
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

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 7, 2005

Chevron Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-368-2

(Commission File Number)

94-0890210

(I.R.S. Employer No.)

6001 Bollinger Canyon Road, San Ramon, CA

(Address of principal executive offices)

94583

(Zip Code)

Registrant's telephone number, including area code: (925) 842-1000

None

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- 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 Definitive Material Agreement

On December 7, 2005, the Board of Directors of Chevron Corporation (“Company”) approved amendments to the Chevron Corporation Change In Control Surplus Employee Severance Program for E-Level Salary Grades (“ESP”) and the Chevron Corporation Benefit Protection Program (“BPP”). The amendments (1) reduce the executive severance payment under the ESP from 3-times base salary plus target bonus to 2.5-times base salary plus target bonus; (2) cap the excise tax and gross-up payment to the executive under the BPP at 2.99 times the employee’s base amount as defined by Internal Revenue Code Section 280G; and (3) change the name of the ESP to the Chevron Corporation Change In Control Surplus Employee Severance Program for Salary Grades 41 and Above. The changes are only applicable to eligible executives and have no applicability for the broad-based employee population. The amended and restated ESP and BPP are attached as Exhibits 10.1 and 10.2, respectively, to this Current Report and are incorporated herein by reference.

In addition, the Board approved amendments to the Management Incentive Plan of Chevron Corporation (the “MIP”), the Chevron Corporation Long-Term Incentive Plan (the “LTIP”), and the Chevron Corporation Deferred Compensation Plan for Management Employees (the “DCP”) to add a provision affecting grants under the plans made on or after June 29, 2005. Under the amendments, the administrator of each plan has the sole discretion, if a plan participant engages in misconduct (as defined in each plan), to subject outstanding grants to forfeiture, to subject the proceeds from exercised option grants less the purchase price to forfeiture and to require repayment of awards. In addition, the definition of misconduct in each of the LTIP, MIP and DCP has been amended to include conduct beyond actions that require an accounting restatement due to material noncompliance and include disclosing Company proprietary information or intellectual property, failing to return Company property upon termination of employment, engaging in competition with the Company within twelve months following termination of employment, failing to inform a new employer of the former Company employee’s confidentiality obligations, inducing Company employees or customers to cease work or breach a contract with the Company, engaging in conduct that is not in good faith and interferes with the Company’s business or reputation and committing embezzlement, fraud or theft with respect to Company property. The amended and restated MIP, LTIP and DCP are attached as Exhibits 10.3, 10.4 and 10.5, respectively, to this Current Report and are incorporated herein by reference.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On December 7, 2005, the Board of Directors elected Linnet F. Deily to the Board of Directors to be effective as of January 24, 2006. A copy of the press release dated December 7, 2005 announcing the election of Ms. Deily is attached as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Number</u>	<u>Exhibit</u>
10.1	Chevron Corporation Change In Control Surplus Employee Severance Program For Salary Grades 41 and Above, as amended on December 7, 2005.
10.2	Chevron Corporation Benefit Protection Program, as amended and restated on December 7, 2005.
10.3	Management Incentive Plan of Chevron Corporation, as amended and restated on December 7, 2005.
10.4	Chevron Corporation Long-Term Incentive Plan, as amended and restated on December 7, 2005.
10.5	Chevron Corporation Deferred Compensation Plan for Management Employees, as amended and restated on December 7, 2005.
99.1	Press release dated December 7, 2005 announcing the election of Linnet F. Deily to the Board of Directors of the Company.

SIGNATURE

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 hereunto duly authorized.

CHEVRON CORPORATION

Dated: December 12, 2005

By: /s/ Christopher A. Butner

Christopher A. Butner, Assistant Secretary

CHEVRON CORPORATION
CHANGE IN CONTROL SURPLUS EMPLOYEE SEVERANCE PROGRAM FOR
SALARY GRADES 41 AND ABOVE

(as adopted effective March 29, 2000 and amended on December 7, 2005)

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CHEVRON CORPORATION
CHANGE IN CONTROL SURPLUS EMPLOYEE SEVERANCE PROGRAM FOR
SALARY GRADES 41 AND ABOVE

(as adopted effective March 29, 2000 and amended on December 7, 2005)

I. INTRODUCTION

The Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades 41 and Above (the "Plan") was adopted by the Corporation effective March 29, 2000. For all purposes herein, any reference to Salary Grades 41 and above shall be deemed to include the equivalent to such Salary Grades under a successor system of classifying Salary Grades.

The purpose of the Plan is to provide a Severance Pay Benefit or a Benefit Plan Allowance to certain Employees whose employment with the Company terminates in connection with a Change in Control. The Corporation is the Plan Administrator for purposes of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan shall terminate three years after a Change in Control.

II. COMMENCEMENT OF PARTICIPATION

An Eligible Employee shall commence participation in the Plan and become a Member upon the public announcement of the proposed transaction which, when effected, is a Change in Control.

III. TERMINATION OF PARTICIPATION

A Member's participation in the Plan shall terminate upon the occurrence of the earliest of the following:

- (a) The Member's employment terminates without meeting the requirements of :
 - (i) Sections IV(a)(i)(2) or (3); or
 - (ii) Sections VI(a)(i) to (iii).
- (b) The Member's employment terminates with a provision of Section IV(a)(ii) being applicable.
- (c) The Member fails to meet the requirements of IV(a)(i)(4) or VI(a)(iv).

- (d) The Member has received a complete distribution of his or her Severance Pay Benefit or Benefit Plan Allowance.
- (e) The Member ceases to be an Eligible Employee (other than by reason of termination of his or her employment with the Company).
- (f) The Extended Benefit Protection Period ends because of the abandonment of any plans to effectuate a transaction which, if effectuated, would have been a Change in Control and such transaction has not occurred.
- (g) The Plan terminates.

IV. SEVERANCE PAY BENEFIT

(a) Eligibility for Severance Pay Benefit

- (i) Subject to Section IV(a)(ii), a Member shall be eligible for a Severance Pay Benefit only if the Member meets the requirements of Section IV(a)(i)(1); Section IV(a)(i)(2) or (3); and Section IV(a)(i)(4).
 - (1) A Change in Control occurs during the Extended Benefit Protection Period.
 - (2) The Member's employment is involuntarily terminated by the Company on a date determined by the Company in its sole discretion that is no earlier than the public announcement of the proposed transaction which, when effected, is a Change in Control and no later than the last day of the Extended Benefit Protection Period.
 - (3) The Member meets all of the requirements of Section IV(a)(i)(3)(a) to (c):
 - (a) The Member receives a written offer no earlier than the public announcement of the proposed transaction which, when effected, is a Change in Control and no later than the last day of the Extended Benefit Protection Period of a position with the Company or an Affiliate that is a Demotion and does not have the option of remaining in his or her present job. (Such written offer and notification may be delivered in person or by mail. If the offer and notification are mailed, the Member shall be deemed to have received it the earlier of its actual receipt or three days after it is deposited in the United States mail, properly

stamped and addressed to Member's last known address as reflected on the books of the Company.);

- (b) The Member has failed to accept such Demotion in writing within the time prescribed in the offer or (if no such time is specified) within 7 days after the date the offer is actually or deemed to be received, if earlier. Failure to respond within the prescribed time shall be deemed a rejection of the Demotion, regardless of the reason for the failure to respond; and
 - (c) Such Member resigns his or her employment on a date determined by the Company, which shall be no later than sixty (60) days after the date the offer is actually or deemed to be received, whichever is earlier, or (if the Member so agrees) a later date that is no later than three years after the Change in Control;
- (4) The Member executes the Release within forty-five (45) days after its receipt (or such extension as may be granted by the Company in its sole discretion) and the period for revoking the execution of the Release under the Older Workers' Benefit Protection Act, 29 U.S.C. § 626(f), has expired.

Under no circumstances shall a Member be construed as having terminated employment or be eligible for a Severance Pay Benefit because he terminates employment with the Company for the purpose of accepting employment with the entity that effectuates a Change in Control, its subsidiaries or affiliates.

- (ii) Notwithstanding Section IV(a)(i), a Member shall be disqualified from receiving a Severance Pay Benefit upon the occurrence of any of the following:
- (1) Except as provided in Section IV(a)(i)(3)(c), the Member voluntarily terminates employment with the Company for any reason prior to the termination date set by the Company;
 - (2) The Member's employment with the Company is terminated for cause or by death;
 - (3) If the Member is receiving short-term sick leave benefits under the Corporation's Short-Term Disability Plan (or similar program) on the date of termination, the Member fails to execute a written

waiver of any short-term sick leave benefits that might otherwise be payable after employment terminates;

- (4) Subsequent to the offer of the Demotion and before termination of employment, such Member:
 - (a) is offered another position with the Company or an Affiliate (other than a Special Assignment) that is other than a Demotion; or
 - (b) accepts any job offer from the Company or an Affiliate (other than a Special Assignment) without regard to whether it is a Demotion;
- (5) the Member terminates employment with the Company in order to accept employment with an organization that is wholly or partly owned (directly or indirectly) by the Company or an Affiliate;
- (6) The Member accepts any job with a Buyer or Outsourcing Supplier; and
- (7) The Member is offered full-time employment (or part-time if the Member is on an Approved Part-Time Schedule under the Chevron Part-Time Employment Guidelines when his or her employment terminates) with a Buyer or Outsourcing Supplier at a New Work Location when such position is:
 - (a) 50 miles or less from his or her Present Work Location with the Company; and
 - (b) would not result in a:
 - (i) material reduction in authority or responsibility; or
 - (ii) reduction in Overall Compensation.

The business decisions that may result in a Member qualifying for a Severance Pay Benefit are decisions to be made by the Company in its sole discretion.

In making these decisions, similarly situated organizations, locations, functions, classifications, and/or Members need not be treated in the same manner. The date selected by the Company to terminate the Member's employment is within its sole discretion and (subject to Section IV(a)(i)(3) (c) with respect to Demotions) the

Company is under no obligation to terminate a Member's employment prior to three years after the Change in Control.

(b) Amount of Severance Pay Benefit

- (i) Subject to Section IV(b)(ii), the Severance Pay Benefit payable to a qualifying Member shall be equal to two and one half years of such Member's Enhanced Regular Earnings.
- (ii) Notwithstanding Section IV(b)(i), any Severance Pay Benefit otherwise payable under that section shall be reduced (but not below zero) as follows:
 - (1) If the Member had been or is on an Approved Part-Time Schedule under the Chevron Part-Time Employment Guidelines at any time after January 1, 1994, the Severance Pay Benefit shall be reduced by multiplication by a ratio. The numerator of the ratio shall be the total number of full months of the Member's Continuous Service after January 1, 1994 while not on such an Approved Part-Time Schedule. The denominator of the ratio shall be the Member's total number of full months of Continuous Service. In calculating the Severance Pay Benefit for a Member currently on such an Approved Part-Time Schedule, Enhanced Regular Earnings shall be based on a full-time equivalent.
 - (2) If a Member is reemployed by the Company or an Affiliate within three years after termination, the Severance Pay Benefit shall be reduced to the amount that the Member's Enhanced Regular Earnings would have been for the period from the date of termination to the date of reemployment. In all cases, the reduced benefit will be based on the Member's Enhanced Regular Earnings used to calculate such Member's Severance Pay Benefit under the Plan. A Member will be considered "reemployed" under the Plan for purposes of the repayment provision in this Section IV(b)(ii)(2) if retained at a Company facility, as or through a contractor for more than a full-time equivalent of more than 45 work days.
 - (3) If a Member is employed by a Buyer or Outsourcing Vendor within three years of termination, the Severance Pay Benefit shall be reduced to the greater of:
 - (a) the amount that the Member's Enhanced Regular Earnings would have been for the period from the date of termination

to the date of employment with the Buyer or Outsourcing Vendor; or

(b) the amount the Member has received under Section V(b) prior to employment with the Buyer or Outsourcing Vendor.

This Section IV(b)(iii)(3) may be waived in writing by the Corporation in its sole discretion.

- (4) By severance pay or other similar benefits payable under any other plan or policy of the Company or an Affiliate or government required payment (other than unemployment compensation under United States law), including, but not limited to, any benefit enhancement program that may be adopted as part of a pension plan.
- (5) By any amounts payable pursuant to the Worker Adjustment and Retraining Notification Act (WARN) or any other similar federal, state or local statute.
- (6) By the amount of any indebtedness to the Company.
- (7) As described in Section 4(b) of the Chevron Corporation Benefit Protection Program established effective March 29, 2000, as it may be amended from time to time.

(c) Repayment of the Severance Pay Benefit

If the Member has received payment under the Plan in excess of the Severance Pay Benefit, as reduced in Section IV(b)(ii), the Member must agree as a condition of reemployment that such excess will be repaid to the Company.

V. FORM OF SEVERANCE PAY BENEFIT

- (a) Subject to Section V(b), the Severance Pay Benefit under the Plan may take any one of the following forms of distribution as elected by the Member:
 - (i) a lump sum payment on or before December 31 of the year in which employment terminates;
 - (ii) a lump sum payment after December 31 of the year in which employment terminates, but within twenty-four (24) months after the termination of employment; or

- (iii) a maximum of two installment payments over a period not to exceed twenty-four (24) months from the termination date. The amount and timing of each installment may be different.
 - (b) If a Member's employment with the Company is terminated in connection with a sale of some or all of the Company's interest applicable to, or with a transfer of management of, the operation in which the Member was employed, the Severance Pay Benefit will be paid in one of the following forms of distribution as elected by the Member:
 - (i) Six Monthly Payments
 - (1) An initial payment of one month's Enhanced Regular Earnings will be paid on or about the date the Member's employment with the Company terminates;
 - (2) Additional payments of up to one month's Enhanced Regular Earnings will be paid in one-month intervals for up to the succeeding five months; and
 - (3) If more than six monthly installments are required to complete the Severance Pay Benefit, there will be a lump-sum payment one month after the final monthly payment or it may be deferred as provided under any form permitted under Section V(a); or
 - (ii) Any form permitted under Section V(a); provided that no payment is made prior to six months from the date the Member's employment with the Company terminates.
 - (c) Interest
 - (i) Except as provided in this Section V(c), no interest shall be paid on a Severance Pay Benefit.
 - (ii) With respect to a benefit paid in a form described in V(b)(i), interest will be payable on any outstanding balance of the Severance Pay Benefit from the date employment with the Company terminates; provided that it shall not be payable during any period for which the Member elects a deferral of payment. This accrued interest will be included in the final Severance Pay Benefit payment described in Section V(b)(i)(3).
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- (iii) Where interest is payable, the rate of interest shall be equal to the rate paid on U. S. Thirty Year Treasury obligations for January of the year in which the Member terminated employment with the Company.

VI. BENEFIT PLAN ALLOWANCE

(a) Eligibility for Benefit Plan Allowance

A Member shall be eligible for a Benefit Plan Allowance only if all of the following requirements are met:

- (i) the Member's employment terminates on the date specified by the Company that is no earlier than the public announcement of the proposed transaction which, when effected, is a Change in Control and no later than the last day of the Benefits Protection Period;
- (ii) the Member is ineligible for a Severance Pay Benefit solely because of Section IV(a)(ii)(6) or (7) of the Plan;
- (iii) prior to the beginning of negotiations with the Buyer or Outsourcing Supplier and at the time the written agreement with the Buyer or Outsourcing Supplier is executed, the Buyer or Outsourcing Supplier does not have any one of the following employee benefit plans in which the Member would participate if an offer of employment with the Buyer or Outsourcing Supplier is accepted:
 - (1) a defined benefit plan that is qualified under § 401 of the Internal Revenue Code;
 - (2) a defined contribution plan that is qualified under § 401 of the Internal Revenue Code;
 - (3) a post-retirement medical plan for pre-age 65 retirees to which the Buyer or Outsourcing Supplier makes company contributions (even if the amount of company contributions is zero for some coverage options). The Buyer or Outsourcing Supplier shall be deemed not to have such a plan unless the Buyer or Outsourcing Supplier agrees in the contract of sale with the Company to recognize the Member's combined Company and Buyer/Outsourcing Supplier service for purposes of eligibility for that plan. Notwithstanding the above, the Buyer or Outsourcing Supplier shall be deemed to have such a plan with respect to a particular Member if, on the date of closing, the Member is an Eligible Retiree as defined in the

Omnibus Health Care Plan of the Chevron Corporation Medical Plan Organization; and

- (iv) the Member executes the Release within forty-five (45) days after its receipt (or such extension as may be granted by the Company in its sole discretion) and the period for revoking the execution of the Release under the Older Workers' Benefit Protection Act, 29 U.S.C. § 626(f), has expired.

The business decisions that may result in a Member qualifying for a Benefit Plan allowance are decisions to be made by the Company in its sole discretion. In making these decisions, similarly situated organizations, locations, functions, classifications, and/or Members need not be treated in the same manner. The date selected by the Company to terminate the Member's employment is within its sole discretion and the Company is under no obligation to terminate a Member's employment prior to three years after the Change in Control.

(b) Amount of Benefit Plan Allowance

- (i) Subject to Section VI(b)(ii), the Benefit Plan Allowance payable to a Member shall be equal to one (1) week of such Member's Enhanced Regular Earnings for each full Year of Continuous Service (prorated for completed calendar months); provided, however, that the minimum Benefits Plan Allowance shall be equal to four (4) weeks of the Member's Enhanced Regular Earnings and the maximum Benefits Plan Allowance of any Member shall not exceed twenty-five (25) weeks of Enhanced Regular Earnings.
- (ii) Notwithstanding Section VI(b)(i), any Benefit Plan Allowance otherwise payable under that section shall be reduced (but not below zero) as follows:
 - (1) If the Member had been or is on an Approved Part-Time Schedule under the Chevron Part-Time Employment Guidelines, at any time after January 1, 1994, the Benefit Plan Allowance shall be reduced by multiplication by a ratio. The numerator of the ratio shall be the total number of months of the Member's Continuous Service after January 1, 1994 while not on such an Approved Part-Time Schedule. The denominator of the ratio shall be the Member's total number of months of Continuous Service. In calculating any Benefit Plan Allowance for any such Member currently on such an

Approved Part-Time Schedule, Enhanced Regular Earnings shall be based on a full-time equivalent.

- (2) If a Member is reemployed by the Company or an Affiliate within the number of weeks after termination that is equal to the number of weeks of Enhanced Regular Earnings of the Benefit Plan Allowance as determined under Section V(b)(i), the Benefit Plan Allowance shall be reduced to the amount that the Member's Enhanced Regular Earnings would have been for the period from the date of termination to the date of reemployment. In all cases, the reduced benefit will be based on the Member's Enhanced Regular Earnings used to calculate such Member's Severance Pay Benefit under the Plan. A Member will be considered "re-employed" under the Plan for purposes of the repayment provision in this Section VI(b)(ii)(2) if retained at a Company facility, as or through a contractor, for a full-time equivalent of more than 45 work days.
- (3) If a Member is employed by a Buyer or Outsourcing Supplier within the number of weeks after termination of employment that is equal to the number of weeks of Enhanced Regular Earnings of the Benefits Plan Allowance as determined under Section V(b)(i), the Benefit Plan Allowance shall be reduced to the greater of:
 - (a) the amount that the Member's Enhanced Regular Earnings would have been for the period from the date of termination to the date of employment with the Buyer or Outsourcing Supplier; and
 - (b) the amount the Member has received under Section V(b) prior to employment with the Buyer or Outsourcing Supplier.This Section VI(b)(ii)(3) may be waived in writing by the Corporation in its sole discretion.
- (4) By severance pay or other similar benefits payable under any other plan or policy of the Company or an Affiliate or government required payment (other than unemployment compensation under United States law), including but not limited to any benefit enhancement program that may be adopted as part of a pension plan.

- (5) By any amounts payable pursuant to the Worker Adjustment and Retraining Notification Act or any other similar federal, state or local statute.
- (6) By the amount of any indebtedness to the Company.
- (7) As described in Section 4(b) of the Chevron Corporation Benefit Protection Program established effective March 29, 2000, as it may be amended from time to time.

(c) Repayment of the Benefit Plan Allowance

If the Member has received payment under the Plan in excess of Benefit Plan Allowance, as reduced in Section VI(b)(ii), the Member must agree as a condition of reemployment that such excess will be repaid to the Company.

VII. FORM OF BENEFIT PLAN ALLOWANCE

The Benefit Plan allowance will be paid in a lump sum on or shortly after the latter of the date employment with the Company terminates or the date the sale or other transfer of management occurs; provided that the Member has properly signed and returned the Release to the Company and the revocation period under the Older Worker's Benefit Protection Act, 29 U.S.C. § 626(f), has expired.

VIII. DEATH OF A MEMBER

If a Member dies after qualifying for a Severance Pay Benefit or a Benefit Plan Allowance but before such benefit is paid is completely paid, the balance of the Severance Pay Benefit or Benefit Plan Allowance shall be paid in a lump sum to the Member's Beneficiary.

IX. BENEFITS PROVIDED UNDER OTHER PLANS

(a) Eligible Employees Who Qualify As Eligible Retirees.

As of March 29, 2000, Eligible Retirees are presently eligible to continue their health care coverage under the terms of the Omnibus Health Care Plan of the Chevron Corporation Medical Plan Organization and its Supplement Plans. As of March 29, 2000, Eligible Retirees are presently eligible for Company contributions toward the cost of that coverage under the terms of the Chevron Corporation Health Care Contributions Policy.

(b) Eligible Employees Who Do Not Qualify As Eligible Retirees.

As of March 29, 2000, Employees who terminate employment with the Company and their dependents are generally presently eligible for continued coverage in the Omnibus Health Care Plan of the Chevron Corporation Medical Plan Organization and its Supplement Plans for (eighteen) 18 months after termination of employment as required by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”). As of March 29, 2000, Members who terminate employment with a Severance Pay Benefit under this Plan may generally presently qualify for Employee rates for coverage under the Omnibus Health Care Plan of the Chevron Medical Plan Organization and its Supplement Plans and for the applicable Company contribution for themselves and their dependents for the first twelve (12) months of COBRA coverage under the terms of the Chevron Corporation Health Care Contributions Policy (other than to the extent such Supplement Plan provides dental coverage).

(c) Relocation

Members who subsequently qualify for a Severance Pay Benefit after having relocated pursuant to a Transfer occurring after the Change in Control shall be entitled to a reimbursement of relocations expenses to his or her Present Work Location immediately prior to the Change in Control. Such reimbursement shall be no less than that determined pursuant to the Company’s policy for post-retirement relocations as it existed immediately prior to the Change in Control.

X. AMENDMENT AND TERMINATION

(a) General Rule.

Although the Corporation expects to continue the Plan indefinitely, inasmuch as future conditions cannot be foreseen, (subject to Sections X(b) and (c)) the Corporation reserves the right to amend or terminate the Plan at any time by action of its board of directors or by action of a committee or individual(s) acting pursuant to a valid delegation of authority of the board of directors. However, no amendment or termination shall adversely affect the right to:

- (i) Any unpaid Severance Pay Benefit or Benefit Plan Allowance; or
- (ii) Qualify for a Severance Pay Benefit or Benefit Plan by the timely execution of the Release after such amendment or termination.

(b) Restrictions on Amendments During Extended Benefit Protection Period.

Notwithstanding Section X(a) of the Plan, subject to Section X(c), and except to the extent required to comply with applicable law; no amendment or termination

of the Plan that is either not approved by the Corporation prior to the Extended Benefit Protection Period Commencement Date or is not executed after the expiration of the Extended Benefit Protection Period shall be effective to the extent it:

- (i) Deprives any individual who is an Employee as of the Change in Control of coverage under the Plan as constituted at the time of such amendment;
- (ii) Limits eligibility for or reduce the amount of any Severance Pay Benefit or Benefit Plan Allowance;
- (iii) Amends Section X, XII, or the definitions of the terms Extended Benefit Protection Period (except to lengthen such period), Extended Benefit Protection Period Commencement Date (except to make it an earlier date), Change in Control or Successors and Assigns in Section XX of the Plan;
- (iv) Terminates the Plan; or
- (v) Is executed (or would otherwise become effective) at the request of a third party who effectuates a Change in Control.

For purposes of this Section X(b), approval by the Corporation shall mean written approval (by a person or entity within the Corporation that has authority to do so) of the subsequent execution of such Plan amendment or termination.

No person shall take any action that would directly or indirectly have the same effect as any of the prohibited amendments or termination described in Section X(b).

(c) Section X(b) shall not apply to the extent:

- (i) the amendment or termination of the Plan is approved after any plans have been abandoned to effect the transaction which, if effected, would have constituted a Change in Control and the event which would have constituted the Change in Control has not occurred, and
- (ii) within a period of six months after such approval, no other event constituting a Change in Control shall have occurred, and no public announcement of a proposed event which would constitute a change in control shall have been made, unless thereafter any plans to effect the Change in Control have been abandoned and the event which would have constituted the Change in Control has not occurred.

XI. NON-ALIENATION OF BENEFITS

To the full extent permitted by law and except as provided in the Plan, no Severance Pay Benefit shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void.

XII. SUCCESSORS AND ASSIGNS

The Plan shall be binding upon the Corporation, its Successors and Assigns. Notwithstanding that the Plan may be binding upon a Successor or Assign by operation of law, the Corporation shall require any Successor or Assign to expressly assume and agree to be bound by the Plan in the same manner and to the same extent that the Corporation would be if no succession or assignment had taken place.

XIII. LEGAL CONSTRUCTION

This Plan is governed by and shall be construed in accordance with ERISA and, to the extent not preempted by ERISA, with the laws of the State of California.

XIV. ADMINISTRATION AND OPERATION OF THE PLAN

(a) Plan Sponsor and Plan Administrator.

The Corporation is the "Plan Sponsor" and the "Plan Administrator" of the Plan as such terms are used in ERISA.

(b) Administrative Power and Responsibility.

The Corporation in its capacity as Plan Administrator of the Plan is the named fiduciary that has the authority to control and manage the operation and administration of the Plan. The Corporation shall make such rules, regulations, interpretations and computations and shall take such other action to administer the Plan as it may deem appropriate. The Corporation shall have the sole discretion to interpret the provisions of the Plan and to determine eligibility for benefits pursuant to the objective criteria set forth in the Plan. In administering the Plan, the Corporation shall at all times discharge its duties with respect to the Plan in accordance with the standards set forth in Section 404(a)(1) of ERISA. The Corporation may engage the services of such persons or organizations to render advice or perform services with respect to its responsibilities under the Plan as it shall determine to be necessary or appropriate. Such persons or organizations may include (without limitation) actuaries, attorneys, accountants and consultants.

(c) Review Panel.

Upon receipt of a request for review the Corporation shall appoint a Review Panel that shall consist of three or more individuals. The Review Panel shall be the named fiduciary that shall have authority to act with respect to appeals from denial of benefits under the Plan.

(d) Service in More Than One Fiduciary Capacity.

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

(e) Performance of Responsibilities.

The responsibilities of the Corporation under the Plan shall be carried out on its behalf by its officers, Employees and agents. The Corporation may delegate any of its fiduciary responsibilities under the Plan to another person or persons pursuant to a written instrument that specifies the fiduciary responsibilities so delegated to each such person.

(f) Employee Communications and Other Plan Activities.

In communications with its Employees and in any other activities relating to the Plan, the Corporation shall comply with the rules, regulations, interpretations, computations and instructions that were issued to administer the Plan. With respect to matters relating to the Plan, directors, officers and Employees of the Corporation shall act on behalf or in the name of the Corporation in their capacity as directors, officers and Employees and not as individual fiduciaries.

XV. CLAIMS, INQUIRIES AND APPEALS

(a) Claims for Benefits and Inquiries.

All claims for benefits and all inquiries concerning the Plan or present or future rights to benefits under the Plan, shall be submitted to the Plan Administrator in writing and addressed as follows: "Chevron Corporation, Plan Administrator under the Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades 41 and Above, 6001 Bollinger Canyon Road, Bldg. H. CHVPK, Room Number H3501-B7, San Ramon, CA 94583-0967" or such other location as communicated to the Member. A claim for benefits shall be signed by the Member, or if a Member is deceased, by such Member's spouse, designated beneficiary or estate, as the case may be.

(b) Denials of Claims.

In the event that any claim for benefits is denied, in whole or in part, the Plan Administrator shall notify the claimant in writing of such denial and of the right to a review thereof. Such written notice shall set forth in a manner calculated to be understood by the claimant, specific reasons for such denial, specific references to the Plan provision on which such denial is based, a description of any information or material necessary to perfect the claim, an explanation of why such material is necessary and an explanation of the Plan's review procedure. Such written notice shall be given to the claimant within 90 days after the Plan Administrator receives the claim, unless special circumstances require an extension of time of up to an additional 90 days for processing the claim. If such an extension of time for processing is required, written notice of the extension shall be furnished to the claimant prior to the termination of the initial 90-day period. This notice of extension shall indicate the special circumstances requiring the extension of time and the date by which the Plan Administrator expects to render its decision on the claim for benefits. If written notice of denial of the claim for benefits is not furnished within the time specified in this Section XV(b), the claim shall be deemed denied. The claimant shall be permitted to appeal such denial in accordance with the Review Procedure set forth below.

(c) Review Panel.

The Plan Administrator shall appoint a "Review Panel," consisting of three or more individuals who may (but need not) be Employees of the Company. The Review Panel shall be the named fiduciary that has the authority to act with respect to any appeal from a denial of benefits.

(d) Requests for a Review.

Any person whose claim for benefits is denied (or is deemed denied) in whole or in part, or such person's duly authorized representative, may appeal from such denial by submitting a request for a review of the claim to the Review Panel within 60 days after receiving written notice of such denial from the Plan Administrator (or, in the case of a deemed denial, within 60 days after the claim is deemed denied). The Plan Administrator shall give the claimant or such representative an opportunity to review pertinent documents that are not privileged in preparing a request for a review. A request for review shall be in writing and shall be addressed as follows: "Review Panel under the Chevron Corporation Change in Control Surplus Employee Severance Program Salary Grades 41 and Above, 6001 Bollinger Canyon Road, Bldg. H. CHVPK, Room Number H3501-B7, San Ramon, CA 94583-0967" or such other location as communicated to the Member. A request for review shall set forth all of the

grounds on which it is based, all facts in support of the request and any other matters that the claimant deems pertinent. The Review Panel may require the claimant to submit such additional facts, documents or other material as it may deem necessary or appropriate in making its review.

(e) Decision on Review.

The Review Panel shall act on each request for review and notify the claimant within 60 days after receipt thereof unless special circumstances require an extension of time, up to an additional 60 days, for processing the request. If such an extension for review is required, written notice of the extension shall be furnished to the claimant within the initial 60-day period. The Review Panel shall give prompt, written notice of its decision to the claimant and to the Plan Administrator. In the event that the Review Panel confirms the denial of the claim for benefits, in whole or in part, such notice shall set forth, in a manner calculated to be understood by the claimant, the specific reasons for such denial, and specific references to the Plan provisions on which the decision is based. If written notice of the Review Panel's decision is not given to the claimant within the time prescribed in this Section XV(e), the claim will be deemed denied on review.

(f) Rules and Procedures.

The Review Panel shall establish such rules and procedures, consistent with the Plan and with ERISA, as it may deem necessary or appropriate in carrying out its responsibilities under this Section XV. The Review Panel may require a claimant who wishes to submit additional information in connection with an appeal from the denial (or deemed denial) of benefits to do so at the claimant's own expense.

(g) Exhaustion of Remedies.

No legal action for benefits under the Plan shall be brought unless and until the claimant:

- (i) has submitted a written claim for benefits in accordance with Section XV(a);
- (ii) has been notified by the Plan Administrator that the claim is denied, or the claim is deemed denied;
- (iii) has filed a written request for a review of the claim in accordance with Section XV(d); and

(iv) has been notified in writing that the Review Panel has affirmed the denial of the claim, or the claim is deemed denied.

XVI. BASIS OF PAYMENTS TO AND FROM PLAN

All Severance Pay Benefits under the Plan shall be paid by the Company. The Plan shall be unfunded and benefits hereunder shall be paid only from the general assets of the Company.

XVII. OTHER PLAN INFORMATION

(a) Plan Identification Numbers.

The Employer Identification Number (EIN) assigned to the Plan Sponsor (Chevron Corporation) by the Internal Revenue Service is 94-0890210. The Plan Number (PN) assigned to the Plan by the Plan Sponsor pursuant to instructions of the Internal Revenue Service is .

(b) Ending Date of the Plan's Fiscal Year.

The date of the end of the year for the purpose of maintaining the Plan's fiscal records is December 31.

(c) Agent for the Service of Legal Process.

The agent for the service of legal process with respect to the Plan is the Secretary of Chevron Corporation, 6001 Bollinger Canyon Road, San Ramon, CA 94583-0967. The service of legal process may also be made on the Plan by serving the Plan Administrator.

(d) Plan Sponsor and Administrator.

The "Plan Sponsor" and the "Plan Administrator" of the Plan is Chevron Corporation, 6001 Bollinger Canyon Road, Bldg. H. CHVPK, Room Number H3501-B7, San Ramon, CA 94583-0967; telephone (925) 842-0673 or such other location as communicated to the Member. The Plan Administrator is the named fiduciary charged with responsibility for administering the Plan.

XVIII. STATEMENT OF ERISA RIGHTS

(a) As a participant in this Plan (which is a welfare plan sponsored by the Corporation), you are entitled to the following rights and protection (ERISA):

- (b) Examine, without charge, at the Plan Administrator's office and at other specified locations such as work sites, all plan documents, collective bargaining agreements and copies of all documents filed by the plan with the U.S. Department of Labor.
- (c) Obtain copies of all plan documents and other plan information upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.
- (d) In addition to creating rights for plan participants, ERISA imposes duties upon the people responsible for the operation of the Employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.
- (e) No one, including your employer, your union, nor any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a plan benefit or exercising your rights under ERISA. If your claim for a plan benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the claim reviewed and reconsidered.
- (f) Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that the plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.
- (g) If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the U.S. Labor-Management Services Administration, Department of Labor.

XIX. AVAILABILITY OF PLAN DOCUMENTS FOR EXAMINATION

ERISA requires Chevron Corporation as the Plan Administrator of a benefit plan sponsored by the Corporation to make available for your examination the plan documents under which the plan is established and operated.

The pertinent plan documents include official plan texts and any other documents under which the plan is established or operated, and applicable collective bargaining agreements.

These plan documents are available for your examination at the Plan Administrator's office, 6001 Bollinger Canyon Road, Bldg. H. CHVPK, Room Number H3501-B7, San Ramon, CA 94583-0967, and at certain other locations such as the Company's Human Resources offices.

The following rules have been established by the Corporation for the examination and distribution of plan documents:

RULES

1. When employed within a reasonable distance from a facility of the Company having a Human Resources office:
 - a. Plan documents may be examined during regular business hours as specified at each facility.
 - b. Plan documents may not be removed from the premises.
2. When not employed within a reasonable distance from a facility of the Corporation having a Human Resources office:
 - a. Plan documents may be requested from the Plan Administrator on a 30-day loan basis.
 - b. Plan documents not returned within 30 days to the Plan Administrator will result in the Employee being charged under Rule 3. below.
3. Copies of plan documents or sections thereof will be provided by the Plan Administrator at a charge of 10 cents per page. Payments may be made only by check or money order payable to Chevron Corporation.
4. Plan documents covering only those plans for which an Employee is eligible will be made available.

5. All requests for plan documents must be in writing and should include the Employee's name, Social Security number, mailing address, employing Company, department/staff and location, and title of the document desired.

XX. DEFINITIONS

(a) "Affiliate"

means a member of the Affiliated Group other than the "Corporation" and a "Subsidiary"

(b) "Affiliated Group"

means the Corporation, each Subsidiary and each other entity that has been designated in writing as a Member of the Affiliated Group by the Corporation.

(c) "Approved Part-Time Schedule"

means a part-time schedule that is approved by the Company under the Corporation's Part-Time Employee Guidelines, as amended from time to time.

(d) "Beneficiary"

means the person or persons so designated by a Member. A Member may change or revoke a designation of a Beneficiary at any time. To be effective, any designation of a Beneficiary, or any change or revocation thereof, must be made in writing on the prescribed form, must be received by the Corporation (in a form acceptable to the Corporation) before the Member's death. If a Member fails to make a valid designation of a Beneficiary, or if the validly designated Beneficiary is not living when a payment is to be made to a Beneficiary hereunder, the Member's Beneficiary shall be the Member's spouse if then living or, if not, the Member's then living children in equal shares or, if none, the Member's estate.

(e) "Buyer"

means an entity that purchases (or has purchased) some or all of the Affiliated Group's interest applicable to the operation in which the Member is employed, or an entity that is a direct or indirect successor in ownership or management of the operation in which the Member is employed. Notwithstanding the above, Buyer shall not include the entity that effectuates a Change in Control.

(f) “Casual Employee”

means an individual who works a Regular Work Schedule but is hired for a job with the expectation that employment will be terminated within four months. If a Casual Employee’s employment is not terminated within such four-month period, status as an Employee will be considered to commence on the first day following the date of completion of such four-month period.

(g) “Change in Control”

means a change in control of the Corporation as defined in Section IV of the Corporation’s By-Laws, as it may be amended from time-to-time.

(h) “Chevron Corporation Retirement Plan”

means the Chevron Corporation Retirement Plan, as it may be amended from time to time.

(i) “Chevron Part-Time Employment Guidelines”

means the formal written part-time employment guidelines issued by the Corporation in its sole discretion.

(j) “Company”

means Chevron Corporation, its Subsidiaries, and any of their Successors or Assigns.

(k) “Continuous Service”

means the sum of the following:

- (i) Any period of time during which a person qualifies as an Employee or, having once so qualified, is on a leave of absence with pay, a paid vacation or holiday or is receiving benefits under the Corporation’s Short-Term Disability Plan; provided however that in the case of a Seasonal Employee, “Continuous Service” shall not include any period of less than 90 consecutive calendar days of employment in a single season; provided, further, that except as provided in (4) below, any period of time during which an individual is on strike shall not constitute Continuous Service;
- (ii) Any period of authorized leave of absence without pay that constitutes Continuous Service under the Corporation’s Leave of Absence Policy; or

- (iii) Any other period that constitutes Continuous Service under written rules or procedures adopted from time to time by the Corporation, subject to such terms and conditions as the Corporation may establish; and any period of time while employed by Corporation's Successor or Assigns that that would have constituted Continuous Service if the service had been with the Company prior to the Change in Control.

An Employee whose Continuous Service is interrupted and who subsequently returns to a status that constitutes Continuous Service shall be disregarded for all purposes of the Plan except under the following circumstances:

- (1) In the case of an Employee laid off for lack of work, as defined in the Retirement Plan, if such Employee is reemployed within 365 calendar days after being laid off, all prior Continuous Service and the period of layoff shall be considered Continuous Service;
- (2) In such case of an Employee who resigns, if such Employee is reemployed within 31 days following such resignation, all prior Continuous Service and the time period between the date of resignation and reemployment will be considered Continuous Service;
- (3) In the case of an Employee on an authorized leave of absence without pay, any portion of which does not constitute Continuous Service under the Corporation's Leave of Absence Policy, if such Employee abides by all the terms and conditions of such leave, which may include a requirement of returning to active employment with the Corporation, all prior Continuous Service will be considered Continuous Service; and
- (4) In the case of an individual on strike, the strike period shall count as Continuous Service only if:
 - (a) the individual returns to work as an Employee at the end of the strike, and
 - (b) Continuous Service treatment for the period of strike is agreed to pursuant to the collective bargaining process.

(l) "Corporation"

means Chevron Corporation, a publicly held Delaware Corporation, and any Successor or Assigns.

(m) “Demotion”

means a reduction in Salary Grade, a material reduction in authority or responsibility, or a reduction in Overall Compensation.

(n) “Eligible Employee”

means any Employee who meets all the following conditions:

- (i) Prior to the Change in Control is in the Company’s salary grade 41 or above; and
- (ii) At termination of employment with the Company:
 - (1) has at least one Year of Continuous Service with the Company;
 - (2) is not a Temporary, Casual or Seasonal Employee of the Company;
 - (3) is not on a Leave of Absence without Pay other than the following:
 - (a) Family Leave;
 - (b) Reserve or active military duty leave;
 - (c) Union business leave;
 - (d) Political activity or public office leave; or
 - (e) Expatriate employee furlough leave between foreign assignments (Form GO 120-19).
 - (4) is not included in a collective bargaining unit, unless participation in the Plan for Employees in such unit:
 - (a) is provided for under an agreement between the Company and the collective bargaining representative; or
 - (b) is offered to the collective bargaining representative and, after exhaustion of statutory bargaining requirements, is extended by the Corporation to such Employees.

Notwithstanding any other provision of the Plan, in the event a collective bargaining representative becomes recognized or

certified for a unit of Employees that includes one or more Employees previously eligible to participate in the Plan, their eligibility shall not be affected by their inclusion in a bargaining until such time as statutory bargaining requirements are completed regarding the participation, if any, of such Employees in the Plan.

An individual's status as an Eligible Employee shall be determined by the Corporation in its sole discretion, and such determination shall be conclusively binding on all persons.

(o) "Eligible Retiree"

means an Eligible Retiree as defined in the Omnibus Health Care Plan of the Chevron Corporation Medical Plan Organization.

(p) "Employee"

means a common law employee of the Company who meets all of the following conditions:

- (i) Is employed by the Company prior to the Change in Control;
- (ii) Prior to the Change in Control, is assigned to a Regular Work Schedule of:
 - (1) at least 40 hours per week; or
 - (2) on or after January 1, 1994, at least 20 hours per week, if such schedule is an Approved Part-Time Schedule pursuant to the Corporation's Part-Time Employment Guidelines.

An individual who is disabled and receiving or entitled to receive benefits under a long-term disability plan, such as the Long-Term Disability Plan of the Chevron Corporation Disability Plan Organization are deemed to be assigned to a Regular Work Schedule.

- (iii) Is not on the payroll of a person other than the Company and who for any reason is deemed to be a common law employee of the Company; and
- (iv) Is not considered to be an independent contractor by the Company in its sole discretion regardless of whether the individual is in fact a common law employee of the Company.

An individual's status as an Employee shall be determined by the Corporation in its sole discretion, and such determination shall be conclusively binding on all persons.

(q) “Enhanced Regular Earnings”

means the sum of Regular Earnings and MIP Target Bonus. For purposes of determining Enhanced Regular Earnings for a period of less than one year, the MIP Target Bonus for a Year will be allocated pro rata over the entire year.

(r) “ERISA”

means the Employee Retirement Income Security Act of 1974, as amended from time-to-time.

(s) “Extended Benefit Protection Period”

means the period commencing on the Extended Benefit Protection Period Commencement Date and terminating the earlier of the following:

(i) three years after the date of a Change in Control; or

(ii) the date of abandonment of any plans to effectuate a transaction which, if effectuated, would have been a Change in Control and such transaction has not occurred.

(t) “Extended Benefit Protection Period Commencement Date”

means the date six months prior to the public announcement of the proposed transaction which, when effected, is a Change in Control.

(u) “Family Leave”

mean a Leave under the Corporation’s Family Leave Policy.

(v) “Leave of Absence without Pay”

means a Leave of Absence without Pay under the Corporation’s Leave of Absence Policy.

(w) “Member”

means any Eligible Employee who has commenced participation in the Plan pursuant to Section II and whose participation has not terminated pursuant to Section III.

(x) “MIP Target Bonus”

means an amount equal to the Member’s target bonus under the Chevron Corporation Management Incentive Plan for the year prior to his or her termination of employment (or for the last year of the Chevron Corporation Management Incentive Plan if it no longer exists in the year prior to the Member’s termination of employment), as determined pursuant to the established procedures of that Plan prior to the Change in Control.

(y) “New Work Location”

means Member’s normal work location if he or she should accept a job offer with the Company, a Buyer, or an Outsourcing Supplier. For a rotational job, the normal work location shall be the actual work location and not either the point of demarcation or the Member’s residence.

(z) “Off the Job Disability”

means a disability not directly caused by employment with the Company. The classification of a disability shall be determined by the Corporation and such classification shall be conclusive and binding on all persons.

(aa) “Outsourcing Supplier”

means an entity to whom the Company outsources a function performed by Employees where the Company agrees with such entity in the outsourcing agreement that it will offer jobs to current Employees performing that function for the Company.

(bb) “Overall Compensation”

means the sum of Regular Earnings, and the benefit under the Chevron Corporation Long-Term Incentive Program for the benefit period immediately prior to the Change in Control. It shall not include the value of any other employee benefit plan or program.

(cc) “Plan”

means the Chevron Corporation Change in Control Surplus Employee Severance Plan for Salary Grades 41 and Above.

(dd) “Plan Administrator”

means the Corporation.

(ee) “Present Work Location”

means a Member’s current normal work location with the Company without regard to any Special Assignment. For a rotational job, the normal work location shall be the actual work location and not either the point of demarcation or the Member’s residence.

(ff) “Regular Earnings”

means straight-time wages or salary paid to a Member by any entity within the Affiliated Group for working a Regular work Schedule or for a leave of absence with pay, and shall include the straight-time portion of amounts paid for regularly scheduled overtime and any amount that is contributed to any employee benefit plan on behalf of the Member by any entity within the Affiliated Group under a salary reduction agreement entered into pursuant to such plan and that is excluded from the Member’s gross income under §§ 125, 132(f), or 402(a)(8) of the Internal Revenue Code. Notwithstanding the foregoing, if the Plan is applicable to Members employed by PLEXCO Inc. or by the PLEXCO division of Chevron Chemical Company, “Regular Earnings”, shall include PLEXCO-specific incentive compensation. Such Incentive compensation shall be deemed paid in equal monthly installments over the period for which it is awarded.

(gg) “Regular Work Schedule”

means the continually recurring pattern of work established and changed as necessary by the Company for a job in each work week or period of work weeks to meet operating needs.

(hh) “Release”

means a Release determined by the Company in its sole discretion. Pursuant to such Release, the Member shall waive all employment-related claims in connection with his or her employment with the Company other than claims for benefits under the actual terms of an employee benefit plan and worker’s compensation. Such Release shall be construed to comply with the requirements of the Older Workers’ Benefit Protection Act, 29 U.S.C. § 626(f).

(ii) "Salary Grade"

means the classification of a job under the Company's written salary structure providing a guiding minimum, competitive objective and guiding maximum in compensation for the job.

(jj) "Seasonal Employee"

means an individual who is hired to work a Regular Work Schedule for a portion of each year on a repetitive basis in a job described to cover a seasonal operating need.

(kk) "Special Assignment"

means a job assignment that is expected to be temporary and is designated as a special assignment by the Company in its sole discretion.

(ll) "Subsidiary"

means any Corporation with respect to which the Corporation, one or more Subsidiaries, or the Corporation together with one or more Subsidiaries, own not less than 80% of the total combined voting power of all classes of stock entitled to vote, or not less than 80% of the total value of all shares of all classes of stock.

(mm) "Successors and Assigns"

means a corporation or other entity acquiring all or substantially all the assets and business of the Corporation (including the Plan) whether by operation of law or otherwise.

(nn) "Temporary Employee"

means an Employee classified as a Temporary Employee by the Company in its sole discretion.

(oo) "Transfer"

means a non-temporary reassignment to a job with the Company in a New Work Location that is more than 50 miles from the Employee's Present Work Location. An offer of a position with a Buyer is not a Transfer. Notwithstanding the above, "Transfer" shall not include:

- (i) in the case where an Employee's current job is a rotational job, a reassignment to a job with the Company in a New Work location that is no

more than 50 miles from the Employee's last work location with the Company that did not involve a rotational job, and
(ii) in the case where an Employee's current job is in a non-U.S. location, a reassignment to a U.S. location at the Employee's request.

(pp) "Year of Continuous Service"

means the number of full months (as defined by the Corporation in written rules adopted by it from time to time) of Continuous Service, divided by 12.

XXI. EXECUTION

Pursuant to the authority granted to us by resolutions adopted by the Board of Directors of Chevron Corporation on December 9, 2005, the Corporation has caused its authorized officer(s) to execute the adoption of the foregoing Plan effective as of that date.

CHEVRON CORPORATION

By: /s/ Alan R. Preston

Alan R. Preston,
Vice-President, Human Resources

Date: December 9, 2005

CHEVRON CORPORATION
BENEFIT PROTECTION PROGRAM
(Amended and Restated Effective December 7, 2005)

Section 1. Establishment and Purpose.

This Chevron Corporation Benefit Protection Program was established effective March 29, 2000 by action of the Board of Chevron Corporation and amended and restated effective December 7, 2005. The purpose of the Program is to protect certain benefits provided to employees of the Corporation and its Subsidiaries against elimination or reduction in the event of a Change in Control. In addition, the Program is designed to provide individuals who are eligible to receive awards under the Chevron Corporation Long-Term Incentive Plan compensation to offset any excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended.

Section 2. Definitions.

- (a) "Accountants" means the independent accountants retained by the Company most recently prior to the Change in Control.
- (b) "Benefit Protection Period" means the period commencing six months prior to the public announcement of a proposed transaction which, when effected, is a Change in Control and ending on the date which is two years after the date of a Change in Control.
- (c) "Board" means the board of directors of the Corporation.
- (d) "Change in Control" shall have the meaning assigned to it in Article VI of the bylaws of the Corporation, as such bylaws may be amended from time to time.
- (e) "Code" means the Internal Revenue Code of 1986, as amended.
- (f) "Corporation" means Chevron Corporation, a Delaware corporation, or any successor corporation.
- (g) "Equalization Amount" shall have the meaning set forth in Section 4 of the Program.
- (h) "Excise Tax" shall have the meaning set forth in Section 4 of the Program.
- (i) "Payment" shall have the meaning set forth in Section 4 of the Program.
- (j) "Program" means this Chevron Corporation Benefit Protection Program.
- (k) "Subsidiary" means any corporation or entity in which the Corporation directly or indirectly controls more than 50% of the total voting power of all classes of its stock having voting powers and which the Board has designated as a Subsidiary for purposes of the Program.

Section 3. Benefit Protection.

(a) Severance Programs. Concurrent with the adoption of the Program, the Board has adopted the Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades Below 27, the Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades 27 to 30 and the Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades 40 and Above in order to provide protection to eligible employees of the Corporation or its Subsidiaries in the event of a Change in Control.

(b) Other Chevron Plans.

(i) Retiree Health Care and Life Insurance Coverage. During the Benefit Protection Period, neither the Corporation nor a Subsidiary may take any action which would render ineligible for post-retirement health care or life insurance coverage an individual who as of the date of a Change in Control had satisfied the eligibility requirements for such coverage (as determined under the terms of the applicable plan). This provision shall be applicable to any such individual, whether or not he or she was employed by the Corporation or a Subsidiary on the date of the Change in Control.

(ii) Employer Health Care and Life Insurance Coverage Contribution. During the Benefit Protection Period, neither the Corporation nor a Subsidiary may take any action which would reduce the amount or duration of employer contributions toward the cost of health care coverage or the proportion which employer contributions bears to the total cost of life insurance coverage for any individual who as of the date of a Change in Control was entitled to have the Corporation or a Subsidiary pay for all or a portion of the cost of such coverage (or who becomes so entitled during the Benefit Protection Period). This provision shall be applicable to any such individual, whether or not he or she was employed by the Corporation or a Subsidiary on the date of the Change in Control.

(iii) Retirement Plan Vesting. Upon a Change in Control, all Members in the Chevron Corporation Retirement Plan who were on the active payroll of the Corporation or a Subsidiary on the date of a Change in Control shall become fully vested in their benefits accrued under the Retirement Plan.

(c) Change in Control Effected Pursuant to Agreement. The Board shall take such action, if a Change in Control is effected pursuant to an agreement between the Corporation and another party or parties, as is necessary to require that such agreement contain provisions reasonably effective to ensure that (i) the benefits intended to be provided under the foregoing plans to eligible persons as of the date of the Change in Control will be effectively provided following the Change in Control and for at least two years thereafter; and (ii) following a Change in Control if any benefit plan or program previously maintained by the Corporation or any Subsidiary is eliminated or amended to reduce the benefits provided thereunder, the benefits thereafter provided under any comparable plan maintained by the Corporation or any Subsidiary or by the party or parties to the Change in Control shall be no less favorable to the individuals previously eligible to participate in the amended or eliminated plan or program than the benefits

provided under comparable plans or programs to similarly situated employees or retirees, as applicable, of the party or parties to the Change in Control.

(d) General Provisions.

(i) No Mitigation of Damages. No employee shall be required to mitigate the amount of any payment or benefit provided for in any plan or program of the corporation or a Subsidiary by seeking other employment or otherwise and, except as otherwise provided in the Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades 27 to 30 or the Chevron Corporation Change in Control Surplus Employee Severance Program for Salary Grades 40 and Above, as applicable, no such payment shall be offset or reduced by the amount of any compensation or benefits provided to any employee in any subsequent employment.

(ii) Severability. The provisions of this Program shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof

(iii) Successors and Assigns. The Program shall be binding upon and shall inure to the benefit of the Corporation, its successors and assigns and the Corporation shall require any successor or assign to expressly assume and agree to perform the Program in the same manner and to the same extent that the Corporation would be required to perform them if no such succession or assignment had taken place. The term “the Corporation” as used herein shall include such successors and assigns. The term “successors and assigns” as used herein shall mean a corporation or other entity acquiring all or substantially all the assets and business of the corporation (including the Program) whether by operation of law or otherwise.

(iv) No Right of Setoff. The Corporation’s obligation to make the payments and provide the benefits included in the Program and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any setoff, counterclaim, recoupment, defense or other rights which the Corporation may have against the affected employee or others.

(v) Waiver. No provision of the Program may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the affected employee and the Corporation. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of the Program to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the time or at any prior or subsequent time.

Section 4. Payment of Tax Equalization Benefits.

(a) Eligibility. This Section 4 shall be applicable to any individual who is eligible to receive an award under the Chevron Corporation Long-Term Incentive Plan, as amended from time to time. Such individuals shall be referred to in this Section 4 as “Eligible Employees.”

(b) Tax Equalization Benefits. If any payments, distributions or other benefits payable by or from the Corporation to or for the benefit of an Eligible Employee in connection with or in any way related (or deemed related) to a Change in Control from any source whatsoever (collectively the "Payment") would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Eligible Employee with respect to such excise tax (such excise tax, together with any such interest and penalties, are collectively referred to as the "Excise Tax"), then the Payment shall be limited to the largest amount which would not cause the Eligible Employee to be subject to the Excise Tax (the "Limited Payment"). The preceding sentence shall not apply, however, if the Payment (prior to such limitation) exceeds the Limited Payment by more than the lesser of ten percent of the Payment or \$50,000. Where the Payment is not limited to the Limited Payment, the Eligible Employee shall be entitled to receive from the Corporation or the Subsidiary which employs the Eligible Employee an additional payment (the "Equalization Amount") in an amount such that after payment by the Eligible Employee of all taxes (including, without limitation, any income and employment taxes and any interest and penalties imposed thereto) and the Excise Tax imposed on the Equalization Amount, the Eligible Employee retains an amount of the Equalization Payment equal to the Excise Tax imposed upon the Payment; *provided, however*, that the maximum Equalization Amount payable to an Eligible Employee shall not exceed 2.99 times the Eligible Employee's "base amount" as defined in Section 280G of the Code. All calculations required pursuant to the Program shall be performed by the Accountants based on information supplied by the Corporation and the Eligible Employee. All fees and expenses of the Accountants shall be paid by the Corporation. In the event that an Eligible Employee's Payment is limited to a Limited Payment, the components of the Payment shall be reduced in the following order, solely to the extent necessary to reduce the Payment to the Limited Payment:

- (i) Payments pursuant to a severance program described in Section 3(a);
- (ii) Payments pursuant to a performance unit granted under the Chevron Corporation Long-Term Incentive Plan which was accelerated by reason of the Change in Control;
- (iii) The right to exercise a stock option granted under the Chevron Corporation Long-Term Incentive Plan the vesting of which was accelerated by reason of the Change in Control; and
- (iv) Any other component of the Payment

Section 5. Administration.

(a) The Committee. The Program shall be administered by the Management Compensation Committee of the Board, or any successor thereto. The Board may at any time replace the Management Compensation Committee with another Committee.

(b) Actions by the Committee. The Committee shall hold meetings at such times and places as it may determine. Acts approved by a majority of the members of the Committee present at a meeting at which a quorum is present, or acts reduced to or approved in writing by a majority of the members of the Committee, shall be the valid acts of the Committee.

(c) Powers of the Committee. The Committee shall have the authority to administer the Program in its sole discretion. To this end, the Committee is authorized to construe and interpret the Program, to promulgate, amend and rescind Rules relating to the implementation of the Program and to make all other determinations necessary or advisable for the administration of the Program. Subject to the requirements of applicable law, the Committee may designate persons other than members of the Committee to carry out its responsibilities and may prescribe such conditions and limitations as it may deem appropriate. Any determination, decision or action of the Committee in connection with the construction, interpretation, administration, or application of the Program shall be final, conclusive and binding upon all persons participating in the Program and any person validly claiming under or through persons participating in the Program.

(d) Liability of Committee Members. No member of the Board or the Committee will be liable for any action or determination made in good faith by the Board or the Committee with respect to the Program.

Section 6. Amendment or Termination of the Program.

The Board may amend, suspend or terminate the Program at any time; provided, however, that no amendment, suspension or termination which was approved by the Board during the Benefit Protection Period shall be valid or effective if such amendment, suspension or termination would alter the provisions of this Section 6, adversely affect an Eligible Employee's right to or amount of an Equalization Amount under the Program, whether or not the Eligible Employee's employment had terminated at the time the amendment, suspension or termination was so approved, or otherwise eliminate or reduce any protection provided by the Program; provided, however, that any such amendment, suspension or termination may be effected, even if so approved after such a public announcement, if (a) the amendment, suspension or revision is approved after any plans have been abandoned to effect the transaction which, if effected, would have constituted a Change in Control and the event which would have constituted the Change in Control has not occurred, and (b) within a period of six months after such approval, no other event constituting a Change in Control shall have occurred, and no public announcement of a proposed event which would constitute a Change in Control shall have been made, unless thereafter any plans to effect the Change in Control have been abandoned and the event which would have constituted the Change in Control has not occurred. Any amendment, suspension or termination of the Program which is approved by the Board prior to a Change in Control at the request of a third party who effectuates a Change in Control shall be deemed to be an amendment, suspension or termination which is approved during the Benefit Protection Period.

Section 7. General.

(a) No Right of Employment. Nothing contained in the Program nor any action of the Committee pursuant to the Program shall give any individual any right to remain in the employ of the Corporation or to impair the Corporation's right to terminate the employment of any individual at any time, with or without cause, which right is hereby reserved.

(b) Costs of the Program. The costs and expenses of administering the Program shall be borne by the Corporation.

(c) No Assignment. The interest and property rights of any individual under the Program shall not be subject to option or be assignable either by voluntary or involuntary assignment or by operation of law, including (without limitation) bankruptcy, garnishment, attachment or other creditor's process, and any act in violation of this Section 7(c) shall be void.

(d) Applicable Law. The Program shall be administered, enforced, construed and governed in accordance with the laws of the State of California, without regard to the conflicts of laws principles thereof

(e) Participant's Rights Unsecured. The Program is not intended and shall not be construed to require the Corporation to fund any of the benefits provided hereunder or to establish a trust for such purpose. The interest under the Program of any individual shall be an unsecured claim against the general assets of the Corporation.

Section 8. Execution.

To record the adoption of the amended and restated Chevron Corporation Benefit Protection Program to read as set forth herein effective December 7, 2005, Chevron Corporation has caused its authorized officer to affix the corporate name hereto this 12th day of December , 2005.

CHEVRON CORPORATION

By: /s/ Lydia I. Beebe
Lydia I. Beebe
Corporate Secretary

Attest: /s/ Patricia L. Tai
Patricia L. Tai
Assistant Secretary

MANAGEMENT INCENTIVE PLAN OF
CHEVRON CORPORATION
As Amended and Restated Effective December 7, 2005

1. Purpose.

The purpose of the Management Incentive Plan of Chevron Corporation is to obtain, develop and retain able management personnel, stimulate constructive and imaginative thinking, and contribute to the growth and profits of the Corporation.

2. Effective Date.

The Plan was adopted effective January 1, 1966 and approved by the Corporation’s stockholders at the Annual Meeting on May 5, 1966. The Plan was amended and restated effective October 9, 2001 and approved by the Corporation’s stockholders at the Annual Meeting on May 15, 2002. The Plan was last amended and restated effective December 7, 2005.

3. Awards Under the Plan.

Awards under the Plan shall be made in the sole discretion of the Committee. After the close of an Award Year, the Committee shall determine the dollar amount of the award to be made to each Eligible Employee whom the Committee selects to be an award recipient for that Award Year; provided, however, that the award amount for the chief executive officer and the next four highest compensated officers of the corporation shall be subject to the following limitations:

- A. 0.5% of the Corporation’s “Annual Income” shall be set aside for awards to such officers. For this purpose, “Annual Income” shall mean reported earnings before special items and accounting changes.
- B. The maximum awards to the following officers shall equal the indicated percentage of the aggregate fund set forth in A above, determined pursuant to the following schedule:

Officer	Percentage
CEO	40%
Second and third highest compensated officers	20% each
Fourth and fifth highest compensated officers	10% each
Total	100%

- C. The Committee in its sole discretion may reduce the award otherwise payable to any such officer as determined above, but in no event may

any such reduction result in an increase of the award payable to any other participant, including but not limited to any other such officer.

The foregoing notwithstanding, following a "change in control" of the Corporation, as defined in Article VI of the bylaws of the Corporation, as such bylaws may be amended from time to time (a "Change in Control"), neither the Committee nor any other entity or individual(s) shall have the discretion to make awards under the Plan. Rather, for the calendar year in which the Change in Control occurs and, if payment of awards for the calendar year prior to the year in which the Change of Control occurs has not been completed as of the date of the Change in Control, that prior calendar year, each Eligible Employee shall be entitled to receive an award in an amount not less than that Eligible Employee's target bonus, as determined pursuant to the Committee's established procedures prior to the Change in Control. For any Eligible Employee whose employment terminates other than on the last day of a calendar year, the award determined pursuant to the preceding sentence for the year in which such termination occurs shall be prorated on the basis of the number of weeks elapsed in the calendar year to the date of such termination of employment.

4. Management Compensation Committee.

The Management Compensation Committee of the Board of Directors of Chevron Corporation will administer the Plan. If any member of the Committee does not qualify as an "outside director" for purposes of section 162(m) of the Internal Revenue Code of 1986, as amended, awards under the Plan for the chief executive officer and the four most highly compensated officers of the Corporation (other than the chief executive officer) shall be administered by a subcommittee of the Board consisting of each Committee member who qualifies as an "outside director." If fewer than two Committee members qualify as an "outside director," the Board shall appoint one or more other members to such subcommittee who do qualify as "outside directors" so that it will at all times consist of at least two members who qualify as an "outside director" for purposes of section 162(m) of the Code.

Decisions and determinations as to the number and identity of participants, as to the form and amount of awards and as to any other matters relating to awards made under the Plan, shall rest with the Committee. The Corporation management will make recommendations to the Committee, but the Committee will not be bound by such recommendations and will make its own final determinations.

Within 30 days after the occurrence of a Change in Control, the Committee shall appoint an independent organization which shall thereafter administer the Plan and have all of the powers and duties formerly held and exercised by the Committee with respect to the Plan. Upon such appointment, the Committee shall cease to have any responsibility with respect to the administration of the Plan.

5. Eligibility for Management Incentive Awards.

Regular salaried employees including directors, officers, and other individuals serving in important executive, administrative, professional or technical capacities, as determined by the Committee, who have been on the payroll of the Corporation or the payroll of a participating affiliate at any time during the year, shall be eligible for participation in the Plan. As used herein, the term "participating affiliate" shall mean any corporation in which the Corporation holds directly or indirectly more than 50% of the voting securities and whose financial accounts are consolidated with those of the Corporation in the financial statement included in the Annual Report to Stockholders.

6. Form, Amount, Time and Conditions of Awards.

(a) Form. Awards may be made in any of the following forms or in any combination of forms as determined by the Committee:

- (i) Units representing shares of Common Stock of the Corporation, together with dividend equivalents, as described in Section 7 ("stock units");
 - (ii) Cash, including cash measured by stock units or any other investment performance measurement selected by the Committee from time to time;
- or
- (iii) Shares of Common Stock of the Corporation.

In the case of awards in stock units or cash measured by stock units, the number of units shall be adjusted for any stock splits, stock dividends, or other relevant changes in capitalization occurring after the date of award.

(b) Amount. The amount of each award shall be determined by the Committee.

(c) Time and Conditions. Any award may be paid in a lump sum in the year in which the award is made or in a series of annual installments, or such awards may be deferred until retirement, death or disability, and then paid in a lump sum or installments, all as the Committee shall determine. The Committee in its discretion may determine that interest (at such rate as may be selected by the Committee) shall be credited to and paid at the same time and in the same manner as a deferred award. Any award and the payment thereof may be made subject to such forfeiture and other conditions for such period of time as the Committee shall determine. Any award which becomes payable after the recipient's death shall be delivered or distributed to the award recipient's Beneficiary or Beneficiaries. Each recipient of an award under the Plan may designate on the prescribed form filed with the Committee one or more Beneficiaries. An award recipient may change such designation at any time by filing the prescribed form with the Committee. If a Beneficiary has not been designated or no designated Beneficiary survives the award recipient, any award which becomes payable after the award recipient's death will be made to the award recipient's Surviving Spouse as Beneficiary if such Spouse is still living or, if not living, in equal shares to the then living children of the award recipient as Beneficiaries or, if none, to the award recipient's estate as Beneficiary. The Committee, at its sole discretion, shall

determine the form and time of any distribution(s) to an award recipient's Beneficiary or Beneficiaries.

In addition to any forfeiture condition established by the Committee with respect to any award, until any award granted under the Plan (or a portion thereof) is delivered or distributed, such award (or such portion) shall be forfeited under the following circumstances:

(i) The participant is dismissed for cause or otherwise ceases to be an employee of the Corporation or a participating affiliate at a time when cause for dismissal exists; or

(ii) The participant, before or after the termination of his or her employment as an Employee, engages in any activity which, in the Committee's opinion, is prejudicial to the interests of the Corporation or any participating affiliate; or

(iii) The participant is indebted to the Corporation or any participating affiliate at the time when the participant becomes entitled to payment of an award under the Plan following termination of employment with the Corporation or any participating affiliate.

In such case, the payment, to the extent that the amount thereof (determined as of the date payment is scheduled to be made) does not exceed such indebtedness, shall be forfeited and the participant's indebtedness to the Corporation or participating affiliate shall be extinguished to the extent of such forfeiture.

The Committee may cancel the payment of all or any part of an award under the Plan if the Committee determines that the payment of such award or part thereof would violate any mandatory wage controls in effect at the time payment would otherwise be made.

7. Dividend Equivalents.

The Committee may determine that any stock unit awarded (or a cash award measured by stock units) will carry with it until paid a dividend equivalent which will entitle the holder to receive payments from the Corporation equal to the cash dividends paid on one share of Common Stock of the Corporation during the periods from the time of the award of the stock units to the time the shares are delivered to the participant (or the cash award is paid). Payment of dividend equivalents may be made in cash or stock and at such time or times as determined by the Committee. Dividend equivalents shall be subject to the same forfeiture and other provisions as the related stock unit.

8. Administration, Amendment and Termination of the Plan.

The Management Compensation Committee shall have the power and authority to interpret and administer the Plan. The Board of Directors may, at any time, alter, amend or terminate the Plan; provided, however, that no alteration, amendment or termination approved by the Board of Directors after six months prior to the public announcement of the proposed transaction which, when effected, is a Change in Control or before the date which is two years after the date of a Change in Control (the "Benefit Protection Period")

shall be valid or effective if such alteration, amendment or termination would alter the provisions of this Section 8 or adversely affect the amount of a participant's award under the Plan, whether or not the participant's employment had terminated at the time the alteration, amendment or termination was approved; provided, however, any alteration, amendment or termination may be effected, even if so approved after such a public announcement, if (a) the alteration, amendment or termination is approved after any plans have been abandoned to effect the transaction which, if effected, would have constituted a Change in Control and the event which would have constituted the Change in Control has not occurred, and (b) within a period of six months after such approval, no other event constituting a Change in Control shall have occurred, and no public announcement of a proposed event which would constitute a Change in Control shall have been made, unless thereafter any plans to effect the Change in Control have been abandoned and the event which would have constituted the Change in Control has not occurred. Any alteration, amendment or termination of the Plan which is approved by the Board of Directors prior to a Change in Control at the request of a third party who effectuates a Change in Control shall be deemed to be an alteration, amendment or termination approved during the Benefit Protection Period.

The Committee is authorized in its sole discretion to establish a grantor trust for the purpose of providing security for the payment of Awards under the Plan; provided, however, that no Participant shall be considered to have a beneficial ownership interest (or any other sort of interest) in any specific asset of the Corporation or of its subsidiaries or affiliates as a result of the creation of such trust or the transfer of funds or other property to such trust.

9. Assignability.

Except as otherwise determined by the Committee, a participant's award, the interest, if any, of a participant's beneficiary and (during the period, shares of Common Stock of the Corporation awarded under the Plan are subject to forfeiture conditions) such shares may not be assigned, either by voluntary or involuntary assignment or by operation of law, including, but without limitation, garnishment, attachment or other creditor's process and any act in violation hereof shall be void.

10. Forfeiture.

- (a) Notwithstanding any other provision of this Plan to the contrary, if a participant engages in Misconduct the Committee (or its delegate) may determine that (i) the participant shall not receive any future awards pursuant to the Plan and (ii) the Corporation may demand repayment of any award received after June 29, 2005 with respect to a period after the date of the Participant's Misconduct.
- (b) For this purpose, "Misconduct" means that:
 - (i) the Corporation has been required to prepare an accounting restatement due to material noncompliance, as a result of misconduct, with any

financial reporting requirement under the securities laws, and the Committee (or its delegate) has determined in its sole discretion that a Participant (i) had knowledge of the material noncompliance or the circumstances that gave rise to such noncompliance and failed to take reasonable steps to bring it to the attention of appropriate individuals within the Corporation or (ii) personally and knowingly engaged in practices which materially contributed to the circumstances that enabled a material noncompliance to occur; or

- (ii) a Participant discloses to others, or takes or uses for his or her own purpose or the purpose of others, any trade secrets, confidential information, knowledge, data or know-how or any other proprietary information or intellectual property belonging to the Corporation and obtained by the Participant during the term of his or her employment, whether or not they are the Participant's work product. Examples of such confidential information or trade secrets include, without limitation, customer lists, supplier lists, pricing and cost data, computer programs, delivery routes, advertising plans, wage and salary data, financial information, research and development plans, processes, equipment, product information and all other types and categories of information as to which the Participant knows or has reason to know that the Corporation intends or expects secrecy to be maintained; or
- (iii) a Participant fails to promptly return all documents and other tangible items belonging to the Corporation in the Participant's possession or control, including all complete or partial copies, recordings, abstracts, notes or reproductions of any kind made from or about such documents or information contained therein, upon termination of employment, whether pursuant to retirement or otherwise; or
- (iv) a Participant directly or indirectly engages in, becomes employed by, or renders services, advice or assistance to any business in competition with the Corporation at any time during the twelve months following termination of employment with the Corporation. As used herein, "business in competition" means any person, organization or enterprise which is engaged in or is about to become engaged in any line of business engaged in by the Corporation at the time of the termination of the Participant's employment with the Corporation; or
- (v) a Participant fails to inform any new employer, before accepting employment, of the terms of this section and of the Participant's continuing obligation to maintain the confidentiality of the trade secrets and other confidential information belonging to the Corporation and obtained by the Participant during the term of his or her employment with the Corporation; or

- (vi) a Participant induces or attempts to induce, directly or indirectly, any of the Corporation's customers, employees, representatives or consultants to terminate, discontinue or cease working with or for the Corporation, or to breach any contract with the Corporation, in order to work with or for, or enter into a contract with, the Participant or any third party; or
- (vii) a Participant engages in conduct which is not in good faith and which disrupts, damages, impairs or interferes with the business, reputation or employees of the Corporation; or
- (viii) a Participant committed an act of embezzlement, fraud or theft with respect to the property of the Corporation.

The Committee shall determine in its sole discretion whether the Participant has engaged in any of the acts set forth in subsections (i) through (viii) above, and its determination shall be conclusive and binding on all interested persons.

Any provision of this Section 10 which is determined by a court of competent jurisdiction to be invalid or unenforceable should be construed or limited in a manner that is valid and enforceable and that comes closest to the business objectives intended by such invalid or unenforceable provision, without invalidating or rendering unenforceable the remaining provisions of this Section 10.

CHEVRON CORPORATION
LONG-TERM INCENTIVE PLAN

(Amended and Restated Effective December 7, 2005)

1. PURPOSE.

The purpose of the Chevron Corporation Long-Term Incentive Plan is to promote and advance the interests of Chevron Corporation and its stockholders by strengthening the ability of the Corporation and its Subsidiaries to attract, motivate and retain managerial and other employees, and to strengthen the mutuality of interests between such employees and the Corporation's stockholders. The Plan was originally adopted by the Board on January 24, 1990 and was approved by the stockholders of the Corporation at the 1990 annual meeting of stockholders. The Plan replaced the Management Contingent Incentive Plan. The Plan has been amended on various occasions. The Plan was amended and restated by the Board effective January 28, 2004 and approved by the stockholders of the Corporation at the 2004 annual meeting of stockholders. The Plan was last amended and restated effective December 7, 2005

Certain capitalized terms used in the Plan have the meaning set forth in Section 2.

2. DEFINITIONS.

For purposes of the Plan, the following terms shall have the meanings set forth below:

- (a) "Award" or "Awards" means a grant of a Stock Option, Restricted Stock, a stock appreciation right, an Other Share-Based Award or a Nonstock Award under the Plan.
- (b) "Board" means the Board of Directors of the Corporation.
- (c) "Code" means the Internal Revenue Code of 1986, as amended.
- (d) "Committee" means the committee appointed by the Board to administer the Plan as provided in Section 3.
- (e) "Common Stock" means the \$0.75 par value common stock of the Corporation or any security of the Corporation identified by the Committee as having been issued in substitution, exchange or lieu thereof.
- (f) "Corporation" means Chevron Corporation, a Delaware corporation, or any successor corporation.
- (g) "Disability" means that because of an injury or sickness the Participant is unable to perform any occupation for which the Participant is qualified or may

reasonably become qualified by reason of education, training, or experience, whether or not a job involving such occupation is available within the Corporation.

- (h) “Employee” means any individual who is an employee on the payroll of the Corporation or any Subsidiary.
- (i) “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, or any successor statute.
- (j) “Fair Market Value” of a Share as of a specified date means a price that is based on the opening, closing, actual, high, low or average selling prices of Shares on the New York Stock Exchange (or other established exchange or exchanges), on the applicable date, the preceding trading day, the next succeeding trading day, or an average of trading days as determined by the Committee in its discretion.
- (k) “Full Value Award” means an Award other than in the form of a Stock Option or a stock appreciation right and which is settled by the issuance of Shares and which does not provide for full payment in cash or property for such Shares by the Award recipient as determined under the Rules.
- (l) “Nonstock Award” means an Award under the Plan the amount, value and denomination of which is not determined with reference to, or expressed in, Shares. “Nonstock Award Agreement” means the agreement between the Corporation and the recipient of a Nonstock Award that contains the terms and conditions pertaining to the Nonstock Award.
- (m) “Optionee” means an Employee who has received the grant of a Stock Option.
- (n) “Other Share-Based Award” means an Award granted pursuant to Section 8 of the Plan. “Other Share-Based Award Agreement” means the agreement between the Corporation and the recipient of an Other Share-Based Award that contains the terms and conditions pertaining to the Other Share-Based Award.
- (o) “Participant” means an Employee who is granted an Award under the Plan.
- (p) “Plan” means the Chevron Corporation Long-Term Incentive Plan, as amended from time to time.
- (q) “Restricted Stock Award” means an Award granted pursuant to the provisions of Section 7 of the Plan. “Restricted Stock” means Shares granted pursuant to Section 7 of the Plan. “Restricted Stock Agreement” means the agreement between the Corporation and the recipient of Restricted Stock that contains the terms, conditions and restrictions pertaining to such Restricted Stock.
- (r) “Rules” means regulations and rules adopted from time to time by the Committee.

- (s) “Share” means one share of Common Stock, adjusted in accordance with Section 10 (if applicable).
- (t) “Stock Option” means a nonstatutory stock option granted pursuant to Section 6 of the Plan. “Stock Option Agreement” means the agreement between the Corporation and the Optionee that contains the terms and conditions pertaining to a Stock Option.
- (u) “Subsidiary” means any corporation or entity in which the Corporation directly or indirectly controls more than 50% of the total voting power of all classes of its stock or other equity interests having voting power and which the Board has designated as a Subsidiary for purposes of the Plan.

In addition, the terms “Rule 16b-3” and “Restriction Period” have the meanings set forth below in Sections 3(a) and 7(b) respectively.

3. ADMINISTRATION.

(a) Composition of the Committee.

The Plan shall be administered by a Committee appointed by the Board, consisting of not less than a sufficient number of non-employee directors so as to qualify the Committee to administer the Plan as contemplated by Rule 16b-3 promulgated by the Securities and Exchange Commission (the “Commission”) pursuant to the Exchange Act, or any successor or replacement rule adopted by the Commission (“Rule 16b-3”) and each of whom is an “independent” director as defined in the rules of the New York Stock Exchange. The Board may from time to time remove members from, or add members to, the Committee. Vacancies on the Committee, however caused, shall be filled by the Board. The Board shall appoint one of the members of the Committee as chair. The term “non-employee directors” shall be interpreted pursuant to Rule 16b-3. The Management Compensation Committee of the Board shall initially serve as the Committee. The Board may at any time replace the Management Compensation Committee with another Committee. In the event that the Management Compensation Committee shall cease to satisfy the requirements of Rule 16b-3, the Board shall appoint another Committee that shall satisfy such requirements. If any member of the Committee does not qualify as an “outside director” for purposes of Section 162(m) of the Code, Awards under the Plan for the chief executive officer and the four most highly compensated officers of the Corporation (other than the chief executive officer) shall be administered by a subcommittee consisting of each Committee member who qualifies as an “outside director.” If fewer than two Committee members qualify as an “outside director,” the Board shall appoint one or more other members to such subcommittee who do qualify as “outside directors” so that it shall at all times consist of at least two members who qualify as an “outside director” for purposes of Section 162(m) of the Code.

(b) Actions by the Committee.

The Committee shall hold meetings at such times and places as it may determine. Acts approved by a majority of the members of the Committee present at a meeting at which a quorum is present, or acts reduced to or approved in writing by a majority of the members of the Committee, shall be the valid acts of the Committee.

(c) Powers of the Committee.

The Committee shall have the authority to administer the Plan in its sole discretion. To this end, the Committee is authorized to construe and interpret the Plan, to promulgate, amend and rescind Rules relating to the implementation of the Plan and to make all other determinations necessary or advisable for the administration of the Plan, including the selection of Employees who shall be granted Awards, the number of Shares or Share equivalents to be subject to each Award, the Award price, if any, the vesting or duration of Awards, other terms and conditions of Awards and the disposition of Awards in the event of a Participant's divorce or dissolution of marriage. Subject to the requirements of applicable law, the Committee may designate persons other than members of the Committee to carry out its responsibilities and may prescribe such conditions and limitations as it may deem appropriate, except that the Committee may not delegate its authority with regard to the selection for participation of or the granting of Awards to persons subject to Section 16 of the Exchange Act. Any determination, decision or action of the Committee in connection with the construction, interpretation, administration, or application of the Plan shall be final, conclusive and binding upon all persons participating in the Plan and any person validly claiming under or through persons participating in the Plan.

(d) Liability of Committee Members.

No member of the Board or the Committee shall be liable for any action or determination made in good faith by the Board or the Committee with respect to the Plan or any Award under it.

(e) Administration of the Plan Following a Change in Control.

Within 30 days after the occurrence of a "change of control" of the Corporation as defined in Article VI of the bylaws of the Corporation, as such bylaws may be amended from time to time (a "Change in Control"), the Committee shall appoint an independent organization which shall thereafter administer the Plan and have all of the powers and duties formerly held and exercised by the Committee with respect to the Plan as provided in Section 3(c). Upon such appointment, the Committee shall cease to have any responsibility with respect to the administration of the Plan.

4. DURATION OF THE PLAN AND SHARES SUBJECT TO THE PLAN.

(a) Duration of the Plan.

The Plan shall terminate on January 27, 2014, unless sooner terminated by the Board.

(b) Shares Subject to the Plan.

Subject to stockholder approval of this amended and restated Plan, on and after April 28, 2004, the maximum number of Shares which may be issued under the Plan shall be eighty million (80,000,000) Shares; provided, however, that the maximum number of Shares which may be issued under the Plan subject to Full Value Awards shall be thirty-two million (32,000,000) Shares. The limitations set forth in this Section 4(b) shall be subject to adjustment as provided in Section 10.

Prior to April 28, 2004, the maximum number of Shares for which Awards may be granted shall be as set forth in the Plan prior to this amendment and restatement.

(c) Accounting for Number of Shares.

Shares covered by an Award shall only be counted against the limit set forth in Section 4(b) as used to the extent that such Shares are actually issued. Any Shares related to Awards which terminate by expiration, forfeiture, cancellation or otherwise without the issuance of such Shares, are settled in cash in lieu of Shares, or are exchanged, with the Committee's permission, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for grant under the Plan. Moreover, if the exercise price of any Stock Option granted under the Plan or the tax withholding requirements with respect to any Award under the Plan are satisfied by tendering Shares to the Corporation (either by attestation or actual delivery) or if a stock appreciation right is exercised, only the number of Shares issued, net of the Shares tendered, if any, shall be deemed delivered for purposes of determining the maximum number of Shares available for issuance under the Plan. The maximum number of Shares available for issuance under the Plan under Section 4(b) shall not be reduced to reflect any dividends or dividend equivalents that are reinvested into additional Shares or credited with respect to any Award outstanding under the Plan.

(d) Source of Stock Issued Under the Plan.

Common Stock issued under the Plan may be either authorized and unissued Shares or issued Shares that have been reacquired by the Corporation, as determined in the sole discretion of the Committee. No fractional Shares of Common Stock shall be issued under the Plan.

5. PERSONS ELIGIBLE FOR AWARDS; LIMITS ON INDIVIDUAL AWARDS.

Persons eligible for Awards under the Plan shall consist of Employees (including officers, whether or not they are directors). A Participant may receive more than one Award, including Awards of the same type, subject to the restrictions of the Plan.

The following limits shall apply to grants of Awards under the Plan:

- (a) Stock Options, Stock Appreciation Rights, Restricted Stock and Other Share-Based Awards: The aggregate number of Shares that may be granted in the form of Stock Options, stock appreciation rights, Restricted Stock and Other Share-Based Awards in any one calendar year to any Participant shall not exceed two million (2,000,000) Shares. This limitation shall be subject to adjustment as provided in Section 10.
- (b) Nonstock Awards: The value of all Nonstock Awards granted in any single calendar year to any Participant shall not exceed \$4,000,000. For this purpose, the value of a Nonstock Award shall be determined on the date of grant without regard to any conditions imposed on the Nonstock Award.

6. STOCK OPTIONS.

All Stock Options granted under the Plan shall be in the form of nonstatutory stock options, that is options that are not incentive stock options within the meaning of Section 422 of the Code. All Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the express provisions of the Plan, as the Committee in its sole discretion shall deem desirable.

(a) Awards of Stock Options.

Subject to the terms of the Plan, the Committee shall have complete authority in its sole discretion to determine the persons to whom and the time or times at which grants of Stock Options shall be made. The terms of each Stock Option shall be set forth in a Stock Option Agreement, which shall contain such provisions not inconsistent with the terms of the Plan, including, without limitation, restrictions upon the exercise of the Stock Option or restrictions on the transferability of Shares issued upon the exercise of a Stock Option, as the Committee shall deem advisable in its sole discretion. Stock Options may be granted alone, in addition to, or in tandem with other Awards under the Plan.

(b) Number of Shares.

Each Stock Option shall state the number of Shares to which it pertains and shall provide for the adjustment thereof in accordance with the provisions of Section 10. No fractional Shares shall be issued pursuant to the exercise of a Stock Option.

(c) Exercise Price.

Each Stock Option shall state the price per Share, determined by the Committee in its sole discretion, at which the Stock Option may be exercised; provided, however, that the exercise price shall not be less than 100% of the Fair Market Value of a Share on the date of grant.

(d) Method of Payment.

A Stock Option may be exercised, in whole or in part, by giving notice of exercise in the manner prescribed by the Corporation specifying the number of Shares to be purchased. Such notice shall be accompanied by payment in full of the purchase price in cash or, if acceptable to the Committee in its sole discretion, and in accordance with its Rules, (i) in Shares already owned by the Participant (including, without limitation, by attestation to the ownership of such Shares), (ii) by the withholding and surrender of the Shares subject to the Stock Option, or (iii) by delivery (on a form prescribed by the Committee) of an irrevocable direction to a securities broker approved by the Committee to sell Shares and to deliver all or part of the sales proceeds to the Corporation in payment of all or part of the purchase price and any withholding taxes. Payment may also be made in any other form approved by the Committee, consistent with applicable law, regulations and rules.

(e) Term and Exercise of Stock Options; Nontransferability of Stock Options.

Each Stock Option shall state the time or times when it becomes exercisable and the time or times when any stock appreciation right granted with it may be exercised, which shall be determined by the Committee in its sole discretion subject to the following provisions and to the Rules, as applicable. No Stock Option shall be exercisable before the completion of a specified period (as determined under the Rules) of continued employment with the Corporation or a Subsidiary from the date the Stock Option is granted (except in the case of death or Disability). No Stock Option shall be exercisable more than ten (10) years from the date it is granted. Except as otherwise provided in the Rules or in a Stock Option Agreement, during the lifetime of the Optionee, the Stock Option shall be exercisable only by the Optionee and shall not be assignable or transferable. In the event of the Optionee's death, any Stock Option shall be transferred to the beneficiary designated by the Optionee for this purpose pursuant to procedures adopted by the Committee.

(f) Termination of Employment.

Each Stock Option Agreement shall set forth the extent to which the Optionee shall have the right to exercise the Stock Option following termination of the Optionee's employment with the Corporation and its Subsidiaries and affiliates. Such provisions shall be determined in the sole discretion of the Committee, need

not be uniform among all Stock Options issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination of employment.

(g) Rights as a Stockholder.

An Optionee or a transferee of an Optionee shall have no rights as a stockholder with respect to any Shares covered by his or her Stock Option until the earlier of the date such interest is recorded as a book entry on the records of the Corporation or the date of issuance of a stock certificate for such Shares. No adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the earlier of the date such interest is recorded as a book entry in the records of the Corporation or the date such stock certificate is issued, except as provided in Section 10.

(h) Stock Appreciation Rights.

In connection with the grant of any Stock Option pursuant to the Plan, the Committee, in its sole discretion, may also grant a stock appreciation right pursuant to which the Optionee shall have the right to surrender all or part of the unexercised portion of such Stock Option, exercise the stock appreciation right, and thereby obtain payment of an amount equal to (or less than, if the Committee shall so determine in its sole discretion at the time of grant) the difference obtained by subtracting the aggregate exercise price of the Shares subject to the Stock Option (or the portion thereof) so surrendered from the market price (as determined under the Rules) of such Shares on the date of such surrender. The exercise of such stock appreciation right shall be subject to such limitations (including, but not limited to, limitations as to time and amount) as the Committee shall deem appropriate. The payment of a stock appreciation right may be made in Shares (determined with reference to its Fair Market Value on the date of exercise), or in cash, or partly in cash and in Shares, as determined in the sole discretion of the Committee. In the event of the exercise of a stock appreciation right, the underlying Stock Option shall be deemed to have been exercised for all purposes under the Plan, including Section 4.

7. RESTRICTED STOCK.

Restricted Stock Awards shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the express provisions of the Plan, as the Committee in its sole discretion shall deem desirable.

(a) Restricted Stock Awards.

Subject to the provisions of the Plan, the Committee shall have complete authority in its sole discretion to determine the persons to whom, and the time or times at which, grants of Restricted Stock shall be made, the number of Shares of

Restricted Stock to be awarded, the price (if any) to be paid by the recipient of Restricted Stock, the time or times within which such Awards may be subject to forfeiture, and all other terms and conditions of the Awards. For any Restricted Stock Award, the Corporation shall receive consideration in an amount at least equal to any amount required to be received by the Corporation under Delaware law for the valid issuance of fully paid and nonassessable stock. The Committee may condition the grant of a Restricted Stock Award upon the attainment of specified performance goals (such as earnings per share, total shareholder return, return on capital employed, operating margin, operating expense, or cash flow) or such other factors as the Committee may determine, in its sole discretion. Restricted Stock Awards may be granted alone, in addition to or in tandem with other Awards under the Plan.

The terms of each Restricted Stock Award shall be set forth in a Restricted Stock Agreement between the Corporation and the Employee, which Restricted Stock Agreement shall contain such provisions as the Committee determines to be necessary or appropriate to carry out the intent of the Plan with respect to such Award. Each Participant receiving a Restricted Stock Award shall have his or her interest in the Restricted Stock recorded as a book entry on the records of the Corporation or shall be issued a stock certificate in respect of such Shares of Restricted Stock. Such certificate, if any, shall be registered in the name of such Participant and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award. The Committee shall require that any such stock certificates evidencing such Shares be held by the Corporation until the restrictions thereon shall have lapsed, and that, as a condition of any Restricted Stock Award, the Participant shall have delivered to the Corporation a stock power, endorsed in blank, relating to the stock covered by such Award.

(b) Restrictions and Conditions.

The Shares of Restricted Stock awarded pursuant to this Section 7 shall be subject to the following terms, conditions and restrictions:

- (i) Subject to the provisions of Section 14(r) below, the Committee in its sole discretion shall specify the terms, conditions and restrictions under which Shares of Restricted Stock shall vest or be forfeited. These terms, conditions and restrictions must include continued employment with the Corporation or a Subsidiary for a specified period of time (as determined under the Rules) following the date of grant except in the case of death or Disability, and may include termination of the Employee's employment for specified reasons such as death or Disability prior to the completion of the specified period, or the attainment of certain performance objectives. The period of time commencing with the date of such Award and ending on the date on which all Shares of Restricted Stock in such Award either vest or are forfeited shall be known as the "Restriction Period". With respect to the Restricted Stock during the Restriction Period, the

Committee, in its sole discretion, may provide for the lapse of any such term, condition or restriction in installments and may accelerate or waive such term, condition or restriction in whole or in part, based on service, performance, and/or such other factors or criteria as the Committee may determine in its sole discretion. Except as otherwise provided in the Rules or in a Restricted Stock Agreement, during the Restriction Period the Participant shall not be permitted to sell, transfer, pledge, assign or encumber Restricted Stock awarded under the Plan.

- (ii) Except as provided in this paragraph (ii) and paragraph (i) above, the Participant shall have, with respect to the Shares of Restricted Stock, all of the rights of a stockholder of the Corporation, including the right to vote the Shares and the right to receive any cash or stock dividends. The Committee, in its sole discretion, as determined at the time of Award, may provide that the payment of cash dividends shall or may be deferred. Any deferred cash dividends may be reinvested as the Committee shall determine in its sole discretion, including reinvestment in additional Shares of Restricted Stock. Stock dividends issued with respect to Restricted Stock shall be Restricted Stock and shall be subject to the same terms, conditions and restrictions that apply to the Shares with respect to which such dividends are issued. Any additional Shares of Restricted Stock issued with respect to cash or stock dividends shall not be counted against the maximum number of Shares for which awards may be granted under the Plan as set forth in Section 4.
- (iii) If and when the Restriction Period applicable to Shares of Restricted Stock expires without a prior forfeiture of the Restricted Stock, an appropriate book entry recording the Participant's interest in the unrestricted Shares shall be entered on the records of the Company or, if applicable, certificates for an appropriate number of unrestricted Shares shall be delivered promptly to the Participant, and the certificates for the Shares of Restricted Stock shall be canceled.

8. OTHER SHARE-BASED AWARDS.

(a) Grants.

Other Share-Based Awards may be granted either alone or in addition to or in conjunction with other Awards under the Plan. The Committee may condition the grant of an Other Share-Based Award upon the attainment of specified performance goals (such as earnings per share, total shareholder return, return on capital employed, operating margin, operating expense or cash flow) or such other factors as the Committee may determine, in its sole discretion. Awards under this Section 8 may include, but are not limited to, stock units, restricted stock units, stock appreciation rights not granted in connection with the grant of any Stock Option pursuant to Section 6, dividend equivalents, the grant of Shares

conditioned upon some specified event, the ownership for a specified period of time of Shares obtained through the exercise of a Stock Option or the lapse of restrictions on Restricted Stock, the payment of cash based upon the performance of the Shares or the grant of securities convertible into Shares.

Subject to the provisions of Section 14(r) below relating to restricted stock units and to other applicable provisions of the Plan, the Committee shall have sole and complete authority to determine the persons to whom and the time or times at which Other Share-Based Awards shall be made, the number of Shares or other securities, if any, to be granted pursuant to Other Share-Based Awards, and all other conditions of the Other Share-Based Awards, including, without limitation, whether stock appreciation rights not granted in connection with the grant of any Stock Option shall be settled in cash or in Shares. In making an Other Share-Based Award, the Committee may determine that the recipient of an Other Share-Based Award shall be entitled to receive, currently or on a deferred basis, interest or dividends or dividend equivalents with respect to the Shares or other securities covered by the Award, and the Committee may provide that such amounts (if any) shall be deemed to have been reinvested in additional Shares or otherwise reinvested. The terms of any Other Share-Based Award shall be set forth in an Other Share-Based Award Agreement between the Corporation and the Employee, which Other Share-Based Award Agreement shall contain such provisions as the Committee determines to be necessary or appropriate to carry out the intent of the Plan with respect to such Award.

(b) Terms and Conditions.

In addition to the terms and conditions specified in the Other Share-Based Award Agreement, Other Share-Based Awards made pursuant to this Section 8 shall be subject to the following:

- (i) Except as otherwise provided in the Rules or in an Other Share-Based Award Agreement, any Other Share-Based Award may not be sold, assigned, transferred, pledged or otherwise encumbered prior to the date on which the Shares are issued or the Award becomes payable, or, if later, the date on which any applicable restriction, performance or deferral period lapses.
- (ii) The Other Share-Based Award Agreement shall contain provisions dealing with the disposition of such Award in the event of a termination of the Employee's employment prior to the exercise, realization or payment of such Award.

9. NONSTOCK AWARDS.

(a) Grants.

Nonstock Awards may be granted either alone or in addition to or in conjunction with other Awards under the Plan. Awards under this Section 9 may take any form that the Committee in its sole discretion shall determine.

Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the persons to whom and the time or times at which Nonstock Awards shall be made, the amount of any Nonstock Award and all other conditions of the Nonstock Awards. The Committee may condition the grant of a Nonstock Award upon the attainment of specified performance goals (such as earnings per share, total shareholder return, return on capital employed, operating margin, operating expense or cash flow) or such other factors as the Committee may determine, in its sole discretion. The terms of any Nonstock Award shall be set forth in Nonstock Award Agreement between the Corporation and the Employee, which Nonstock Award Agreement shall contain such provisions as the Committee determines to be necessary or appropriate to carry out the intent of the Plan with respect to such Award.

(b) Terms and Conditions.

In addition to the terms and conditions specified in the Nonstock Award Agreement, Nonstock Awards made pursuant to this Section 9 shall be subject to the following:

- (i) Except as otherwise provided in the Rules or in a Nonstock Award Agreement, any Nonstock Award may not be sold, assigned, transferred, pledged or otherwise encumbered prior to the date on which the Award becomes payable, or, if later, the date on which the requirements of any applicable restriction, condition, performance goal or deferral period is met or lapses.
- (ii) The Nonstock Award Agreement shall contain provisions dealing with the disposition of such Award in the event of a termination of the Employee's employment prior to the exercise, realization or payment of such Award.

10. RECAPITALIZATION.

Subject to any required action by the stockholders, the number of Shares covered by the Plan as provided in Section 4, the maximum number of Shares that may be granted to any one individual in any calendar year as provided in Section 5, the number of Shares covered by or referred to in each outstanding Award (other than an Award of Restricted Stock that is outstanding at the time of the event described in this paragraph), and the Exercise Price of each outstanding Stock Option and any price required to be paid for

Restricted Stock not yet outstanding at the time of the event described in this paragraph or Other Share-Based Award shall be proportionately adjusted for: (a) any increase or decrease in the number of issued Shares resulting from a subdivision or consolidation of Shares, (b) the payment of a stock dividend (but only of Common Stock) or any other increase or decrease in the number of such Shares effected without receipt of consideration by the Corporation, or (c) the declaration of a dividend payable in cash that has a material effect on the price of issued Shares.

Subject to any required action by the stockholders, if the Corporation is the surviving corporation in any merger, consolidation or other reorganization, each outstanding Award (other than an Award of Restricted Stock that is outstanding at such time) shall pertain and apply to the securities to which a holder of the number of Shares subject to the Award would have been entitled. In the event of a dissolution or liquidation of the corporation or a merger, consolidation or other reorganization in which the Corporation is not the surviving corporation, each outstanding Stock Option, each unvested Restricted Stock Award or Other Share-Based Award and each Nonstock Award shall be assumed by the surviving corporation and each Stock Option, unvested Restricted Stock Award and Other Share-Based Award shall pertain to a comparable number of shares in the surviving corporation, unless the terms of the agreement of merger, consolidation or reorganization call for the full vesting and cash out of such Awards.

In the event of a change in the Common Stock, which is limited to a change of all of the Corporation's authorized shares with par value into the same number of shares with a different par value or without par value, the shares resulting from any such change shall be deemed to be the Common Stock within the meaning of the Plan.

The Committee may make appropriate adjustments in the number of Shares covered by the Plan and the price or other value of any outstanding Awards in the event of a spin-off or other distribution (other than normal cash dividends) of Corporation assets to stockholders.

To the extent that the foregoing adjustments relate to stock or securities of the Corporation, such adjustments shall be made by the Committee in its sole discretion, and its determination in that respect shall be final, binding and conclusive.

Except as expressly provided in this Section 10, a Participant shall have no rights by reason of any subdivision or consolidation of shares of stock of any class or the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class or by reason of any dissolution, liquidation, merger or consolidation or spin-off of assets or stock of another corporation, and any issuance by the Corporation of shares of stock of any class or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to the Stock Option.

The grant of an Award pursuant to the Plan shall not affect in any way the right or power of the Corporation to make adjustments, reclassifications, reorganizations or changes of

its capital or business structure or to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

The Committee shall prescribe rules governing the adjustment of the number of shares covered by the Plan as provided in Section 4 and of Awards outstanding under the Plan in the event that the preferred stock purchase rights issued pursuant to the Corporation's stockholder rights plan or any successor rights plan detach from the Common Stock and become exercisable.

11. FORFEITURE.

Notwithstanding any other provision of this Plan to the contrary, if a Participant engages in Misconduct the Committee (or its delegate) may:

- (a) Rescind the exercise of any Stock Option granted on or after June 29, 2005 and exercised on or after the date the Participant's Misconduct occurred and cancel all Awards granted on or after June 29, 2005 and outstanding on the date of discovery of the Participant's Misconduct; and
- (b) Demand that the Participant repay any cash distributed to the Participant in respect of any Award granted on or after June 29, 2005 or pay over to the Corporation the proceeds (less the Participant's purchase price, if any) received by the Participant upon the sale, transfer or other transaction involving the Shares acquired upon the exercise of any Stock Option granted on or after June 29, 2005 and exercised on or after the date the Participant's Misconduct occurred or upon the vesting of any Award granted on or after June 29, 2005 and vested after the date of the Participant's Misconduct, in such manner and on such terms and conditions as may be required, and, without limiting any other remedy the Corporation or its affiliates may have, the Corporation shall be entitled to set-off against the amount of any such proceeds any amount owed the Participant by the Corporation or its affiliates to the fullest extent permitted by law.
- (c) For this purpose, "Misconduct" means that:
 - (i) the Corporation has been required to prepare an accounting restatement due to material noncompliance, as a result of misconduct, with any financial reporting requirement under the securities laws, and the Committee (or its delegate) has determined in its sole discretion that a Participant (i) had knowledge of the material noncompliance or the circumstances that gave rise to such noncompliance and failed to take reasonable steps to bring it to the attention of appropriate individuals within the Corporation or (ii) personally and knowingly engaged in practices which materially contributed to the circumstances that enabled a material noncompliance to occur; or

- (ii) a Participant discloses to others, or takes or uses for his or her own purpose or the purpose of others, any trade secrets, confidential information, knowledge, data or know-how or any other proprietary information or intellectual property belonging to the Corporation and obtained by the Participant during the term of his or her employment, whether or not they are the Participant's work product. Examples of such confidential information or trade secrets include, without limitation, customer lists, supplier lists, pricing and cost data, computer programs, delivery routes, advertising plans, wage and salary data, financial information, research and development plans, processes, equipment, product information and all other types and categories of information as to which the Participant knows or has reason to know that the Corporation intends or expects secrecy to be maintained; or
- (iii) a Participant fails to promptly return all documents and other tangible items belonging to the Corporation in the Participant's possession or control, including all complete or partial copies, recordings, abstracts, notes or reproductions of any kind made from or about such documents or information contained therein, upon termination of employment, whether pursuant to retirement or otherwise; or
- (iv) a Participant directly or indirectly engages in, becomes employed by, or renders services, advice or assistance to any business in competition with the Corporation at any time during the twelve months following termination of employment with the Corporation. As used herein, "business in competition" means any person, organization or enterprise which is engaged in or is about to become engaged in any line of business engaged in by the Corporation at the time of the termination of the Participant's employment with the Corporation; or
- (v) a Participant fails to inform any new employer, before accepting employment, of the terms of this section and of the Participant's continuing obligation to maintain the confidentiality of the trade secrets and other confidential information belonging to the Corporation and obtained by the Participant during the term of his or her employment with the Corporation; or
- (vi) a Participant induces or attempts to induce, directly or indirectly, any of the Corporation's customers, employees, representatives or consultants to terminate, discontinue or cease working with or for the Corporation, or to breach any contract with the Corporation, in order to work with or for, or enter into a contract with, the Participant or any third party; or
- (vii) a Participant engages in conduct which is not in good faith and which disrupts, damages, impairs or interferes with the business, reputation or employees of the Corporation; or

(viii) a Participant committed an act of embezzlement, fraud or theft with respect to the property of the Corporation.

The Committee shall determine in its sole discretion whether the Participant has engaged in any of the acts set forth in subsections (i) through (viii) above, and its determination shall be conclusive and binding on all interested persons.

Any provision of this Section 11 which is determined by a court of competent jurisdiction to be invalid or unenforceable should be construed or limited in a manner that is valid and enforceable and that comes closest to the business objectives intended by such invalid or unenforceable provision, without invalidating or rendering unenforceable the remaining provisions of this Section 11.

12. SECURITIES LAW REQUIREMENTS.

No Shares shall be issued and no Stock Options shall become exercisable pursuant to the Plan unless and until the Corporation has determined that: (i) it and the Participant have taken all actions required to register the Shares under the Securities Act of 1933, as amended, or perfect an exemption from the registration requirements thereof; (ii) any applicable listing requirement of any stock exchange on which the Common Stock is listed has been satisfied; and (iii) any other applicable provision of state or federal law has been satisfied.

13. AMENDMENTS OF THE PLAN AND AWARDS.

(a) Plan Amendments.

The Board may, insofar as permitted by law, from time to time, with respect to any Shares at the time not subject to Awards, suspend or discontinue the Plan or revise or amend it in any respect whatsoever. However, unless the Board specifically otherwise provides, any revision or amendment that would cause the Plan to fail to comply with Rule 16b-3 or any other requirement of applicable law or regulation if such amendment were not approved by the holders of the Common Stock of the Corporation shall not be effective unless and until the approval of the holders of Common Stock of the Corporation is obtained. The foregoing notwithstanding, no amendment, revision, suspension or discontinuation of the Plan (including any amendment to this Section 13) approved by the Board after six months prior to the public announcement of the proposed transaction which, when effected, is a Change in Control or before the date which is two years after the date of a Change in Control (the "Benefit Protection Period") shall be valid or effective if such amendment, revision, suspension or discontinuation would alter the provisions of this Section 13 or adversely affect an Award outstanding under the Plan; provided, however, any amendment, revision, suspension or discontinuation may be effected, even if so approved after such a public announcement, if (a) the amendment or revision is approved after any plans have been abandoned to effect the transaction which, if

effected, would have constituted a Change in Control and the event which would have constituted the Change in Control has not occurred, and (b) within a period of six months after such approval, no other event constituting a Change in Control shall have occurred, and no public announcement of a proposed event which would constitute a Change in Control shall have been made, unless thereafter any plans to effect the Change in Control have been abandoned and the event which would have constituted the Change in Control has not occurred. Any amendment, revision, suspension or discontinuation of the Plan which is approved by the Board prior to a Change in Control at the request of a third party who effectuates a Change in Control shall be deemed to be an amendment, revision, suspension or discontinuation of the Plan so approved during the Benefit Protection Period.

(b) Amendments of Awards.

Subject to the terms and conditions and within the limitations of the Plan, the Committee may amend, cancel, modify, extend or renew outstanding Awards granted under the Plan. Notwithstanding the foregoing, no Stock Option or, as applicable, any other Award shall be repriced under this Plan.

(c) Rights of Participant.

No amendment, suspension or termination of the Plan nor any amendment, cancellation or modification of any Award outstanding under it that would adversely affect the right of any Participant in an Award previously granted under the Plan shall be effective without the written consent of the affected Participant.

14. GENERAL PROVISIONS.

(a) Application of Funds.

The proceeds received by the Corporation from the sale of Common Stock pursuant to the exercise of a Stock Option or the grant of Restricted Stock shall be used for general corporate purposes.

(b) Employment Rights.

Neither the Plan nor any Award granted under the Plan shall be deemed to give any individual a right to remain employed by the Corporation or a Subsidiary. The Corporation and its Subsidiaries reserve the right to terminate the employment of any Employee at any time and for any reason, which right is hereby reserved.

(c) Stockholders' Rights.

A Participant shall have no dividend rights, voting rights or other rights as a stockholder with respect to any Shares covered by his or her Award prior to the earlier of the date such interest is recorded as a book entry on the records of the

Corporation or the date of issuance of a stock certificate for such Shares. No adjustment shall be made for cash dividends or other rights for which the record date is prior to the date when such certificate is issued or such interest recorded.

(d) Creditors' Rights.

A holder of an Other Share-Based Award or a Nonstock Award shall have no rights other than those of a general creditor of the Corporation. Other Share-Based Awards and Nonstock Awards shall represent unfunded and unsecured obligations of the Corporation, subject to the terms and conditions of the applicable Other Share-Based Award Agreement and of the Nonstock Award Agreement. Notwithstanding the foregoing, the Committee is authorized to arrange for the creation of one or more trusts to fund payments of Other Share-Based Awards or Nonstock Awards payable or to become payable under the Plan. In such case the rights of affected Participants shall be determined with reference to the terms of the applicable trust agreement pursuant to which the trust was created.

(e) No Obligation to Exercise Stock Option.

The granting of a Stock Option shall impose no obligation upon the Optionee to exercise such Stock Option.

(f) Deferral Elections.

The Committee may permit or require a Participant to elect to defer receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant by virtue of the exercise, the satisfaction of any requirements or goals or lapse of restrictions of an Award made under the Plan. Any such payment deferrals shall be governed by the terms of the Chevron Corporation Deferred Compensation Plan for Management Employees.

(g) Withholding Taxes.

(i) General.

To the extent required by applicable federal, state, local or foreign law, the recipient of any payment or distribution under the Plan shall make arrangements satisfactory to the Corporation for the satisfaction of any withholding tax obligations that arise by reason of such payment or distribution. The Corporation shall not be required to make such payment or distribution until such obligations are satisfied.

(ii) Stock Withholding.

The Committee in its sole discretion may permit a Participant to satisfy all or part of his or her withholding tax obligations incident to the exercise of

a Stock Option or the vesting of Restricted Stock by having the Corporation withhold a portion of the Shares that otherwise would be issued to him or her. The payment of withholding taxes by surrendering Shares to the Corporation, if permitted by the Committee, shall be subject to such restrictions as the Committee may impose, including any restrictions required by rules of the Securities and Exchange Commission.

(h) Other Corporation Benefit and Compensation Programs.

Payments and other benefits received by a Participant under the Plan shall not be deemed a part of a Participant's regular, recurring compensation for purposes of the termination indemnity or severance pay law of any country, state or political subdivision thereof and shall not be included in, nor have any effect on, the determination of benefits under any other employee benefit plan or similar arrangement provided by the Corporation or a Subsidiary unless expressly so provided by such other plan or arrangement, or except where the Committee expressly determines that inclusion of an Award or portion of an Award is necessary to accurately reflect competitive compensation practices or to recognize that an Award has been made in lieu of a portion of competitive annual cash compensation. Awards under the Plan may be made in combination with or in tandem with, or as alternatives to, grants, awards or payments under any Corporation or Subsidiary plans. The Plan notwithstanding, the Corporation or any Subsidiary may adopt such other compensation programs and additional compensation arrangements as it deems necessary to attract, retain and reward Employees for their service with the Corporation and its Subsidiaries.

(i) Costs of the Plan.

The costs and expenses of administering the Plan shall be borne by the Corporation.

(j) Participant's Beneficiary.

The Rules may provide that in the case of an Award that is not forfeitable by its terms upon the death of the Participant, the Participant may designate a beneficiary with respect to such Award in the event of death of a Participant. If such beneficiary is the executor or administrator of the estate of the Participant, any rights with respect to such Award may be transferred to the person or persons or entity (including a trust, if permitted under rules or procedures approved by the Committee) entitled thereto by bequest of or inheritance from the holder of such Award.

(k) Awards in Foreign Countries.

The Committee shall have the authority to adopt such modifications, procedures and subplans as may be necessary or desirable to comply with provisions of the

laws of foreign countries in which the Corporation or its Subsidiaries may operate to assure the viability of the benefits of Awards made to Participants employed in such countries and to meet the intent of the Plan.

(l) Severability.

The provisions of the Plan shall be deemed severable and the validity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

(m) Binding Effect of Plan.

The Plan shall be binding upon and shall inure to the benefit of the Corporation, its successors and assigns and the Corporation shall require any successor or assign to expressly assume and agree to perform the Plan in the same manner and to the same extent that the Corporation would be required to perform it if no such succession or assignment had taken place. The term “the Corporation” as used herein shall include such successors and assigns. The term “successors and assigns” as used herein shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Corporation (including the Plan) whether by operation of law or otherwise.

(n) No Waiver of Breach.

No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of the Plan to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions of conditions at the same or at any prior or subsequent time.

(o) Authority to Establish Grantor Trust.

The Committee is authorized in its sole discretion to establish a grantor trust for the purpose of providing security for the payment of Awards under the Plan; provided, however, that no Participant shall be considered to have a beneficial ownership interest (or any other sort of interest) in any specific asset of the Corporation or of its subsidiaries or affiliates as a result of the creation of such trust or the transfer of funds or other property to such trust.

(p) Authority to Satisfy Obligations

The Committee shall have the authority to grant Awards as an alternative to or as the form of payment for grants or rights earned or due under other compensation plans or arrangements of the Corporation, including, without limitation, any plans or arrangements of any employer acquired by the Corporation.

(q) Choice of Law

The law of the State of California shall govern all questions concerning the construction, validity and interpretation of this Plan, without regard to such state's conflict of laws rules.

(r) Vesting Requirements for Restricted Stock and Restricted Stock Units

Notwithstanding any other provision of the Plan to the contrary, except with respect to a maximum of five percent (5%) of the Shares authorized for issuance under Section 4(b), any Awards of Restricted Stock or restricted stock units which vest on the basis of the Participant's continued employment with the Corporation or a Subsidiary or affiliate shall not provide for vesting which is any more rapid than annual pro rata vesting over a three (3) year period and any Awards of Restricted Stock or restricted stock units which vest upon the attainment of performance goals shall provide for a performance period of at least twelve (12) months.

15. APPROVAL OF STOCKHOLDERS.

Material amendments to the Plan shall be subject to approval by affirmative vote of the stockholders of the Corporation in accordance with applicable law and the listing requirements of the New York Stock Exchange.

CHEVRON CORPORATION
DEFERRED COMPENSATION PLAN
FOR MANAGEMENT EMPLOYEES
(As Amended and Restated Effective December 7, 2005)
(Formerly the "Salary Deferral Plan for Management Employees")

1. ESTABLISHMENT AND PURPOSE.

The Chevron Corporation Deferred Compensation Plan for Management Employees (the "Plan") (formerly the Salary Deferral Plan for Management Employees) was amended and restated effective April 1, 2002, to enhance the ability of Chevron Corporation (the "Corporation") and its Subsidiaries to attract, motivate and retain executive and other key employees. The Plan was amended and restated again effective December 7, 2005. This Plan is intended to qualify as an unfunded ERISA pension plan maintained by an employer for a select group of management or highly compensated employees, as described in 26 C.F.R. § 2520.104-23(d).

2. DEFINITIONS.

For purposes of the Plan, the following terms shall have the meanings set forth below:

- (a) "Account" means the bookkeeping account maintained on behalf of a Participant to which shall be credited any amount described in Section 5.
 - (b) "Beneficiary" means the person designated as such by the Participant pursuant to Section 8(b).
 - (c) "Board" means the Board of Directors of the Corporation.
 - (d) "Change in Control" means a 'change in control' as that term is defined in Article VI of the bylaws of the Corporation, as such bylaws may be amended from time to time.
 - (e) "Code" means the Internal Revenue Code of 1986, as amended.
 - (f) "Committee" means the Committee appointed by the Board to administer the Plan as provided in Section 3.
 - (g) "Corporation" means Chevron Corporation, a Delaware corporation, or any successor corporation.
 - (h) "Eligible Employee" means an executive or other key employee (including an officer, whether or not a director) of the Corporation or a Subsidiary who holds a position of
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significant responsibility or whose performance or potential contribution, in the judgment of the Committee, would benefit the future success of the Corporation and who is designated by the Committee as eligible to participate in the Plan.

- (i) "Employee" means an individual who is a salaried employee on the payroll of the Corporation or any Subsidiary.
- (j) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.
- (k) "Long-Term Incentive Plan" means the Chevron Corporation Long-Term Incentive Plan, as amended from time to time.
- (l) "Management Incentive Plan" means the Chevron Corporation Management Incentive Plan, as amended from time to time.
- (m) "Participant" means an Eligible Employee described in Section 4.
- (n) "Plan" means the Chevron Corporation Salary Deferral Plan for Management Employees, as set forth herein and as amended from time to time.
- (o) "Plan Year" means the calendar year.
- (p) "Rules" mean the rules promulgated by the Committee pursuant to the authority granted in Section 3(c).
- (q) "Subsidiary" means any corporation or entity in which the Corporation directly or indirectly controls more than 50% of the total voting power of all classes of its stock having voting powers and which the Board has designated as a Subsidiary for purposes of the Plan.

3. ADMINISTRATION.

(a) The Committee.

The Plan shall be administered by the Management Compensation Committee of the Board, or any successor thereto. The Board may at any time replace the Management Compensation Committee with another Committee.

(b) Actions by the Committee.

The Committee shall hold meetings at such times and places as it may determine. Acts approved by a majority of the members of the Committee present at a meeting at which a quorum is present, or acts reduced to or approved in writing by a majority of the members of the Committee, shall be the valid acts of the Committee.

(c) Powers of the Committee.

The Committee shall have the authority to administer the Plan in its sole discretion. To this end, the Committee is authorized to construe and interpret the Plan, to promulgate, amend and rescind Rules relating to the implementation of the Plan and to make all other determinations necessary or advisable for the administration of the Plan, including the selection of Employees who shall be eligible to participate in the Plan. Subject to the requirements of applicable law, the Committee may designate persons other than members of the Committee to carry out its responsibilities and may prescribe such conditions and limitations as it may deem appropriate. Any determination, decision or action of the Committee in connection with the construction, interpretation, administration, or application of the Plan shall be final, conclusive and binding upon all persons participating in the Plan and any person validly claiming under or through persons participating in the Plan.

(d) Liability of Committee Members.

No member of the Board or the Committee will be liable for any action or determination made in good faith by the Board or the Committee with respect to the Plan.

(e) Administration of the Plan Following a Change in Control.

Within 30 days after the occurrence of a Change in Control, the Committee shall appoint an independent organization which shall thereafter administer the Plan and have all of the powers and duties formerly held and exercised by the Committee pursuant to Section 3(c) with respect to the Plan. Upon such appointment, the Committee shall cease to have any responsibility with respect to the administration of the Plan.

4. PARTICIPATION.

Each Eligible Employee who elects to defer base salary under the Plan in accordance with the Rules or who makes a deferral election available under the terms of the Management Incentive Plan or Long-Term Incentive Plan, shall automatically become a Participant in the Plan.

5. DEFERRED COMPENSATION.

The Committee shall promulgate Rules governing (i) elections by Eligible Employees to defer base salary and (ii) the establishment of Accounts to which shall be credited amounts deferred pursuant to an election described in (i) or any deferral election made available under the terms of the Management Incentive Plan or the Long-Term Incentive Plan, the crediting of interest or earnings to such Accounts, and the time, form and value of distributions from such Accounts.

6. FORFEITURE.

(a) Notwithstanding any other provision of this Plan to the contrary, if a Participant engages in Misconduct the Committee (or its delegate) may determine that any balance in the Participant's Account attributable to awards made under the Long-Term Incentive Plan or the Management Incentive Plan on or after June 29, 2005 and the date of the Participant's Misconduct shall be forfeited.

(b) For this purpose, "Misconduct" means that:

(1) the Corporation has been required to prepare an accounting restatement due to material noncompliance, as a result of misconduct, with any financial reporting requirement under the securities laws, and the Committee (or its delegate) has determined in its sole discretion that a Participant (i) had knowledge of the material noncompliance or the circumstances that gave rise to such noncompliance and failed to take reasonable steps to bring it to the attention of appropriate individuals within the Corporation or (ii) personally and knowingly engaged in practices which materially contributed to the circumstances that enabled a material noncompliance to occur; or

(2) a Participant discloses to others, or takes or uses for his or her own purpose or the purpose of others, any trade secrets, confidential information, knowledge, data or know-how or any other proprietary information or intellectual property belonging to the Corporation and obtained by the Participant during the term of his or her employment, whether or not they are the Participant's work product. Examples of such confidential information or trade secrets include, without limitation, customer lists, supplier lists, pricing and cost data, computer programs, delivery routes, advertising plans, wage and salary data, financial information, research and development plans, processes, equipment, product information and all other types and categories of information as to which the Participant knows or has reason to know that the Corporation intends or expects secrecy to be maintained; or

(3) a Participant fails to promptly return all documents and other tangible items belonging to the Corporation in the Participant's possession or control, including all complete or partial copies, recordings, abstracts, notes or reproductions of any kind made from or about such documents or information contained therein, upon termination of employment, whether pursuant to retirement or otherwise; or

(4) a Participant directly or indirectly engages in, becomes employed by, or renders services, advice or assistance to any business in competition with the Corporation at any time during the twelve months following termination of employment with the Corporation. As used herein, "business in competition" means any person, organization or enterprise which is engaged in or is about to become engaged in any line of business engaged in by the Corporation at the time of the termination of the Participant's employment with the Corporation; or

(5) a Participant fails to inform any new employer, before accepting employment, of the terms of this section and of the Participant's continuing obligation to

maintain the confidentiality of the trade secrets and other confidential information belonging to the Corporation and obtained by the Participant during the term of his or her employment with the Corporation; or

(6) a Participant induces or attempts to induce, directly or indirectly, any of the Corporation's customers, employees, representatives or consultants to terminate, discontinue or cease working with or for the Corporation, or to breach any contract with the Corporation, in order to work with or for, or enter into a contract with, the Participant or any third party; or

(7) a Participant engages in conduct which is not in good faith and which disrupts, damages, impairs or interferes with the business, reputation or employees of the Corporation; or

(8) a Participant committed an act of embezzlement, fraud or theft with respect to the property of the Corporation.

The Committee shall determine in its sole discretion whether the Participant has engaged in any of the acts set forth in subsections 1 through 8 above, and its determination shall be conclusive and binding on all interested persons.

Any provision of this Section 6 which is determined by a court of competent jurisdiction to be invalid or unenforceable should be construed or limited in a manner that is valid and enforceable and that comes closest to the business objectives intended by such invalid or unenforceable provision, without invalidating or rendering unenforceable the remaining provisions of this Section 6.

7. AMENDMENT OR TERMINATION OF THE PLAN.

Except as otherwise provided in this Section 7, the Board may amend, suspend or terminate the Plan at any time. In the event of such termination, the Accounts of Participants shall be paid at such times and in such forms as shall be determined pursuant to the Rules, unless the Board prescribes a different time or times for payment of such Accounts. No amendment, suspension or termination (other than an amendment to discontinue future salary deferrals) approved by the Board after six months prior to the public announcement of a proposed transaction which, when effected, is a Change in Control or before the date which is two years after the date of a Change in Control (the 'Benefit Protection Period') shall be valid or effective if such amendment, suspension or termination would alter the terms of these resolutions or adversely affect the amount of a Participant's Account under the Plan, whether or not the Participant's employment had terminated at the time the amendment, suspension or termination was approved; provided, however, any amendment, suspension or termination may be effected, even if so approved after such a public announcement, if (a) the amendment, suspension or termination is approved after any plans have been abandoned to effect the transaction which, if effected, would have constituted a Change in Control and the event which would have constituted the Change in Control has not occurred, and (b) within a period of six months after such approval, no other event constituting a Change in Control shall have occurred, and no public announcement of a proposed event which would constitute a Change in Control shall have been made, unless thereafter any plans to effect the Change in Control have been abandoned and the event which would have constituted the Change in Control has not occurred. Any amendment, suspension or termination of the Plan which is so approved prior to a Change in Control at the request of a third party who effectuates a Change in Control shall be deemed to be an amendment, suspension or termination approved during the Benefit Protection Period.

8. GENERAL.

(a) No Right of Employment.

Nothing contained in the Plan nor any action of the Committee pursuant to the Plan shall give any employee any right to remain in the employ of the Corporation or to impair the Corporation's right to terminate the employment of any employee at any time, with or without cause, which right is hereby reserved.

(b) Designation of Beneficiaries.

Participants may designate on the prescribed form one or more Beneficiaries to whom distribution shall be made of any outstanding Account balance at the time of the Participant's death. A Participant may change such designation at any time by filing the prescribed form with the Committee. If a Beneficiary has not been designated or if no designated Beneficiary survives the Participant, distribution will be made to the Participant's surviving spouse as Beneficiary if then living or, if not, in equal shares to the then living children of the Participant as Beneficiaries or, if none, to the Participant's estate as Beneficiary.

(c) Domestic Relations Orders.

The procedures established by the Corporation for the determination of the qualified status of domestic relations orders and for making distributions under qualified domestic relations orders, as provided in Section 206(d) of ERISA, shall apply to the Plan.

(d) Costs of the Plan.

The costs and expenses of administering the Plan shall be borne by the Corporation.

(e) Severability.

The provisions of the Plan shall be deemed severable and the validity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

(f) Binding Effect of Plan.

The Plan shall be binding upon and shall inure to the benefit of the Corporation, its successors and assigns, and the Corporation shall require any successor or assign to expressly assume and agree to perform the Plan in the same manner and to the same extent that the Corporation would be required to perform it if no such succession or assignment had taken place. The term "the Corporation" as used herein shall include such successors and assigns. The term "successors and assigns" as used herein shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Corporation (including the Plan) whether by operation of law or otherwise.

(g) No Waiver of Breach.

No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of the Plan to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions of conditions at the same or at any prior or subsequent time.

(h) No Assignment.

The interest and property rights of any Participant under the Plan shall not be subject to option nor be assignable either by voluntary or involuntary assignment or by operation of law, including (without limitation) bankruptcy, garnishment, attachment or other creditor's process, and any act in violation of this Section 8(h) shall be void.

(i) Applicable Law.

The Plan shall be administered, construed and governed in accordance with ERISA and, to the extent not preempted by ERISA, the laws of the State of California.

(j) Participant's Rights Unsecured.

This Plan is not intended and shall not be construed to require the Corporation to fund any of the benefits provided hereunder or to establish a trust for such purpose. The interest under the Plan of any Participant and such Participant's right to receive a distribution of his or her Account shall be an unsecured claim against the general assets of the Corporation. The Account shall be a bookkeeping entry only and no Participant shall have any interest in or claim against any specific asset of the Company pursuant to the Plan.

(k) Authority to Establish a Grantor Trust.

The Committee is authorized in its sole discretion to establish a grantor trust for the purpose of providing security for the payment of benefits under the Plan; provided, however, that no Participant shall be considered to have a beneficial ownership interest (or any other sort of interest) in any specific asset of the Corporation or of its subsidiaries or affiliates as a result of the creation of such trust or the transfer of funds or other property to such trust.

(l) Other Benefit Plans.

To the extent permitted by applicable law, a Participant's deferral elections made pursuant to this Plan shall be disregarded for purposes of determining the Participant's benefits under any other benefit plan or program established or maintained by the Corporation or its Subsidiaries.



Policy, Government and Public Affairs
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News Release

FOR IMMEDIATE RELEASE

Linnet F. Deily Elected to Chevron Board of Directors

SAN RAMON, Calif., Dec. 7, 2005 — Chevron Corporation today announced Linnet F. Deily, former deputy United States trade representative (USTR) and ambassador, has been elected to the Chevron board of directors effective Jan. 24, 2006.

Deily, 60, served as chief of mission of the USTR in Geneva, Switzerland, led the U.S. delegation at the World Trade Organization, including supervising the team in the Doha Round of trade negotiations. Prior to joining the USTR, Deily was vice chairman for Charles Schwab Corporation. She supervised the company's strategic direction and integration of Schwab's various client-focused enterprises and served on the company's management committee.

Deily previously served as president of Schwab's institutional management business and as president of the Schwab Retail Group. Prior to joining Schwab, Deily was chairman of the First Interstate Bancorp Retail Council, president and CEO of the First Interstate Bank of Texas and held other various positions in international banking. She was a member of the Advisory Council to the Federal Reserve Bank's board of governors, representing the 12th District.

In 1967, Deily earned a bachelor's degree in government from the University of Texas at Austin. She received a master's degree in international management from the University of Texas at Dallas in 1976.

Currently, Deily serves on the board of directors for Lucent Technologies. She is an honorary trustee of the Museum of Fine Arts, Houston. Deily recently served as a director of the American Conservatory Theatre in San Francisco, Catalyst in New York and The Women's Museum in Dallas.

Chevron Corporation is one of the world's leading energy companies. With more than 53,000 employees, Chevron subsidiaries conduct business in approximately 180 countries around the world, producing and transporting crude oil and natural gas, and refining, marketing and distributing fuels and other energy products. Chevron is based in San Ramon, Calif. More information on Chevron is available at www.chevron.com.

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