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March 5, 2009

VIA E-MAIL
Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Chevron Corporation*
Stockholder Proposal of New York City Employees' Retirement System
Exchange Act of 1934—Rule 14a-8

Dear Ladies and Gentlemen:

We refer you to our letter, dated January 23, 2009 , requesting that the Staff of the Division of Corporation Finance (the "Staff") confirm that it will not recommend any enforcement action if Chevron Corporation excludes from its 2009 definitive proxy materials a stockholder proposal (the "Proposal") and statements in support thereof submitted by the New York City Employees' Retirement System and certain co-proponents (collectively, the "Proponents") from Chevron's 2009 proxy materials.

In our original no-action request, we indicated that Chevron may exclude the Proposal from its definitive proxy materials under Rules 14a-8(i)(3) (vague and indefinite), (i)(6) (beyond the Board's power or authority to implement) and (i)(11) (substantially duplicative). We have received a copy of the Proponents' correspondence to the Staff, dated February 19, 2009, which concerns our original no-action request (the "Proponents' Letter"). The Proponents make various arguments as to why the Staff should deny Chevron's no-action request.

The purpose of this letter is to respond to several of the arguments raised in the Proponents' Letter. We have not attempted to address every argument in the Proponents' Letter, electing instead to rely upon the content of our original no-action request, and our failure to do so should not be construed as a waiver of any arguments made in our original no-action request. Pursuant to Rule 14a-8(j) we are concurrently sending a copy of this correspondence to the Proponents.

A copy of the Proposal, its supporting statements and related correspondence was attached to our original no-action request.

RESPONSE TO PROPONENTS' LETTER AND ANALYSIS

I. The Proposal May Be Excluded under Rule 14a-8(i)(11) Because It Substantially Duplicates the Teamsters Proposal.

Proponents argue that Chevron has not shown that the Proposal substantially duplicates a stockholder proposal Chevron received on December 1, 2008, from the International Brotherhood of Teamsters (the "Teamsters Proposal"). A copy of the Teamsters Proposal was attached to our original no action request.

To support its argument, Proponents have restated the four principal points of similarity between the two proposals that we advanced in our original no-action request and attempted to demonstrate that our characterization of these similarities is erroneous. *See Proponents' Letter at pages 2-4.* However, in our view the Proponents attempt to refute these points of similarity and distinguish the proposals is misleading and distorts the principal thrust or principal focus of the two proposals.

To recapitulate, in our original no-action request we argued that although phrased differently, the principal thrust or principal focus of the Proposal and the Teamsters Proposal are the same because:

1) both reflect a concern over the company's criteria for determining whether to operate in various countries;

2) both request that Chevron analyze the potential effects to Chevron's reputation and brand resulting from Chevron's presence in various countries;

3) the supporting statements in both focus on Chevron's presence in countries which the Proponent implies have environmental and human rights problems (*e.g.*, Myanmar, Ecuador, Niger, Angola, China and Kazakhstan); and

4) the supporting statements in both focus on the perceived damage to Chevron's reputation arising from its presence in many of these countries.

Concerning (1) above, Proponents argue that, while the Teamsters Proposal "reflects a concern over the company's criteria for determining whether to operate in various countries," the Proposal does not. Proponents argue that "such concern is not reflected in the Resolved Clause, supporting statement or whereas clauses" in the Proposal. *See Proponents' Letter at page 3.* This is not an accurate representation of the Proposal. The Proposal explicitly highlights several regions (i.e. Africa, Asia and Latin America) and countries (i.e. Ecuador, Burma and Nigeria) where Chevron operates and the national regulatory regimes may not be sufficient to protect human health and the environment. *See Proposal at WHEREAS para. 2.* The patently obvious implication of this assertion is that Chevron should not be operating in such countries with insufficient protections. Why else would the Proponents' seek a report concerning Chevron's policies and procedures that "guide Chevron's assessment of host country laws and regulations" if not to then to highlight Chevron's operations in countries that the Proponents deem less

protective of human health, the environment and Chevron's reputation? *See Proposal at RESOLVED.*

Concerning (2) above, Proponents argue that while the Teamsters Proposal requests that "Chevron analyze the potential effects to Chevron's reputation and brand resulting from Chevron's presence in various countries," the Proposal does not. Proponents argue that "nothing in the Resolved Clause, the supporting statement, or the whereas clauses raises any concerns about adverse publicity from Chevron's choice of which countries to invest in." *See Proponents' Letter at page 3.* This is not only an inaccurate representation of the Proposal but it is contrary to the Proponents' Letter. First, the Resolved Clause in the Proposal expressly links any assessment of host country laws with "their adequacy to protect human health, the environment and our company's reputation." *See Proposal at RESOLVED.* If, as Proponents claim, the Proposal does not raise "any concerns about adverse publicity from Chevron's choice of which countries to invest in," why would Proponents ask for a report of Chevron's policies and procedures that "guide Chevron's assessment of host country laws and regulations with respect to their adequacy to protect. . . our company's reputation." As is made clear by any reasonable reading of the Proposal in its entirety, Proponents are clearly concerned about Chevron's reputation and the risks thereto. *See, for example, Proposal at WHEREAS, para. 4-9 and SUPPORTING STATEMENT.* Second, the Proponents' themselves admit, in connection with (4) above, that the Proposal does indeed deal with "the reputational impact of not protecting health and the environment." *See Proponents' Letter at page 4.* This is restated later in Proponents' Letter in an attempt to rebut our vagueness argument; there Proponents assert that "the resolution is clearly seeking a report on the adequacy of host country laws and regulations to protect human health and the environment and thereby to protect Chevron's reputation as well." *See Proponent's Letter at page 6.*

Concerning (3) above, proponents argue that none of the supporting statements in either of the Teamsters proposal or the Proposal "focus on Chevron's presence in countries which the Proponent implies have environmental and human rights problems." *See Proponents' Letter at pages 3-4.* This is not an accurate representation of either proposal. The Proposal expressly identifies several regions (i.e. Africa, Asia and Latin America) and countries (i.e. Ecuador, Burma and Nigeria) with purported environmental and human rights problems. Some of these same countries are mentioned in the Teamsters Proposal as having egregious human rights records. Moreover, it is simply disingenuous for Proponent's to argue that the Proposal has nothing to do with human rights simply because those two words don't appear in the Proposal. Any reasonable company would be hard pressed to explain why "human health," "health and welfare of local communities," "civil unrest" and "environmental damage" are not human rights issues. *See Proposal at WHEREAS, para. 2, 4 and 7.*

Finally, concerning (4) above, Proponents argue that while the supporting statements in the Teamsters Proposal do "focus on the perceived damage to Chevron's reputation arising from its presence in many of these countries," the supporting statements in the Proposal do not. This is not an accurate representation of the supporting statements in the Proposal. Recall that the Proposal requests a report "on the policies and procedures that guide Chevron's assessment of host country laws and regulations with respect to their adequacy to protect human health, the environment and our company's reputation." *See Proposal at RESOLVED.* The proposed report

includes the adequacy of host country laws to "protect. . . our company's reputation" precisely because almost the entirety of the supporting statements in the Proposal are concerned with the apparent affects on Chevron's reputation arising from Chevron's "practices that allegedly have caused environmental damage and harmed the health and welfare of local communities." *See Proposal at WHEREAS, para. 4.* Why else would the Proposal focus on Chevron's alleged missteps in Ecuador, Nigeria and Burma, rather than those countries own regulatory regimes, if not to highlight the perceived risks to Chevron's reputation?

In summary, the point of the foregoing is that the Proponents' have not accurately represented the principal thrust or principal focus of either proposal. The principal thrust or principal focus of the two proposals is indeed the same.

As stated in our original no-action request, Rule 14a-8(i)(11) provides that a stockholder proposal may be excluded if it "substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting." The Commission has stated that "the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." Exchange Act Release No. 12999 (Nov. 22, 1976). Pursuant to Staff precedent, the standard applied in determining whether proposals are substantially duplicative is whether the proposals present the same "principal thrust" or "principal focus," not whether the proposals are identical. *See, e.g., Cooper Industries Ltd.* (avail. Jan. 17, 2006); *Ford Motor Co.* (avail. Feb. 19, 2004); *General Motors Corp.* (avail. Mar. 13, 2008); *Wyeth* (avail. Jan. 21, 2005) (all of which are discussed in our original no-action request.) For the reasons stated above and in our original no-action request, we respectfully submit that the principal thrust or principal focus of the Proposal and the Teamsters Proposal is the same and therefore the Proposal may be excluded from Chevron's 2009 Proxy Materials.

II. The Proposal May Be Excluded under Rule 14a-8(i)(3) Because the Proposal Is Impermissibly Vague and Indefinite so as to be Inherently and Materially Misleading.

Proponents argue that the Proposal is "clear, definite and straightforward" and "susceptible to only one common sense reading" (presumably Proponents', not stockholders' "common sense reading"). *See Proponents' Letter at page 6.* Proponents do so in response to the arguments set forth in our original no-action request that, to recapitulate, the Proposal is impermissibly vague and indefinite because (a) the reference to "their adequacy" fails to clearly state whether Chevron is to report on the adequacy of "host country laws and regulations" or the adequacy of Chevron's "policies and procedures" and (b) the Proposal does not provide sufficient guidance as to the scope of the requested report.

Proponents' claim that the Proposal "plainly" calls for a report on the adequacy of host country laws and regulations, not the adequacy of Chevron's own policies. This is not, however, an accurate representation of the Proposal because in order to arrive at this conclusion any reader has to completely disregard the supporting statement. As noted in our original no-action request, on the one hand, the supporting statements in the Proposal are almost entirely devoted to

Chevron's alleged misdeeds in countries like Ecuador, Nigeria and Burma. *See Proposal at WHEREAS, para. 4-9; SUPPORTING STATEMENT.* On the other hand (and taking Proponents at their word), the Proposal asks for a report on Chevron's own policies for assessing the adequacy of those host countries' laws to protect human health, the environment and Chevron's reputation. *See Proposal at RESOLVED.* This doesn't make any sense. If the principle focus of the supporting statement is Chevron's own environmental record and practices (not the regulatory regimes of host countries), it is more logical to assume that the proposed report would focus on the adequacy Chevron's own policies, rather than the adequacy of host countries' laws and regulations. This is why we argue in our original no-action request that neither we nor stockholders can make any sense of exactly what the proposal is seeking. Hence, the Proposal is vague because the reference to "their adequacy" fails to clearly state whether Chevron is to report on the adequacy of "host country laws and regulations" or the adequacy of Chevron's "policies and procedures." *See Proposal at RESOLVED.*

In summary, the point of the foregoing is that the Proposal is inartfully drafted, internally inconsistent and, therefore subject to competing interpretations. These competing interpretations will only give rise to stockholders' inability to understand with any reasonable certainty what they are being asked to vote on and that, if the Proposal were to be approved, any action ultimately taken by Chevron to implement the Proposal could be significantly different from the actions envisioned by stockholders voting on the Proposal. For these reasons, and for the reasons stated in our original no-action request, we ask that the Staff concur that Chevron may exclude the Proposal under Rule 14a-8(i)(3).

CONCLUSION

We respectfully request that the Staff concur that it will take no action if Chevron excludes the Proposal from its 2009 Proxy Materials. We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Moreover, Chevron agrees to promptly forward to the Proponent any response from the Staff to this no-action request that the Staff transmits by facsimile to Chevron only.

If we can be of any further assistance in this matter, please do not hesitate to call me at (925) 842-2796 or Rick E. Hansen, Counsel, Chevron Corporation at (925) 842-2778.

Sincerely yours,

Christopher A. Butner
Assistant Secretary and Managing Counsel

Enclosures

cc: Lydia I. Beebe, Chevron Corporation
Charles A. James, Chevron Corporation
Patrick Doherty, New York City Employees' Retirement System

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January 23, 2009

VIA E-MAIL
Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Chevron Corporation*
Stockholder Proposal of New York City Employees' Retirement System et al
Exchange Act of 1934—Rule 14a-8

Dear Ladies and Gentlemen:

This letter is to inform you that Chevron Corporation ("Chevron"), intends to omit from its proxy statement and form of proxy for its 2009 Annual Meeting of Stockholders (collectively, the "2009 Proxy Materials") a stockholder proposal (the "Proposal") and statements in support thereof submitted by the New York City Employees' Retirement System and certain co-proponents (collectively, the "Proponent").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before Chevron intends to file its definitive 2009 Proxy Materials with the Commission; and

- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D") provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the "Staff"). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of Chevron pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal requests that "the Board prepare a report by November 2008, [*sic*] prepared at reasonable cost and omitting proprietary information, on the policies and procedures that guide Chevron's assessment of host country laws and regulations with respect to their adequacy to protect human health, the environment and our company's reputation." A copy of the Proposal, its supporting statements and related correspondence is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We believe that the Proposal may properly be excluded from the 2009 Proxy Materials pursuant to:

- Rule 14a-8(i)(3) because the Proposal is impermissibly vague and indefinite so as to be inherently and materially misleading;
- Rule 14a-8(i)(6) because Chevron and its Board lack the power or authority to implement the Proposal; and
- Rule 14a-8(i)(11) because the Proposal substantially duplicates another proposal previously submitted to us that we intend to include in Chevron's 2009 Proxy Materials.

ANALYSIS

I. The Proposal May Be Excluded under Rule 14a-8(i)(3) Because the Proposal Is Impermissibly Vague and Indefinite so as to be Inherently and Materially Misleading.

Rule 14a-8(i)(3) permits the exclusion of a stockholder proposal if the proposal or supporting statement is contrary to any of the Commission's proxy rules or regulations, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials. For the reasons discussed below, the Proposal is so vague and indefinite as to be misleading and, therefore, is excludable under Rule 14a-8(i)(3).

The Staff consistently has taken the position that vague and indefinite stockholder proposals are inherently misleading and therefore excludable under Rule 14a-8(i)(3) because "neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." Staff Legal Bulletin No. 14B (Sept. 15, 2004) ("SLB 14B"). *See also Dyer v. SEC*, 287 F.2d 773, 781 (8th Cir. 1961) ("[I]t appears to us that the proposal, as drafted and submitted to the company, is so vague and indefinite as to make it impossible for either the board of directors or the stockholders at large to comprehend precisely what the proposal would entail."). Similarly, the Staff has on numerous occasions concurred that a stockholder proposal was sufficiently misleading so as to justify exclusion where a company and its stockholders might interpret the proposal differently, such that "any action ultimately taken by

the [c]ompany upon implementation [of the proposal] could be significantly different from the actions envisioned by shareholders voting on the proposal." *Fuqua Industries, Inc.* (avail. Mar. 12, 1991). *See also Bank of America Corp.* (avail. June 18, 2007) (concurring with the exclusion of a stockholder proposal calling for the board of directors to compile a report "concerning the thinking of the Directors concerning representative payees" as "vague and indefinite"); *Puget Energy, Inc.* (avail. Mar. 7, 2002) (concurring with the exclusion of a proposal requesting that the company's board of directors "take the necessary steps to implement a policy of improved corporate governance" as "vague and indefinite"). *See also Peoples Energy Corp.* (avail. Nov. 23, 2004); *Occidental Petroleum Corp.* (avail. Feb. 11, 1991).

In the instant case, the Proposal asks that Chevron report on "the policies and procedures that guide Chevron's assessment of host country laws and regulations with respect to their adequacy to protect human health, the environment and our company's reputation." The Proposal is vague because the reference to "their adequacy" fails to clearly state whether Chevron is to report on the adequacy of "host country laws and regulations" or the adequacy of Chevron's "policies and procedures." While a simple reading of the Proposal may suggest that the Proposal intends for an assessment of the adequacy of "host country laws and regulations," the supporting statement proceeds to discuss Chevron's policies and procedures "that allegedly have caused environmental damage and harmed the health and welfare of local communities." Rule 14a-8(i)(3) refers explicitly to supporting statements as well as the proposal as a whole, implying that the Proposal and supporting statement should be read together. *See* SLB No. 14B. When the Proposal and supporting statement are read together, it is unclear what assessment the Proposal seeks and thus there will be uncertainty as to what stockholders are being asked to consider and what Chevron is being asked to report upon. Moreover, to the extent that the Proposal requests a report assessing the adequacy of "host country laws and regulations with respect to their adequacy to protect . . . our company's reputation," it is unclear exactly what types of laws and regulations Chevron is to report upon. Under one reading, the Proposal could be addressing laws and regulations that are designed to protect Chevron's reputation (*e.g.*, the law on libel and defamation and the adequacy of a host company's copyright and trademark protection). Alternatively, the Proposal could be read to request an assessment of whether the host country's legal system is in such a state that conducting operations under those laws and regulations could damage Chevron's reputation.

When considering a stockholder proposal, stockholders are "entitled to know precisely the breadth of the proposal on which they are asked to vote." *NYC Employees' Retirement System v. Brunswick Corp.*, 789 F. Supp. 144, 146 (S.D.N.Y. 1992). Thus, when stockholder proposals fail to clearly state what actions are requested or what is to be reported on, the Staff has concurred that such proposals may be excluded from an issuer's proxy statement under Rule 14a-8(i)(3) because "any action ultimately taken by the [c]ompany upon implementation [of the proposal] could be significantly different from the actions envisioned by shareholders voting on the proposal." *Fuqua Industries, Inc.* (Mar. 12, 1991). For example, in *Yahoo! Inc.* (avail. Mar. 26, 2008), the proposal sought to establish a "new policy [for] doing business in China, with the help from China's democratic activists and human/civil rights movement." However, neither the proposal nor the supporting statements provided sufficient guidance as to the nature or scope of the requested policy, such that neither Yahoo! nor its stockholders could ascertain the

policy to be implemented. The Staff concurred with the exclusion of the proposal under Rule 14a-8(i)(3). Moreover, in *Bank of America Corp.* (avail. Feb. 25, 2008) the Staff concurred that Bank of America could exclude from its proxy statement a proposal requesting that the board "amend its greenhouse gas emissions policies to observe a moratorium on all financing, investment, and further involvement in activities that support [mountain top removal ("MTR")] coal mining or the construction of new coal-burning power plants that emit carbon dioxide." Bank of America argued that the proposal was impermissibly vague and indefinite because, in part, "the [p]roposal and supporting statement offer little guidance on what are 'activities that support' MTR coal mining or the construction of new coal-burning power plants." Absent this guidance, Bank of America would be forced to speculate as to whether the proposal would prohibit it from doing business with "a company that supplies heavy equipment or earth moving machinery to a MTR coal mining company" or "permit a power plant construction company to maintain a checking account at one of its branches." *See also Bank of America Corp.* (avail. June 18, 2007) (permitting the exclusion of a proposal as impermissibly vague and indefinite when the proposal requested a report "concerning the thinking of the Directors concerning representative payees"); *Berkshire Hathaway Inc.* (avail. Mar. 2, 2007) (concurring with the exclusion of a proposal seeking to restrict the company from investing in any foreign corporation that engages in activities prohibited for U.S. corporations); *Ryland Group, Inc.* (avail. Jan. 19, 2005) (concurring in the exclusion of a proposal under Rule 14a-8(i)(3) when the proposal requested a report based on the Global Reporting Initiative's sustainability reporting guidelines); *Peoples Energy Corp.* (avail. Nov. 24, 2004) (*recon. denied* Dec. 10, 2004) (concurring with the exclusion of a proposal urging the board to amend the company's articles of incorporation and bylaws to provide that officers and directors shall not be indemnified from personal liability for acts or omissions involving gross negligence or "reckless neglect"); *American Telephone & Telegraph Co.* (avail. Jan. 12, 1990) (concurring with the exclusion of a proposal relating to "not 'interfering' with the 'government policy' of any foreign government that the Company has been 'invited' to set-up facilities").

Similarly, the Proposal seeks a report but does not provide sufficient guidance as to the scope of the requested report. As noted, the Proposal is worded such that it is unclear whether the proposed report contemplates an analysis of the adequacy of "host country laws and regulations" or the adequacy of Chevron's "policies and procedures." *See, e.g. Bank of America Corp.* (avail. June 18, 2007). Moreover, to the extent that Proposal requests a report assessing the adequacy of "host country laws and regulations," it is unclear what types of laws and regulations Chevron is to report upon. As in *Yahoo! Inc.*, the Proposal fails to provide sufficient guidance as to the nature or scope of what it requests. Therefore, Chevron and its stockholders cannot ascertain what exactly is to be addressed in the requested report. Moreover, absent additional guidance in this regard, the Board would be forced to make subjective judgments on these issues, thereby risking noncompliance with the Proposal or a report far different than what the Proponent or stockholders expect.

As a result of the Proposal's vague and indefinite provisions, we believe that Chevron's stockholders will be unable to understand with any reasonable certainty what they are being asked to vote on and that, if the Proposal were to be approved, any action ultimately taken by Chevron to implement the Proposal could be significantly different from the actions envisioned

by stockholders voting on the Proposal. For these reasons, we ask that the Staff concur that Chevron may exclude the Proposal under Rule 14a-8(i)(3).

II. The Proposal May Be Excluded under Rule 14a 8(i)(6) Because Chevron and its Board Lack the Power or Authority to Implement the Proposal.

Rule 14a-8(i)(6) permits a company to exclude a stockholder proposal if it is beyond the company's power to implement. The Proposal is beyond Chevron's and its Board's power to implement because the Proposal is sufficiently vague and indefinite such that neither Chevron, nor its Board, would be able to determine with certainty what actions are to be taken if the Proposal is adopted. A company "lacks the power or authority to implement" a proposal and may properly exclude it pursuant to Rule 14a-8(i)(6) when the proposal in question "is so vague and indefinite that [the company] would be unable to determine what action should be taken." *International Business Machines Corp.* (avail. Jan. 14, 1992). For this reason, we ask that the Staff concur that Chevron may exclude the Proposal under Rule 14a-8(i)(6).

III. The Proposal May Be Excluded under Rule 14a-8(i)(11) Because It Substantially Duplicates Another Proposal Received by Chevron.

The Proposal substantially duplicates a stockholder proposal Chevron received on December 1, 2008, from the International Brotherhood of Teamsters (the "Teamsters Proposal"). *See* Exhibit B. The Teamsters Proposal requests "the Board to make available by the 2010 annual meeting a report, omitting proprietary information and at reasonable cost, on Chevron's criteria for (i) investment in; (ii) continued operations in; and, (iii) withdrawal from specific countries." As discussed below, the core issues addressed by the Proposal and the Teamsters Proposal are the same: Chevron's criteria and process for assessing the countries in which it operates.

Rule 14a-8(i)(11) provides that a stockholder proposal may be excluded if it "substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting." The Commission has stated that "the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." Exchange Act Release No. 12999 (Nov. 22, 1976).

When two substantially duplicative proposals are received by a company, the Staff has indicated that the company must include the first of the proposals in its proxy materials, unless that proposal may otherwise be excluded. *See, e.g., Great Lakes Chemical Corp.* (avail. Mar. 2, 1998); *Pacific Gas & Electric Co.* (avail. Jan. 6, 1994); *Atlantic Richfield Co.* (avail. Jan. 11, 1982). Chevron received the Teamsters Proposal on December 1, 2008, which is before the date Chevron received the Proposal, which was December 5, 2008. Chevron intends to include the Teamsters Proposal in its 2009 Proxy Materials and therefore requests that the Staff concur that the Proposal may be omitted as substantially duplicative of the Teamsters Proposal.

Pursuant to Staff precedent, the standard applied in determining whether proposals are substantially duplicative is whether the proposals present the same "principal thrust" or "principal focus," not whether the proposals are identical. *See, e.g., Qwest Communications International, Inc.* (avail. Mar. 8, 2006); *The Home Depot, Inc.* (avail. Feb. 28, 2005); *Bank of America Corp.* (avail. Feb. 25, 2005); *Pacific Gas & Electric Co.* (avail. Feb. 1, 1993). Although phrased differently, the principal thrust or principal focus of the Proposal and the Teamsters Proposal are the same because:

- both reflect a concern over the company's criteria for determining whether to operate in various countries;
- both request that Chevron analyze the potential effects to Chevron's reputation and brand resulting from Chevron's presence in various countries;
- the supporting statements in both focus on Chevron's presence in countries which the Proponent implies have environmental and human rights problems (*e.g.*, Myanmar, Ecuador, Niger, Angola, China and Kazakhstan); and
- the supporting statements in both focus on the perceived damage to Chevron's reputation arising from its presence in many of these countries.

Thus, the Proposal and the Teamsters Proposal are similar to the proposals at issue in *Cooper Industries Ltd.* (avail. Jan. 17, 2006), where the Staff permitted the exclusion of a proposal requesting that the company "review its policies related to human rights to assess areas where the company needs to adopt and implement additional policies and to report its findings" to stockholders because it substantially duplicated a prior proposal requesting that the company "commit itself to the implementation of a code of conduct based on . . . ILO human rights standards and United Nations' Norms on the Responsibilities of Transnational Corporations with Regard to Human Rights." *See also Merck and Co., Inc.* (avail. Jan. 10, 2006) (permitting exclusion of proposal requesting that the company "adopt a policy that a significant portion of future stock option grants to senior executives shall be performance-based" because it was substantially duplicative of a prior proposal requesting that "the Board of Directors take the necessary steps so that NO future NEW stock options are awarded to ANYONE"); *Seibel Systems, Inc.* (avail. Apr. 15, 2003) (permitting exclusion of a proposal requesting that the board "adopt a policy that a significant portion of future stock option grants to senior executives shall be performance-based" because it substantially duplicated a prior proposal requesting that the company "adopt and disclose in the Proxy Statement, an 'Equity Policy' designating the intended use of equity in management compensation programs").

Further Staff precedent demonstrating that proposals having the same principal thrust or principal focus, though nominally different, may be excluded under Rule 14a-8(i)(11) include *Ford Motor Co.* (avail. Feb. 19, 2004), where the Staff concurred that Ford could exclude a proposal requesting that the company adopt "goals concerning fuel mileage or greenhouse gas emissions reductions similar to those which would be achieved by meeting or exceeding the highest standards contained in recent Congressional proposals" because it substantially

duplicated a prior proposal requesting that the company prepare a report on, among other things, how the Company can significantly reduce greenhouse gas emissions from its fleet of vehicle products." Ford successfully argued that "although the terms and the breadth of the two proposals are somewhat different, the principal thrust and focus are substantially the same, namely to encourage the Company to adopt policies that reduce greenhouse gas emissions in order to enhance competitiveness." *See also Wal-Mart Stores, Inc.* (avail. Apr. 3, 2002) (permitting exclusion of proposal requesting a report on gender equality in employment at Wal-Mart because the proposal substantially duplicated another proposal requesting a report on affirmative action policies and programs").

Exclusion of the Proposal pursuant to Rule 14a-8(i)(11) also is appropriate because the content of the report requested in the Proposal would be subsumed by the report called for in the Teamsters Proposal. Preparing a report on the criteria Chevron uses to invest or operate in or withdraw from a particular country (the Teamsters Proposal) would necessarily include reporting on the policies and procedures that guide Chevron's assessment of host country laws and regulations in countries in which it operates. More specifically, each proposed report contemplates an evaluation of standards for determining whether to conduct business in various countries, particularly as they relate to issues involving human rights and health, environmental standards and risks to the Company's reputation. On prior occasions, the Staff has concurred that when a report proposed in a later proposal would be included within the scope of a report proposed in a prior proposal, exclusion under Rule 14a-(i)(11) is permitted. For example, in *General Motors Corp.* (avail. Mar. 13, 2008), the Staff permitted the exclusion of a proposal requesting "that a committee of independent directors . . . assess the steps the company is taking to meet new fuel economy and greenhouse gas emission standards for its fleets of cars and trucks, and issue a report to shareholders" because it substantially duplicated a prior proposal requesting that "the Board of Directors publicly adopt quantitative goals, based on current and emerging technologies, for reducing total greenhouse gas emissions from the company's products and operations; and that the company report to shareholders." General Motors successfully argued that the report requested in the second proposal concerning new fuel standards would be covered in any report addressing greenhouse gas emissions generally. Also, in *Wyeth* (avail. Jan. 21, 2005), the Staff concurred with the exclusion of a proposal requesting a "report on the effects on the long-term economic stability of the company and on the risks of liability to legal claims that arise from the company's policy of limiting the availability of the company's products to Canadian wholesalers or pharmacies that allow purchase of its products by U.S. residents" because it substantially duplicated a prior proposal requesting that the board "prepare a feasibility report on adopting a policy that would require Wyeth not to constrain the reimportation of prescription drugs into the U.S. by limiting the supply of drugs in foreign markets." Wyeth successfully argued that the study concerning Canadian wholesalers would be completely subsumed by the report in the prior proposal seeking a report on reimportation of prescription drugs in the U.S. Similarly, because the report requested in the Teamsters Proposal would include largely the same information that the Proposal requests, exclusion of the Proposal pursuant to Rule 14a-8(i)(11) is appropriate.

Finally, because the Proposal is substantially duplicative of the Teamsters Proposal, there is a risk that Chevron's stockholders may be confused when asked to vote on both proposals. If

both proposals were included in the Company's proxy materials, stockholders would assume incorrectly that there must be substantive differences between two proposals and the requested reports. As noted above, the purpose of Rule 14a-8(i)(11) "is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted by proponents acting independently of each other." Exchange Act Release No. 12999 (Nov. 22, 1976).

Thus, consistent with the Staff's previous interpretations of Rule 14a-8(i)(11), the Company believes that the Proposal may be excluded as substantially duplicative of the Teamsters Proposal.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Chevron excludes the Proposal from its 2009 Proxy Materials. We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Moreover, Chevron agrees to promptly forward to the Proponent any response from the Staff to this no-action request that the Staff transmits by facsimile to Chevron only.

If we can be of any further assistance in this matter, please do not hesitate to call me at (925) 842-2796 or Rick E. Hansen, Counsel, Chevron Corporation at (925) 842-2778.

Sincerely yours,

Christopher A. Butner
Assistant Secretary and Managing Counsel

Enclosures

cc: Lydia I. Beebe, Chevron Corporation
Charles A. James, Chevron Corporation
Patrick Doherty, New York City Employees' Retirement System