty to arbitrate or any other part of this paragraph.

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14. The terms of this Option as evidenced by this agreement may be amended by the NCR Board of Directors or its Compensation Committee, provided that no such amendment shall impair your rights hereunder without your consent.

**NCR BOARD OF DIRECTORS  
PAYMENT ELECTION FOR DIRECTOR PAY**

As provided in the NCR Directors Compensation Program, I hereby elect to receive my **annual retainer and meeting fees** earned after January 1, 2005,\* as follows:

- In cash payable in quarterly installments as earned under the program.
- In shares of NCR common stock, payable at the same time(s) as the cash retainer.
- 50% in cash and 50% in shares of NCR common stock, payable at the same times as the cash retainer.
- As a Deferred Stock Award, with the deferred amounts paid at the following time(s):
  - on the date of my termination as a Director (or such later date as may be required under applicable regulations); or
  - in \_\_\_\_ one, \_\_\_\_ two, \_\_\_\_ three, \_\_\_\_ four, or \_\_\_\_ five (check one option) annual installment(s), beginning on the April 30 following my termination as a Director (or such later date as may be required under applicable regulations).

*Note:* If a “rolling” distribution with a separate schedule for each year’s pay is desired, please contact NCR’s Executive Compensation department for additional deferral options.

As provided in the NCR Directors Compensation Program, I hereby elect to receive any **annual stock grants** earned after January 1, 2005,\*\* as follows:

- In current shares of NCR common stock.
- As a Deferred Stock Award, payable at the time(s) elected above.

\* This election form supersedes all previous forms completed by me, and will remain in effect until a new form is completed by me at a later date.

\*\* This election applies to the deferral of any portion of my 2004 annual retainer/fees earned in 2005, and supersedes any prior elections of such portion of my retainer/fees.

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Signature

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Date

**THIS FORM MUST BE RETURNED BY DECEMBER 31, 2004.**

**NCR Management Stock Plan  
Director Option Grant Statement  
(Non-Statutory Stock Option)**

Name of Optionee	Soc. Sec. #	Grant Date	No. of Optioned Shares
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You have been granted an option (the "Option") under the NCR Management Stock Plan (the "Plan") of NCR Corporation ("NCR") to purchase from NCR the above number of common shares of NCR ("Shares") at the price of \$\_\_\_\_\_ per Share, subject to the terms and conditions of this statement and the Plan.

1. Your right to exercise this Option will expire ten (10) years from the grant date.
2. This Option is fully vested as of the grant date.
3. This Option will not be exercisable after the expiration date, except that, if you die within six months prior to the expiration date, the expiration date will be extended to the one hundred seventy-ninth day after the date of death.
4. This Option shall be exercised in accordance with procedures established by the administrator of NCR's stock option program.
5. Within a reasonable period after the Option is exercised, NCR will instruct its Transfer Agent and Stock Registrar to credit you or your successor with the number of Shares with respect to which you exercised the Option. Neither you nor your legal representative shall be, or have any of the rights and privileges of, a shareowner of NCR in respect of any Shares purchasable upon the exercise of this Option, in whole or in part, unless and until the Company credits you with such Shares.
6. This Option is not transferable by you otherwise than by will or the laws of descent and distribution, and during your lifetime the Option may be exercised only by you or your guardian or legal representative.
7. You may designate one or more beneficiaries to receive all or part of this Option in case of your death, and you may change or revoke such designation at any time. In the event of your death, any portion of this Option that is subject to such a designation will be distributed to such beneficiary or beneficiaries in accordance with this Statement. Any other portion of this Option shall be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder, the Shares in question may be purchased by and distributed to your estate, in which event NCR shall have no further liability to anyone with respect to such Shares.

8. The terms of this Option as evidenced by this statement may be amended by the NCR Board of Directors or its Compensation Committee, provided that no such amendment shall impair your rights hereunder without your consent.

NCR CORPORATION

I designate \_\_\_\_\_

as beneficiary of my stock options, to receive any unexercised options at my death.

(Multiple beneficiaries may be listed below.)

Note- only needs to be filled out if beneficiary changed.

ACCEPTED AND AGREED:

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_