



your life

# U.S. domestic relocation program exempt employees

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## introduction

Chevron has designed the U.S. Domestic Relocation program (Relocation program) to provide financial assistance, professional services and administrative support for you and your family during your relocation.

Please familiarize yourself with the provisions outlined in this Relocation program guide. As personal circumstances vary, these benefits may not cover all your relocation expenses or needs. It is not the intent of the program to provide for all costs that you may incur as a result of your relocation. The relocation benefits provided by Chevron are limited to those outlined in this Relocation program guide.

This guide does not constitute a contractual agreement, either formal or implied, between you and the company. Interpretation of eligibility and policy application remain with the company. The company may eliminate, add provisions or modify the Relocation program at any time without notice to employees who have been given this information.

Chevron's U.S. Relocation programs are administered by HR Shared Services. HR Shared Services is solely responsible for the administration of the program; including but not limited to, eligibility criteria, benefit determinations, exception management and supplier selection.

Below you'll find a list of key terms used throughout this guide.

<b>Amended Value Sale</b>	An accepted purchase offer from a buyer, after you've been presented your guaranteed offer from the company.
<b>Bridge Loan</b>	A short-term equity loan provided if you need funds to close on your new primary residence purchase prior to the sale of your current primary residence.
<b>Brokers Market Analysis(BMA)</b>	A written report and housing market analysis, prepared by a real estate agent, comparing your home to similar homes that are currently listed and recently sold in your area.
<b>Buyer Value Option (BVO)</b>	An accepted purchase offer from a buyer made before you've been presented your guaranteed offer from the company.
<b>Guaranteed Buyout Offer</b>	An offer from the company to purchase your current home based on the average of your relocation appraisals.
<b>High or Very High Cost Housing Areas</b>	<b>High cost</b> areas are those with a housing index value of 150 to 200. <b>Very high</b> cost areas are those with a housing index value of 201 or higher. Housing indices are provided by Runzheimer, a third-party relocation data provider.
<b>Home Finding Services</b>	Comprehensive assistance to help you find a new primary residence to purchase or rent in your new work location.
<b>Loss on Sale Assistance (LOS)</b>	If your home sells for less than your original purchase price and you qualify for the home sale loss assistance program, Chevron will provide you with 95 percent of your qualifying LOS up to the program maximum.
<b>Home Sale Program</b>	Comprehensive assistance to help you sell your primary residence at your current work location, including payment of normal non-recurring home sale closing costs and Realtor fees.
<b>Closing Disclosure Statement</b>	A document provided by the title/escrow company at the time of a real estate sale that details seller and purchaser transaction costs.
<b>Primary Residence</b>	The rented or owned dwelling where you (and your eligible family) currently reside full time, within reasonable daily commuting distance of your work location, and identified as your principal residence for IRS tax reporting. If you currently reside in a personal choice location (PCL) that is recognized by the company as being the result of an international rotational assignment, please seek further guidance from your Brookfield consultant.
<b>Relocation Allowance Lump Sum</b>	A one-time payment made to you to offset the anticipated costs of your house-hunting trip, temporary housing and return trips between your current work location and your new work location.
<b>Self-Close</b>	A home sale that is obtained and negotiated by you without utilizing the Home Sale Program.

<b>Shared Ownership</b>	Having anyone other than a spouse or registered domestic partner on the deed to your primary residence.
<b>Short Sale</b>	A home sale in which you negotiate with your lender to sell your home to a buyer for less than the current mortgage balance.

## administration

Chevron has partnered with BGRS to administer this program and coordinate your relocation benefits. Although BGRS is the program administrator, final benefit determination remains with Chevron Global Relocation.

You'll initiate services with BGRS after you accept your job offer. Your HR business partner must approve your relocation. Your BGRS relocation consultant will contact you within 24 hours after your relocation is approved to schedule a program introduction. The consultant will work closely with you and your family to coordinate all aspects of your relocation. You're encouraged to read this document thoroughly and address questions with your relocation consultant.

**Don't contact any real estate agents, in either your current or your new location, until you've been contacted by your relocation consultant. Certain relocation benefits may be forfeited if this guidance isn't followed.**

You're responsible for any expenses incurred that are outside the parameters of the Relocation program, or those that have not been approved in advance.

## definitions

Following are terms that are used in the Chevron Relocation program and their corresponding definition:

<b>Tax Assistance</b>	A payment made by Chevron to offset your tax withholding on certain benefits. Also known as gross-up.
<b>Tax Withholding</b>	A deduction from your pay for the taxes on certain relocation benefits and made to the appropriate taxing authorities.

## eligibility

### Employee Eligibility

You must be a full-time exempt U.S. payroll employee, relocating at company request, to a position offering relocation assistance. If you request a job transfer, or accept a position for which relocation assistance is not offered, you're not eligible for this Relocation program.

## Dependent Eligibility

The Relocation program applies to your spouse or registered domestic partner. For purposes of this Relocation program, your eligible family is defined as your children and close relatives who meet **all** of the following requirements:

- Live with you when you're notified of your transfer
- Will live with you at your new primary residence
- Qualify as dependent as defined by Internal Revenue Service (IRS) guidelines
- Are financially dependent upon you and are claimed by you on your federal tax return for the year prior to your relocation

**If your spouse/registered domestic partner is also a Chevron employee, and you're both being transferred, only one relocation benefit package is provided.**

The Relocation program doesn't include any expenses for relocating domestic staff.

## Relocation Program Eligibility Requirements

Relocation benefits are provided by Chevron to ensure that you reside within a reasonable daily commuting distance of your primary work location and your relocation must result in a change of your primary residence. You must relocate to the metropolitan area of your primary work location, or within 50 miles; whichever is less.

Eligibility for the Chevron Relocation program is subject to the following eligibility requirements:

- The distance over the shortest, most commonly traveled route from your old home to your new principal work location must be at least 50 miles farther than from your old home to your old principal place of work.
- You must complete your relocation within one year of your payroll transfer date to your new work location.
- Please note that in certain circumstances Chevron may require you to complete the use of your relocation benefits in less than 12 months.

You're expected to locate centrally within metropolitan areas where Chevron has more than one facility. In these areas, should your office location change, you're ineligible for the Relocation program in the future, even if the 50-mile distance test is met.

## repayment agreement

You're required to sign a Repayment Agreement prior to receiving any relocation benefits. Your relocation consultant will provide you the Repayment Agreement to sign and return.

If you voluntarily terminate your employment with Chevron within one year of your payroll transfer date,

your relocation benefits will cease and you're required to repay any relocation benefits paid to you or others on your behalf.

**Additionally, if you receive any relocation benefits and subsequently do not transfer, you must repay the full amount, including your relocation allowances.**

## exceptions

Many aspects of your relocation are personal and specific to you. The program cannot anticipate every personal circumstance, and doesn't provide specific assistance for all situations. The Miscellaneous Expense Allowance (MEA) is provided to assist with costs not provided for elsewhere in the Relocation program. In general, exceptions to policy are only approved in limited and extraordinary circumstances.

Any requests for exceptions to the Relocation program require a written business case sent to your relocation consultant who will administer your exception request. Final approval authority for all exceptions belongs to Chevron's Global Relocation Manager and the General Manager of Human Resources Shared Services. Failure to follow this process may result in personal expense or inconvenience to you.

**Chevron doesn't provide substitution or cash-equivalent payments for unused benefits or portions thereof.**

## expense administration

To receive reimbursement, you should submit a *Chevron Relocation Expense Form (GO-1390)* to BGRS, along with required documentation, within 30 days of having incurred an expense. It's your responsibility to provide a paid-in-full receipt and proof of payment as well as any other requested documentation to support your relocation expenses.

You must **not** use your Chevron corporate credit card to pay for any relocation expenses, nor process any relocation expenses (such as airfare, lodging or meals) in Chevron Travel and Expense (CTREX). **Failure to follow this practice may result in unreported earnings and possible tax penalties to you and the company.** Chevron will not assist with any penalties incurred. Relocation payments cannot be deferred once your effective payroll transfer date has passed.

## taxes

Your relocation benefits, whether reimbursed directly to you or paid on your behalf, are taxable income and are added to your *W-2* wages. Unless otherwise noted, Chevron provides tax assistance to offset some of the additional taxes you'll incur on your relocation benefits.

Tax Assistance/Gross-up, where applicable, is provided at the time of your reimbursement or when the payment is added to Chevron's payroll system. Each section of this program guide identifies if tax

assistance is provided.

A year-end tax true-up analysis is completed in late November to determine if you qualify for any additional tax assistance, or if previously paid assistance should be reduced, and is based on your Chevron earnings.

The tax section at the end of this program guide provides further details on the tax assistance process.

Neither Chevron nor BGRS will advise you on your personal income taxes. If necessary, you should consult a professional tax advisor who is familiar with relocation tax rules.

## other provisions

### Home Ownership

To be eligible for homeowner benefits, you must own your primary residence either individually or with your spouse or registered domestic partner. Your status as a homeowner is determined at the time you're first notified of your transfer.

You're considered a homeowner, if you previously relocated and received home sale benefits through the Chevron Relocation program. Once you're considered a homeowner, you're eligible for future homeowner relocation benefits (once a homeowner, always a homeowner). You may be requested to provide documentation to validate your previous primary residence location and status as a homeowner.

### Direct or Indirect Family Benefit

You, or members of your immediate family, cannot directly or indirectly benefit financially by providing services paid for by Chevron. Chevron will not reimburse you, an immediate family member, or other relative for any services performed. This includes, but is not limited to, real estate services, inspections or repairs.

### Leave of Absence

If you're granted an unpaid leave of absence, your relocation benefits will change. Benefits you haven't yet received are temporarily suspended until you return from your leave of absence. Your relocation eligibility is paused while you're on an unpaid leave of absence. Upon return to work, your benefits resume and you have the remaining duration of your eligibility to complete your relocation. If you resign from a leave of absence, you're required to repay Chevron for relocation benefits you received under the terms of the Repayment Agreement and based on the duration of your active employment.

## benefits common to all employees

### miscellaneous expense allowance

Your Miscellaneous Expense Allowance (MEA) is a one-time payment of one-and-one-half month's base salary, not to exceed \$15,000, provided to assist you with relocation expenses not specifically provided for elsewhere in the Relocation program. The MEA is yours to be used at your discretion and receipts or pre-approval of expenses are not required.

Your MEA is paid in the first or second pay period after your payroll transfer date. You can request that BGRS advance 60 percent of your MEA no sooner than 30 days prior to your payroll transfer date. If you request an advance payment, it is made as a direct deposit into your bank account. Payment cannot be made to banks outside the United States.

Examples of expenses that you can use your MEA for include, but are not limited to:

- Driver's license and vehicle registration fees
- Rental vehicles, parking and tolls
- Hotel and meal expenses for extra days in your current location after your household goods have been packed
- Additional temporary housing or duplicate housing costs
- Additional household goods services, weekend/holiday service, tips to movers or storage over 60 days.
- Additional pet transportation and kennel costs
- Disassembly/Reassembly, shipment or storage of playground equipment, swimming pools, trampolines and other leisure equipment
- Appraisal of antiques or other valuables
- Non-refundable annual club or membership dues or cancellation of maintenance contracts
- Installation or connection fees, including cancellation penalties for utilities and communication services (such as cable, mobile phone, internet and satellite television)
- Structural modifications to your residence to accommodate furnishings and appliances
- Tax liability exceeding the tax assistance provided through the relocation program

Your MEA is taxable income and all applicable taxes are withheld.

### relocation lump sum allowance

You'll be provided with a Relocation Allowance to provide for home finding, temporary housing and return trip expenses. This provides you with the flexibility to manage these benefits at your discretion. Submission of receipts or pre-approval of expenses is not required.

- Your Relocation Allowance is based on your home ownership status, destination and departure locations, as well as family size.



- Your Relocation Allowance is paid in your first or second pay period after your payroll transfer date. You can request that BGRS advance 90 percent of your Relocation Allowance no sooner than 30 days prior to your payroll transfer date. If you request an advance payment, it is made as a direct deposit into your bank account. Payment cannot be made to banks outside the United States.
- If you previously accepted the Home Retention Allowance within three years of your payroll transfer date and return to the same location, you're not eligible for a home-finding or temporary housing allowance.

## Home Finding

You're provided with assistance in finding a home at your new work location. Your relocation consultant will work with you in selecting an agent to help you find a home to purchase or rent. **Don't contact a real estate agent or submit a purchase agreement on a house before you speak to your relocation consultant.**

The calculation of your allowance for a home-finding trip is based on the following:

Expense Category	Homeowner	Renter
Lodging	six nights	three nights
Meals	seven days	four days
Transportation	<ul style="list-style-type: none"> <li>• Mileage - if your new work location is less than 400 miles from your current location</li> <li>• Airfare - if your new work location is 400 miles or more.</li> </ul>	
Rental car	Based on an intermediate car (if new location is further than 400 miles from your current location).	

Before you take your home-finding trip it is recommended that you:

- Gather financial data needed for real estate applications.
- If planning to purchase a home, speak with at least one of Chevron's preferred mortgage lenders to discuss your mortgage options, learn how much you can borrow, obtain rates and pre-qualify or be pre-approved for a mortgage.
- Review the "New Home Purchase Closing Costs" section of this guide to learn more about the home purchase costs that Chevron reimburses.

**Note: You must work with a BGRS approved real estate agent when you purchase your new home to be eligible for Loss on Sale Assistance (LOS), should you later sell that home through the Chevron Relocation program.**

## Temporary Housing

Your temporary housing allowance begins the day after you arrive in your new location. Your allowance is

based on 30 days of furnished corporate accommodations, plus a \$500 set-up allowance. Your set-up allowance is provided to assist you with purchasing miscellaneous household items.

You should discuss your anticipated temporary housing needs with your relocation consultant. BGRS can assist you with securing temporary housing.

**Return Trips**

The calculation of your return trip(s) allowance is based on the following:

<b>Benefit</b>	<b>Homeowner</b>	<b>Renter</b>
<b>Duration</b>	two trips	one trip
<b>Transportation</b>	<ul style="list-style-type: none"> <li>• Mileage - if your new work location is less than 400 miles from your current work location</li> <li>• Airfare - if your new work location is 400 miles or further.</li> </ul>	

**final move travel**

You’re reimbursed actual and reasonable expenses for you and your eligible family members to travel from your current location to your new work location. Travel reimbursement requires that you travel a minimum of 400 miles per day by the most direct route.

Speak with your relocation consultant to discuss your personal circumstances about reimbursements for which you’re eligible prior to planning your travel to your new location.

Based on the distance from your current home to your new work location:

Up to 400 miles	You’re reimbursed for travel to your new work location using your personal vehicle(s).
401 miles or further	You can either drive your personal vehicle(s) or you’re reimbursed for economy class airfare based on the most direct route.

The following provisions apply:

<b>Mileage</b>	<p>Reimbursement of mileage is provided at the current Chevron business mileage reimbursement rate for up to two vehicles per family.</p> <p>If you have at least one additional licensed driver in your family relocating with you, Chevron will reimburse mileage for a third vehicle driven by a family member to your new work location.</p> <p>Refer to the “Household Goods Shipment” section on vehicle shipments as an alternative option to driving. Chevron will only provide shipment of up to two vehicles.</p>
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<b>Airfare</b>	Airfare must be purchased through Chevron’s designated travel provider, and comply with Chevron Travel Policy. You should purchase a 14 to 21-day advance economy one-way ticket directly from your departure work location to your new work location. Identify this travel as relocation and utilize your personal credit card for payment.
<b>Lodging</b>	Actual, reasonable lodging expenses will be reimbursed: <ul style="list-style-type: none"> <li>• One night at your current work location (if needed).</li> <li>• One night at your new work location (if needed).</li> </ul> If driving to your new work location, one night per each minimum 400 daily miles driven.
<b>Meals</b>	A meal per diem is provided: <ul style="list-style-type: none"> <li>• \$30 each, for you and your spouse/registered domestic partner.</li> </ul> \$15 for each eligible dependent traveling with you.
<b>Towing</b>	Additional \$.08 mileage reimbursement, if you tow a boat, camper or other trailer.
<b>Pets</b>	Maximum reimbursement of \$350 (total) for the cost of transporting up to two household pets. This includes any transportation costs and/or hotel pet fees. Veterinary and/or kenneling costs are excluded.

**Family Travel**

If you precede your family to your new work location, once they’re ready to join you, your family is also eligible to drive or fly to your new work location.

The following restrictions apply:

- If you stay with friends or relatives enroute, lodging costs or host gifts will not be reimbursed. Meal per diems can be claimed as applicable.
- Only one final move expense per family member is reimbursed.
- All family member travel must be completed within one year of your payroll transfer date to your new location.

**household goods shipment**

Chevron provides you with a full-service move from your departure residence to your destination residence; including packing, shipping, and unpacking your household goods and personal effects. You’re assigned a Chevron mover by BGRS.

The following provisions apply:

- Even if your eligible dependents temporarily remain at your old home location; only one Chevron-paid household goods shipment is provided.
- Weekend pickup and delivery is not included.
- It is recommended that you give at least three weeks' notice to your mover for the best availability of packing and delivery dates.
- Chevron will not reimburse any costs incurred if you do not use your assigned mover or if you move yourself.

Most normal household furnishings can be shipped. Chevron Global Relocation has sole discretion for making shipment eligibility decisions.

Excluded items include, but are not limited to, the following:

- Ammunition, flammables, explosives, combustibles, aerosols, paint
- Plants and shrubbery, lumber and firewood, bricks, cement, sand, and building materials of any kind
- Disassembled or non-operational vehicles (or parts of vehicles)
- Aircraft of any size and watercraft over 14 feet or that will not fit into the moving trailer
- Perishable items, including food and alcohol and items which may cause contamination or damage to your goods; such as home or garden chemicals
- Gazebos, playscapes, swings, storage sheds, greenhouses, forts, playground equipment and satellite dishes
- Personal or commercial machinery and equipment of any type; such as farm or hobby equipment that cannot be easily lifted and loaded by hand or transported with your household goods
- Trailers; campers; motor homes; motorized vehicles of excess size or value; unregistered, classic, or antique vehicles
- Dog kennels or fencing
- Swimming pools, hot tubs, saunas

## **Storage**

Chevron provides storage of your household items for up to 60 days. The location of provided storage is at the sole discretion of your mover and Chevron Global Relocation. Once placed in storage you'll be unable to access your goods without personally paying for any associated warehouse access fees. When you're ready to take delivery of your goods, please notify your assigned mover at least 10 days prior to the date you wish to have them delivered. If you need to store your items for longer than 60 days you're responsible for the additional cost and you'll make payment arrangements with your assigned mover.

## **Valuation Coverage**

Up to \$120,000 of replacement value coverage is provided for your household goods during shipment and storage. If you need additional valuation coverage, you may purchase it directly through your mover at your expense.

Antiques, fine arts, jewelry, valuable collections or any unique items require specific itemization and a pre-move appraisal at your expense to determine if they're included in your provided valuation coverage.

## Additional Restrictions

- **Small Shipments:** If your household goods weigh 300 pounds or less, you should ship them by a parcel service such as FedEx, UPS or USPS. Chevron will reimburse you for reasonable shipping costs, including insurance for loss or damage.
- **Valued Inventory:** All items valued at \$100 or more must be listed individually on your valued inventory form; submitted to your relocation consultant *before* your shipment.
- **Firearms:** The shipment of any firearms may be restricted by your mover at their discretion. Handguns and pistols will not be shipped. If you ship eligible firearms, you must include the make, model, serial number and dollar value on your valued inventory form.
- **High Valued Items:** The value of high cost items you ship must be verifiable through either your original purchase documents or professional appraisals (at your own expense) and submitted to your assigned mover prior to shipment.

## Vehicles

If the distance from your current work location to your new work location is 400 miles or greater, Chevron will ship up to two vehicles. One vehicle may be shipped in advance of your household goods. In addition, you may ship up to:

- Two additional motorized vehicles, including but not limited to, motorcycles, scooters, ATVs or golf carts
- One riding lawn mower

The following restrictions apply:

- Shipped vehicles must be operable, licensed and have valid insurance at the time of shipment.
- No personal effects can be packed inside shipped vehicles. Neither Chevron, nor your assigned mover will assume responsibility for any items inside your vehicle.

## Your Household Goods Shipment Process

You, or your representative, must be present during packing, loading and delivery of your household goods. Chevron and your assigned mover are not responsible for items that you pack, ship, or store on your own.

<p><b>Pre-Move Survey</b></p>	<ul style="list-style-type: none"> <li>Your assigned mover will coordinate a time for a representative to visit your home, assess the size of your move, determine items requiring crating, and identify any potentially excludable items. Small shipments may be done by telephone interview.</li> </ul>
<p><b>Packing and Loading</b></p>	<ul style="list-style-type: none"> <li>Ensure that valuable items such as jewelry and cash are removed from your home or placed in a secure area.</li> <li>If applicable, segregate items by destination.</li> <li>Your packing crew will prepare an inventory as items are being packed.</li> <li>Discuss any special handling needs with your driver and make additional comments as necessary on your inventory sheet.</li> <li>Retain your copy of the inventory and bill of lading and have them at your new location.</li> <li>If possible, for their safety and the safety of the crew, young children should not be present during the packing and loading of your goods.</li> <li>Your assigned mover's representative will make a final decision on items requiring crating and if your vehicle(s) is loaded on the same truck as your household goods or shipped by a separate car carrier.</li> </ul>
<p><b>Pick-up and Delivery</b></p>	<ul style="list-style-type: none"> <li><b>Secondary pickup:</b> If needed, your assigned mover will make an additional pick-up of your personal items provided they're stored within 50 miles of your primary residence and are included with the remainder of your shipment.</li> <li><b>Delivery spread:</b> Once you finalize the date of the pickup of your goods you'll be advised of the estimated date range for your delivery. Your assigned mover is obligated to deliver your goods within the delivery spread.</li> <li><b>Partial Delivery to Temporary Housing:</b> You can have a partial delivery of goods to your temporary housing. Your goods must be separated at your origin residence. Once delivered you're responsible for moving these goods to your permanent residence.</li> </ul>
<p><b>Unloading and Unpacking</b></p>	<ul style="list-style-type: none"> <li>Use your copy of the inventory to check off each item as it's unloaded. Make note of any damaged or missing items.</li> <li>Your assigned mover will unpack, unwrap and place items on the nearest flat surface.</li> </ul> <p>You may unpack some articles yourself, however immediately document (with photographs if possible) any damage and leave the damaged item in the packing paper and carton in which it was delivered.</p> <ul style="list-style-type: none"> <li>If requested, your assigned mover will return once to your home to pick up packing materials such as paper and boxes. Any additional debris pick-up or disposal is at your expense.</li> </ul>

<b>Appliance and Third-Party Services</b>	<ul style="list-style-type: none"> <li>• Chevron provides basic disconnection and reconnection of your normal household appliances. This does not include installing new vents, wiring or tubing that may be necessary to reconnect these items.</li> <li>• Your assigned mover will arrange third party services for: <ul style="list-style-type: none"> <li>○ Preparation and reassembly of grandfather clocks</li> <li>○ Disassembly and reassembly of pool tables</li> <li>○ Piano movement</li> </ul> </li> </ul>
<b>Loss and Damage Claims</b>	<ul style="list-style-type: none"> <li>• <b>Property Damage:</b> If damage to your residence occurs, notify your assigned mover immediately. Claims for damage to your residence must be filed directly with your mover within 24 hours of occurrence.</li> <li>• <b>Vehicle Damage:</b> A separate claim must be filed with your assigned mover if there is any damage to your vehicles.</li> <li>• <b>Filing a claim:</b> File any damage claims as soon as possible after delivery of your household goods, not to exceed six months. Your household goods move coordinator will provide guidance on filing a claim. <ul style="list-style-type: none"> <li>○ You can only file one claim for lost or damaged household goods. Don't discard damaged goods or purchase replacement items until your mover's representative has inspected the damage.</li> </ul> </li> <li>• <b>Minimal Loss:</b> Total claims of less than \$100 won't be paid.</li> </ul>
<b>Loss and Damage Claims</b>	<ul style="list-style-type: none"> <li>• <b>Repair/Replacement:</b> Whenever possible, damaged items are repaired. If an item cannot be repaired, your assigned mover will reimburse you for the full replacement value for a comparable item. Please note that your mover is entitled to salvage rights for any item on which you're provided full replacement value. Your mover is responsible for deciding if an item can be repaired or replaced.</li> <li>• <b>Climatic Damage and Derangement:</b> Your household goods, shipped by the company or stored at company expense, aren't insured against damage deemed to be caused by climatic factors such as heat and humidity, mechanical derangement, electrical/electronic derangement or other forms of inherent vice. This includes items which don't appear to have been mishandled in transit; but for some unidentified reason don't function properly upon delivery. Your assigned mover won't confirm that goods such as televisions and other electronics are working at your original residence. The company isn't responsible for mechanical issues upon delivery where there is no evidence of transit-related damage found on the exterior of the item. This is a standard exclusion in third-party valuation protection/insurance provisions. No exceptions to these conditions will be considered.</li> </ul>

<p><b>Employee Responsibility</b></p>	<p>The following is a general list of your household goods shipment responsibilities. It isn't all inclusive. If you encounter situations which aren't addressed, contact your relocation consultant for direction.</p> <ul style="list-style-type: none"> <li>• All items to be moved should be easily accessible. Items in crawl spaces, attics, garage rafters and similar areas should be brought to an accessible ground floor area in your home.</li> <li>• Remove fencing as necessary to have access to items which need to be moved.</li> <li>• Disconnect/reconnect, drain and fill hot tubs and water beds.</li> <li>• Disassemble/reassemble gas stoves, portable basketball goals and trampolines.</li> <li>• Disassemble/reassemble items such as bookcases, shelving or other portable storage units.</li> <li>• Reassemble any items that weren't disassembled by your assigned mover.</li> <li>• Prepare computer items for shipping (disassemble desktop from peripherals). <b>Note:</b> shipping insurance only covers hardware, not content.</li> <li>• Dispose of propane or butane tanks and any fuel storage containers.</li> <li>• Complete any structural alterations required to access or deliver any household goods items.</li> <li>• Ensure your goods will fit into your new house. Chevron won't pay for furniture hoisting for items that won't fit through a door casement or stairwell.</li> <li>• Remove any affixed items (such as window rods and treatments, lighting or ceiling fan fixtures or stereo system equipment), that aren't included in the sale of your home. You'll need to replace affixed items that you remove with others of similar quality.</li> </ul>
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## spouse/ registered domestic partner employment search and family assistance

Chevron provides up to \$2,500 of spouse/registered domestic partner employment search and family assistance.

Chevron has selected IMPACT Group as its preferred service provider to offer a wide range of employment search and family assistance services. Their services are initiated by your relocation counselor and billed directly to Chevron.

If your spouse/registered domestic partner chooses to forgo or use only a portion of the formal assistance offered, you're eligible for reimbursement of approved employment search expenses, up to \$2,500.

You can use these services in any combination.



## Employment Search

IMPACT Group offers a variety of job search services including job market information, local contacts, job search strategies, resume development and other support services. Alternately, your spouse/registered domestic partner can use the benefits to be reimbursed for recertification or relicensing expenses, such as tests and classes, when:

- Your spouse/registered domestic partner is actively employed in the certified or licensed profession on the date you're offered relocation with Chevron.
- The certification or license isn't transferable from your current location to your new location.
- Recertification or relicensing in your new location is obtained.

It isn't the intent of this provision to reimburse your spouse/registered domestic partner for the costs of starting a new business or gaining new skills. Reimbursement is provided to assist with costs incurred by your spouse/registered domestic partner in obtaining needed credentials to gain employment in your new location in licensed professions including, but not limited to, teaching, law, medicine, real estate or accounting. A copy of the certificate or license from your current location, as well as a copy of the certificate or license from your new location, is required for reimbursement. The following are not reimbursed:

- Transportation costs
- Business start-up expenses such as stationery and business cards
- Lease cancellation penalties for office space at your current location
- Replacement of consumable items such as stationery and business cards
- Fees or expenses for childcare
- Continuing education classes, seminars or workshops

## Family Assistance

A variety of family assistance services are also available through IMPACT Group. Your counselor will work with you to help develop an assistance plan that best meets your family needs. Services include:

- Needs assessment
- Where available, accompanied assistance with customized settling-in tasks
- Customized area information
- Education assistance services including a general overview of local public and private schools, performance statistics, enrollment procedures, contact information and other information compiled by local education authorities.

## additional resources

### Employee Assistance & WorkLife Services

Chevron's Employee Assistance & WorkLife Services is a confidential counseling service that can help you address a broad range of personal, family, and work-related concerns or problems. More information is available on the Chevron Human Resources home page.

## renter assistance

### Lease Cancellation (Departure)

If you're a renter and incur lease cancellation penalties on your rental house or apartment, you'll be reimbursed for the equivalent of up to two months' rent. Required deposits or charges such as those for cleaning, pets, damage and security aren't reimbursed. You won't be reimbursed for lost rental incentives such as free rent or rate reductions that were offered when you signed your lease and must now be repaid. In certain circumstances, Chevron may reimburse rent paid in-lieu of lease break penalties, but only when your apartment is vacant and after your transfer date has occurred.

Your lease agreement indicating the amount of the lease cancellation penalty, and verification that a lease cancellation penalty was paid are required for reimbursement.

If you have one or more roommates/housemates who'll continue to occupy your rental house or apartment after your departure, you're ineligible for lease cancellation reimbursement.

### Rental Finding Assistance (Destination)

Chevron reimburses up to \$750 for rental finding assistance in your new location. Your relocation consultant will provide you with a local resource for this service. A receipt is required for reimbursement.

### High Cost Renter's Assistance

High Cost Renter's Assistance (HCRA) is a one-time payment to assist with rental costs in Chevron-designated high or very high cost housing locations. If you're a renter in your current work location and move to a new high cost or very high cost area, you may be provided assistance to offset the higher cost of rent in your new work location. HCRA eligibility is calculated by Runzheimer International, an independent data provider. Your benefit amount is calculated based on the index difference between your current and new work locations:

High Cost Area:	Index Difference	Amount
	0 – 32	\$ 0
	33 – 67	\$1,250

Very High Cost Area:	Index Difference	Amount
	0 – 32	\$ 0
	33 – 67	\$5,000

Highlights of HCRA include:

- Paid by payroll after your payroll transfer date
- Proof of change in residence is required
- You receive your HCRA payment whether you rent or purchase in your new work location
- If you're transferred back to a designated high cost area or very high cost area and re-occupy a home you already own, you aren't eligible for HRCA
- If you're placed on a resident expatriate, temporary domestic or temporary expatriate assignment and return to your Point of Origin (PoO), a new HRCA payment won't be provided

## homeowner assistance

Chevron provides comprehensive benefits to assist you with the sale or retention of your primary residence in your departure work location and assistance with securing a new primary residence in your new work location.

## home sale program (departure)

Chevron's Home Sale Program provides you professional assistance with marketing and selling your home in your departure work location. Specific procedures must be followed to ensure that both Chevron and you receive favorable tax treatment on company-paid home sale expenses. Eligible home sale expenses paid by Chevron are not added to your income.

You aren't eligible for the Home Sale Program if your home is in foreclosure, your mortgage payments are more than 60 days past due, or you're negotiating a short sale.

Additionally:

- You must accept a real estate agent referral from BGRS or select an agent who is knowledgeable about relocation home sales and is willing to accept BGRS' listing terms.
- Your home sale must be completed within one year of your payroll transfer date.
- Your homeownership status is determined as of the date you were first notified of your transfer.
- Determination of eligibility for all Home Sale Program benefits is at the sole discretion of Chevron

Global Relocation.

## Eligible Homes

Your home is eligible for all provisions of the Home Sale Program if it meets **all** qualifications below.

Your home:

- Is your primary residence as identified in Chevron's HR system at the time of your job offer
- Is a single-family residence, townhome, or condominium
- Is on a normal lot size which is typical for the area (generally not to exceed five acres)
- Has clear and marketable title
- Qualifies for conventional financing and homeowner's insurance coverage(s)

## Ineligible Homes

Ineligible homes are excluded from the Home Marketing/Buyer and Home Sale Incentives, Home Sale Program and Equity Bridge Loan relocation program benefits. All other home sale benefits are available.

Ineligible homes include, but are not limited to:

- A cooperative (co-op)
- Manufactured/mobile homes, whether on owned or leased lots, or homes without a permanent foundation
- Homes with acreage exceeding five acres, or acreage that doesn't conform to land use in the immediate area
- Duplex or properties with two, single-family residential buildings, when one unit is your current primary residence and the other unit is tenant occupied, and both are deeded as one parcel
- Homes occupied by a tenant with a lease that cannot be terminated with a 60-day notice
- Homes on which inspections disclose defects which hinder their marketability or where required repairs aren't completed to the satisfaction of BGRS
- Homes with exterior insulating finishing systems that have high levels of moisture
- Homes containing hazardous materials such as, but not limited to lead, urea formaldehyde foam insulation, asbestos, radon gas, mold, and drywall associated corrosion, such as from Chinese drywall
- Homes or condominiums that aren't Federal National Mortgage Association (FNMA/Fannie Mae) or Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mac) approved
- Properties to which reasonable access is unavailable (for any reason)

- Homes with common or shared elements that create a potential for future liability
- Homes with an unfenced swimming pool, pond or other body of water
- Homes with an abandoned or leaking underground storage tank that hasn't been remediated to Local, State and/or EPA standards
- Homes determined by BGRS or Chevron to be unmarketable due to:
  - Structural damage or requiring major repairs identified by inspection
  - Liens or unmarketable title
- Unique homes; homes determined by Chevron to present impediments to marketing and sale; and/or homes which are likely to have excessive resale costs

## **Excluded Homes**

Excluded homes, as described below, are ineligible for all Home Selling Services. Excluded homes include, but aren't limited to:

- Manufactured/Mobile Homes on leased lots or not on a permanent foundation
- Houseboats, Sailboats or other watercraft
- Multi-family dwelling of three or more units
- A home that you don't reside in when you receive your new job offer
- Any residence of which you share title with anyone other than your legal spouse or registered domestic partner
- A loft that is zoned commercial or commercial/residential, or is zoned for any purpose other than residential housing
- A home owned by an employee in a divorce proceeding; or subject to any terms of a divorce decree; legal separation; or any legal action
- Second, vacation or resort homes
- Undeveloped or non-contiguous land parcels
- Farms, commercial, or income-producing property
- A home undergoing renovation or construction

## **Condominium Eligibility**

Many lenders apply additional requirements to condominium financing. If your condominium doesn't qualify for conventional financing, you're ineligible for a Guaranteed Buyout Offer, Home Marketing/Buyer Incentive and the Home Sale Incentive portions of the home sale program.

BGRS requests financing opinions from Chevron's preferred mortgage lenders based on your

completed condominium questionnaire. Chevron Global Relocation uses these lenders' opinions to determine your condominium's eligibility for the Guaranteed Offer program. The eligibility decision cannot be appealed.

## **Property Disclosure**

You're required to complete any locally mandated disclosures, as well as BGRS' property disclosures. Failure to fully or truthfully complete required disclosure documentation may constitute legal misrepresentation or fraud.

## **Title Report**

BGRS orders a title report on your home. If the title report indicates outstanding legal obligations or other issues, you're responsible for properly clearing your title before starting the Home Sale Program. BGRS isn't able to execute a Contract of Sale with you if there are outstanding liens or encumbrances; including any mortgage balance(s) greater than the sale price of your home. You're responsible for providing clear title and, if necessary, paying off mortgage balances exceeding the sale price.

## **home marketing assistance**

The Home Marketing Assistance program provides you with professional assistance in finding a buyer for your home at the highest price and within a reasonable timeframe. Your relocation consultant is your advocate and will guide you through the listing and sale process. You must contact your relocation consultant prior to contacting any real estate brokers or agents to remain eligible for the Home Sale Program.

## **Approved Real Estate Broker/Agent**

Your relocation consultant recommends approved real estate brokers that have experience in your location and are knowledgeable about relocation home sales. You can request a broker/agent not referred by BGRS, however that broker/agent is required to meet all program requirements, including payment of a referral fee, prior to being approved to provide you with a marketing proposal. "Real estate agent" is used from this point forward to describe the real estate professional who will assist you with selling your home.

## **Broker Market Analysis and Real Estate Agent Selection**

A broker market analysis (BMA) is a written housing market analysis that compares your home to similar recently sold properties in your area, as well as to those currently for sale. You'll select two real estate brokerages from BGRS' approved list to prepare your initial BMAs. BGRS will place the BMA order with the brokerages. An agent selected from each brokerage will tour your home and note

its features along with any repairs or improvements that may be needed to enhance marketability. The real estate agents will complete BMAs, meet with you to discuss their experience and the marketing plan they propose.

Each BMA provides a suggested list price and a most likely sales price. If your initial BMA most likely sales prices are greater than five percent apart, you'll select a third real estate brokerage to complete a BMA. The two closest most likely sales price values are used to determine your BMA average.

Your BMAs are provided to you after they're reviewed for accuracy by your relocation consultant. Your relocation consultant will assist you with evaluation and selection of a real estate agent to list your home for sale.

## **Marketing Plan and Property Listing**

Your relocation consultant will assist you with developing a marketing plan. This may include recommendations of repairs or enhancements, to help generate a sale.

It's important that your home is priced competitively when first listed for sale, since the greatest buyer and agent interest typically occurs within 30 days of listing. Chevron strongly suggests that you list your home for no more than 105 percent of the average of the most likely sales prices in your BMAs. If you don't list within 105 percent of the average, you won't be eligible to receive the Home Marketing/Buyer and Home Sale Incentives.

If you're actively marketing your home for sale on your payroll transfer date, and are currently receiving high cost housing benefits, you'll continue to receive them for up to five months after your transfer to provide sufficient time for you to sell your home. If you're not actively marketing your home for sale, and are currently receiving high cost housing benefits, these benefits will cease 30 days after your payroll transfer date.

**If you're selling your home as part of an upcoming expatriate assignment, you cannot list your property until all visas, required work permits, and medical clearances are obtained.**

### **Exclusion Clause**

To avoid incurring a commission or other charges from your real estate agent, you must include an exclusion clause in your listing agreement. Your relocation consultant will provide your realtor with the exclusion clause. Ensure the exclusion clause is included in your listing agreement prior to signing.

## **home sale program**

There are three ways your home may be sold if it meets program eligibility requirements:

- **Buyer Value Option (BVO):** A company offer to purchase your home based upon the terms and conditions in an acceptable purchase offer made by a buyer secured by your listing agent.
- **Guaranteed Buyout Offer (GBO):** A company offer to purchase your home based upon the average of two relocation appraisals.

- **Amended Value (AV):** A company offer to purchase your home based upon the terms and conditions in an acceptable purchase offer made by a buyer secured by your listing agent. An amended value sale occurs after you've received your GBO.

The Chevron Home Sale Program is income tax compliant and allows for qualified home sale expenses to be excluded from your income.

## **Buyer Value Option (BVO) Sale**

If you're presented an acceptable purchase offer prior to receiving a company Guaranteed Buyout Offer, you must submit it to your relocation consultant. The price, terms, and conditions of the offer are evaluated and the buyer's financial qualifications are reviewed.

Don't sign any counter offers or the purchase contract. You shouldn't accept a deposit or down payment. Your relocation consultant will execute the contract of sale and purchase your home from you using a separate contract with the same price, terms and conditions as those negotiated with the buyer.

The following conditions apply:

- Only non-recurring normal and customary seller's closing costs are paid by Chevron. This includes the real estate commission that is typical for the area (not to exceed seven percent).
- Any concessions you negotiate with the buyer are deducted from your equity.
- You're responsible for the cost of all repairs identified as a result of inspections completed on your home. See the "Property Inspection" section below for further details.

Offers below 95 percent of the most probable sales price established by your BMA must be reviewed by BGRS and approved by Chevron Global Relocation.

## **Guaranteed Buyout Offer**

If you're unable to secure a buyer, you may be provided with an appraised value Guaranteed Buyout Offer (GBO) from BGRS. BGRS is not obligated to purchase your home. Only Chevron Global Relocation and BGRS will determine if your home qualifies for the GBO.

The GBO program uses two independent relocation appraisals to establish the most probable sale price of your home. To remain eligible to accept your GBO:

- Adjust your list price, if necessary, to no more than 107 percent of the GBO.
- After 30 days adjust your list price, if necessary, to no more than 105 percent of your GBO.
- Continue to market your home for a minimum of 30 days after you've received your GBO.
- Market your home for a minimum total of 60 days prior to accepting your GBO.
- Advise your relocation consultant of all purchase offers.
- Allow inspection of your home and complete any required repairs.



## Appraisals and Determination of GBO

BGRS provides you the names of approved local independent relocation appraisers. You'll choose two from the list plus an alternate to be used if a third appraisal is needed. BGRS will order the appraisals upon your request and in conjunction with the program timeline. It is recommended that you market your home for sale for a minimum of 30 days prior to starting the appraisal process. You're encouraged to work with your real estate agent to complete the Pre-Appraisal Property Information form which will be provided to your appraisers by your relocation consultant. This form allows you to provide information about your property that you want the appraisers to consider.

Relocation appraisers estimate the value of your home by comparing it to similar properties that have recently sold, and forecast the anticipated sales price based on competing listings and other market factors. Your appraisers will visit your home to assist them in establishing their appraised value. This is a value at which they expect your home to sell, assuming a marketing period of not more than 120 days. An appraisal is an estimate and opinion of value and does not necessarily reflect the highest possible selling price for your property. Relocation appraisals make adjustments for market conditions, and use criteria different from those used in mortgage or other types of appraisals.

If your two appraisals are within a five percent of one another, the appraisals are averaged to establish your GBO. If the lower appraisal varies by more than five percent of the higher, a third appraisal is ordered and the two closest appraisals are averaged to determine your GBO.

## Inspections and Repairs

BGRS will complete a relocation home inspection, as well as other inspections in accordance with local custom. Additional inspections may be completed based on information or recommendation from real estate agents, appraisers or others. All inspections, as required by law, are disclosed to any purchaser.

You're required to remedy issues discovered in your inspections. You can satisfy this requirement by having repairs completed or having the cost of repairs deducted from your equity. For repairs totaling less than \$500, one bid is required, while repairs totaling more than \$500 require two bids. Your relocation consultant will give you further guidance on inspections and repairs.

If you choose not to complete required repairs, your home is then ineligible for the GBO Home Sale Program. **Homes needing extensive repairs are subject to a program eligibility review and possible exclusion from the company Guaranteed Buyout Offer portion of the Home Sale Program.** In this case, you may be eligible for direct reimbursement of allowable home sale expenses. In addition to the inspections obtained by BGRS, buyers will typically obtain their own inspections of your home and you may be responsible for completing requested repairs

## GBO Acceptance

Your GBO is valid for 90 days after it is made. After 90 days, it will expire and you won't be provided with another. If you accept your GBO, BGRS becomes responsible for marketing and selling your

home.

## **Amended Value Sale**

If you receive an offer to purchase your home after you have your GBO, contact your relocation consultant for assistance negotiating the terms of sale. Your consultant will evaluate the offer to ensure that it is:

- A valid purchase offer from a qualified buyer
- Not contingent on the sale of the buyer's home
- Scheduled to close within 60 days from the date of contract

Your relocation consultant will *amend* your original GBO to reflect the new purchase price. A contract of sale between BGRS and you will be prepared using the same terms and conditions as in the purchase offer. After you sign and return the contract of sale, your relocation consultant will execute the buyer's purchase offer. BGRS will complete the sale to the buyer. Your relocation consultant will guide you through any additional requirements.

If the sale doesn't close after BGRS has executed the contract of sale and acquired your home, they're responsible for its marketing and sale. You won't be responsible for any future potential loss on resale, nor will you receive any potential gains from a subsequent sale. If BGRS hasn't acquired your home yet, you'll be responsible for continuing to market it for sale.

## **Sale Below the Guaranteed Buyout Offer**

You may list and sell your home within a net sales price of 95 percent of your GBO. Your relocation consultant must review and approve any purchase offer. Your sale to BGRS is based upon your GBO.

In some instances, you may consider accepting an offer below 95 percent of your GBO. In such cases, Chevron's Global Relocation Manager will make the final determination. If the buyer's offer is accepted, you will not qualify for the home sale incentive, but you'll receive your full GBO sale price.

## **Closing and Vacating**

Once you've accepted your GBO, you have 30 days to vacate your home. If your home has been sold in either an amended or BVO sale, you must vacate the home no less than two days prior to closing.

You're responsible for maintaining your home and all associated costs until the latter of your vacate date or the full execution of a contract of sale. This includes payment of your mortgage, property taxes, association fees, utilities, maintenance and upkeep as well as for the repair of any issue that may arise after the contract is executed and inspections were completed.

You'll receive your final equity approximately five business days after the latter of your vacate date or a fully executed contract of sale.

## home sale incentive programs

Chevron offers two incentive programs to help you effectively market and sell your home.

### 1. Home Marketing/Buyer Incentive

If your home qualifies for a GBO, you're eligible to receive a marketing/buyer incentive of up to one percent of the average most probable sales price. You can use this incentive in **one** of the following two ways:

1. To complete cosmetic enhancements on your home, such as painting, carpeting, minor landscaping and cleaning as part your marketing strategy.
  - a. All cosmetic improvements must be pre-approved by your relocation consultant and be consistent with suggestions made by your real estate agent.
  - b. Receipts are required for reimbursement.
2. To pay for a buyer's closing costs which cover up to one percent of the net purchase price your home. To be eligible you must advertise this incentive in the Multiple Listing Service (MLS).

If you select the Home Marketing Incentive, it is calculated as follows:

- If you haven't received your GBO, the incentive is based on the average of the two closest BMA's Most Likely Sales Prices.
- If you've received your GBO, your incentive is based upon the lower of your GBO amount or the net sales price.

Once provided, the incentive amount won't be adjusted. The incentive cannot be used to correct deferred maintenance, or repairs of any kind.

The Home Marketing/Buyer Incentive is taxable income and all applicable taxes are withheld.

### 2. Home Sale Incentive

To encourage you to market your home and consider all reasonable offers, Chevron provides a Home Sale Incentive of two percent of the net sale price of your home for an acceptable sale.

The following provisions apply:

- Your home must qualify for the GBO to be eligible for this benefit.
- If you accept your GBO, you aren't eligible for this incentive.
- Your home sale transaction must close within one year of your payroll transfer date.
- Your net sales price must be 95 percent or more than the average of the two closest BMAs or GBO.

- The one percent marketing incentive is included in the calculation of net sales price.

The Home Sale Incentive is taxable income and all applicable taxes are withheld.

## self-close direct reimbursement

You may be eligible for direct reimbursement of eligible home sale closing costs. In this circumstance, you'll close the sale of your home directly with a purchaser and be reimbursed for your eligible closing costs as outlined below. Reimbursable expenses may vary by location. If you self-close you won't qualify for the home marketing or home sale incentives.

<b>Reimbursable Expenses</b>
<ul style="list-style-type: none"> <li>• Document recording fees</li> <li>• Federal, state, and local transfer taxes</li> <li>• Real estate commission (not to exceed seven percent)</li> <li>• Reasonable attorney fees for the preparation of sale documents</li> <li>• Seller paid title insurance premiums, abstract fees, escrow fees, and inspections</li> <li>• Reasonable notary fees</li> </ul>
<b>Non-Reimbursable Expenses</b>
<ul style="list-style-type: none"> <li>• Attorney fees to clear title</li> <li>• Homeowner's insurance premiums</li> <li>• Ongoing home ownership costs such as mortgage payments and real estate taxes</li> <li>• Penalty fees charged by the lender for pre-payment of your mortgage</li> <li>• Repairs and improvements</li> <li>• Seller concessions: buyer incentives or buyer closing costs</li> <li>• Home selling expenses deemed non-reimbursable by your relocation consultant or Chevron</li> </ul>

The following provisions also apply:

- Reimbursement of closing costs on homes with lot sizes not typical for the area or property that has a dual-use purpose are prorated on the percentage of total value that your residence and a typical lot size, generally not greater than one acre, represents to the total sale price.
- You're required to submit a copy of your executed home sale closing document to request reimbursement.

Direct reimbursement of home closing costs is taxable income; however:

- If you're directed by your relocation consultant to self-close, your reimbursement is generally tax assisted. Your relocation consultant will advise you if no tax assistance will be provided.
- If you choose to self-close without being directed by your relocation consultant, your reimbursement is paid less all applicable taxes.

## loss on sale

You may be eligible for Loss on Sale (LOS) if your home sale price is lower than the original purchase price you paid for your home; less any concessions that reduced your net purchase price, as indicated on your original home purchase closing document.

### Your Contribution

The first five percent of loss in the value of your home is your responsibility. Chevron's portion of Loss on Sale is provided after your five percent loss contribution is applied.

### Chevron's Contribution

The maximum amount of LOS protection provided by Chevron is determined by the home sale benefit that you use. The maximum Chevron LOS payments are:

- \$150,000 if you accept your GBO
- \$200,000 if you sell your home through a BVO, AV, or self-close transaction; if your home sold for at least 95 percent of your BMA average most probable sale price or 95 percent of your GBO

Example	
Purchase price:	\$210,000
Your five percent contribution:	- 10,500
Subtotal:	199,500
Contract sale price:	- 185,000
Chevron Home Sale Loss Assistance payment:	\$ 14,500

### LOS Advance

If you purchase a home in your new work location prior to selling your current home, you can request an LOS advance be applied to your down payment on your new home. Your home must be acquired by BGRS before an advance can be provided. If needed, you should request a LOS advance through

your relocation consultant. LOS advances aren't provided for self-close transactions.

## equity advance and equity bridge loan

In some situations, you may need the equity from your current primary residence to purchase a new primary residence. If your home has been acquired by BGRS you can request an equity advance; if it hasn't, you can request an equity bridge loan.

### Estimating your Equity

Equity in your current home is based on one of the following:

- Equity Advance: Your accepted purchase contract amount or accepted Guaranteed Buyout Offer (if issued)
- Equity Bridge Loan: The average of the Most Likely Sales Price from your BMAs. When using this basis for your equity calculation your relocation consultant may recommend using the lowest BMA most probable sale price to help limit possible out of pocket repayment risk.

From this amount, the following is **deducted**:

1. Encumbrances (liabilities attached to your property)
2. Estimated proration of future mortgage interest, taxes, homeowner dues, etc.
3. Repair costs, if known

### Equity Advance

Once your home is acquired by BGRS you can request an advance of up to 95 percent of your equity for closing on your home in your new work location. A copy of your new home purchase contract or the Loan Estimate from your lender is required.

### Equity Bridge Loan

If your home hasn't been acquired by BGRS and you qualify for the Home Sale Program, Chevron provides a short-term Bridge Loan through Chevron Federal Credit Union (CFCU) of up to 85 percent of your estimated equity in your current home.

You're required to sign a Bridge Loan Acknowledgement which includes your obligation to repay your bridge loan; even if the value of your current home is less than expected or doesn't sell. You must repay your full Bridge Loan amount upon demand.

Along with your completed Bridge Loan application you must provide a fully executed new home purchase agreement, and the following documentation:

- Documentation of your mortgage loan balance and any other liens or debts against your property including second mortgages or equity lines of credit.
- If you do not have a mortgage, a title report showing unencumbered ownership.
- If you have a home equity loan, it must be frozen or discharged to prevent further borrowing.

The following provisions apply:

- You must be a member of CFCU.
- The minimum bridge loan amount is \$5,000.
- The maximum bridge loan amount is 85 percent of the lesser of the equity in your current home or the amount needed to cover the balance of your home purchase down payment; not to exceed \$500,000.
- The bridge loan is for your down payment only and doesn't include funds for your earnest money deposit or home purchase closing costs.
- You should submit your bridge loan documentation to your relocation consultant at least three weeks prior to the scheduled closing on your new home.
- Your bridge loan term is 90 days.
- You're responsible for any penalties incurred if your bridge loan exceeds the 90-day term.
- Your bridge loan is paid off from your available equity at the time of property acquisition by BGRS.
- You must repay your bridge loan and any accrued interest on the first banking day after you receive your equity from the sale of your previous primary residence.
- CFCU will wire your funds directly to the title or escrow company handling your closing.
- Chevron will reimburse you for the first 45 days of interest on your bridge loan after payoff.

## home retention allowance

If you decide to retain your current home when you relocate to your new work location, Chevron will provide you with a one-time payment of seven percent of its estimated value. You're not required to provide documentation or receipts of how you use your Home Retention Allowance (HRA).

The following provisions apply:

- The HRA is provided in lieu of all other Home Selling Services and benefits.
- The minimum HRA payment is \$13,500.
- Homes excluded from the Home Sale Program are also ineligible for the HRA.

- Your HRA value is based on either of 1) one appraisal obtained by BGRS (if your Guaranteed Offer hasn't been made), or 2) your Guaranteed Buyout Offer amount.
- You must document that you're current on all lender and tax obligations prior to receiving the HRA.
- If you're transferred back to your previous work location within three years, home purchase assistance is not provided.
- If you reoccupy this home as your primary residence and are subsequently transferred by the company with relocation benefits in the future, you'll be eligible for the Home Sale Program or the HRA at that time.
- If you're currently receiving High Cost Housing Benefits they'll cease upon your payroll transfer date. If you choose the HRA you're required to repay any high cost housing benefits received after your payroll transfer date.
- If your current primary residence is at a Personal Choice Location (PCL) associated with a current or previous rotational assignment, the HRA isn't provided in-lieu of home-sale benefits.
- If you currently reside in a company recognized personal choice location (PCL) resulting from a rotational assignment, you're not eligible for HRA, even if you qualify for home sale benefits.

Your HRA is taxable income and all applicable taxes are withheld.

## destination real estate assistance

Chevron provides assistance with your purchase of a home in your new work location; including:

- Preferred mortgage program offering a discounted interest rate and closing costs.
- Duplicate housing cost reimbursement to help offset dual housing costs that you may incur.
- If you relocate to a designated high or very high housing cost work location, high cost housing assistance to help with the increased cost of renting or purchasing real estate.

## Your Responsibilities

To be eligible for new home purchase benefits you and/or your relocation must satisfy these conditions:

- Your destination home must be your new primary residence and within daily commuting distance to your new work location; generally, not to exceed 50 miles.
- Your destination home must meet the general eligibility guidelines of the Home Sale Program (See 'Home Selling Services and Benefits– Eligible Homes'.)
- You purchase your new primary residence as an individual or with your spouse or registered domestic partner.



You must use one of Chevron's preferred lenders to receive high cost housing benefits; if applicable.

- You must use an approved real estate broker to represent you in the purchase of your new home. If you fail to do so, these conditions will apply:
  - Your home purchase inspection reimbursement is limited to \$500.
  - You're ineligible for home sale loss assistance (LOS) on your next move.

## **Preferred Lenders**

Chevron has relationships with preferred lenders to provide you with choice in securing a loan for purchasing a new home. You should speak with one or more of these lenders to understand how much you're qualified to borrow and what documentation you'll need for your new mortgage.

When using a Chevron preferred lender your benefits include:

- Direct billing of your closing costs
- Pre-approval documentation to assist you in the purchase of your new home
- Discounted interest rates

## **Using a Non-Preferred Lender**

If you don't choose a Chevron preferred lender, you're ineligible for direct billing of your closing costs. You'll receive reimbursement of home purchase closing costs after you've completed your home purchase. Your reimbursement is limited to the negotiated fees charged by Chevron's preferred lenders.

## home purchase closing costs

Your usual and customary home purchase closing costs are either direct billed to Chevron or can be reimbursed to you. Examples of usual and customary home purchase closing costs are:

Reimbursable Closing Costs	
<ul style="list-style-type: none"> <li>• Appraisal*</li> <li>• Credit report*</li> <li>• Flood certification*</li> <li>• Tax service fee*</li> <li>• Processing fee, commitment fee</li> <li>• Inspections required by the lender</li> <li>• Title insurance: lender required coverage (only)</li> <li>• Title insurance: owner's coverage (only if usual and customary or required by state or local laws)</li> </ul>	<ul style="list-style-type: none"> <li>• Abstract/title search/examination</li> <li>• Reasonable notary fees</li> <li>• Reasonable closing related attorney's fees</li> <li>• Recording fees: deed, mortgage, power of attorney</li> <li>• Settlement/closing/escrow fee</li> <li>• State/city/county stamps on deed/mortgage</li> <li>• Survey: standard no stake</li> <li>• Transfer tax (purchaser's share)</li> <li>• Title endorsements</li> </ul>

\* Not reimbursed if you use a non-preferred lender

Examples of non-reimbursable home purchase closing costs are:

Non-Reimbursable Closing Costs	
<ul style="list-style-type: none"> <li>• Improvement assessments</li> <li>• Interest rate lock in or extension fees</li> <li>• Mortgage broker's fees</li> <li>• Mortgage insurance or application fees</li> <li>• Lender document preparation fee</li> <li>• Construction loan fees, draw fees, or other construction expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Interest, taxes, association fees, insurance, utilities</li> <li>• Real estate commissions or fees</li> <li>• Warranties</li> <li>• VA/FHA points</li> <li>• Closing costs for second mortgages</li> </ul>

- Owner's title insurance is generally a seller's expense and isn't reimbursed. In limited locations where it's customary for the buyer to pay for owner's title insurance, Chevron will provide for it. New home builders may pass costs that are typically paid by a seller to a buyer in the new home purchase agreement. Chevron won't pay for these customarily seller paid expenses. Examples include but aren't limited to owner's title insurance and transfer taxes. An independent appraisal is only reimbursed when you're paying cash for a home or you're not receiving your mortgage loan from an institutional lender. It must be completed by a licensed professional appraiser and provided to BGRS.

## Home Purchase Inspections

Chevron will reimburse inspections or surveys required by your lender and/or recommended by your relocation consultant.

If your new home purchase inspection or survey exposes any problems with the home, you should reconsider purchasing the property. If you complete the home purchase, and relocate in the future, your home sale benefit eligibility may be at risk.

## duplicate housing assistance

Once you've used your company-provided 30-days of temporary housing, you may be provided up to 90 days of Duplicate Housing Assistance. You're eligible for Duplicate Housing Assistance if you've purchased or are renting a new home, and haven't sold your home in your previous work location yet. Duplicate Housing Assistance includes:

### Duplicate Housing Costs

- Homeowner's association fees/dues
- Homeowner's property insurance
- Mortgage interest (primary mortgage only)
- Property taxes
- Basic utilities, such as water and electric, needed to maintain your home

Your home in your prior work location must be ready to be sold and actively listed for sale, at a reasonable asking price; as defined in the Home Sale Program section. Your home cannot be rented, available for rent or occupied by anyone other than your immediate family.

- When you submit for reimbursement of duplicate housing expenses, the following documentation is required:
  - A copy of your closing statement or lease for your home in your new location
  - Your mortgage statement for your home in your prior work location, including the interest and principal portions of your mortgage payment
  - Property insurance and tax statement/receipts for your home in your prior work location

## Return Trips to Prior Work Location

After the end of your 30 days of temporary housing, a maximum of two return trips, one per each 30 days, are reimbursable if your home in your prior work location is listed for sale but is unsold. This doesn't apply to employees relocating to or from non-U.S. work locations.

Reimbursed duplicate housing expenses and return trips are taxable income and are tax assisted at time of payment. Mortgage Interest and property tax reimbursement can be claimed as an itemized deduction on your personal income tax filing. Adjustment to your duplicate housing tax assistance will be made in the year-end tax true-up.

## high housing costs benefits

If you're a homeowner in your current work location, or considered a homeowner under the program provision of *once a homeowner, always a homeowner*, and move to a new work location identified as a high housing cost location, you may be eligible for one or more of the following high cost housing benefits described below:

- Basic Housing Differential (BHD)
- Supplemental Housing Assistance (SHA)

Runzheimer International provides a housing cost index, which is used to determine eligibility for high cost housing benefits. The housing cost index is updated quarterly. Housing cost index values are final and no exceptions are granted.

Chevron's housing index is broken into three tiers: standard, high and very high. Each tier is assigned a range of points. A value of 100 represents the national average home price for properties commonly purchased by relocating employees.

- **A standard cost area** is identified as a location with less than 150 points.
- **A high cost area** is identified as a location from 150 to 200 points.
- **A very high cost area** is identified as a location with 201 or more points.

While housing index values do change, generally Houston, Covington, Pittsburgh, Bakersfield and Pascagoula are standard cost locations. The San Francisco Bay Area, Greater Los Angeles, and Washington, DC are very high cost areas. This list is only a reference point. The housing index on your transfer date determines your eligibility for high cost housing benefits.

If you're transferred back to a designated high cost area, reoccupy a home that you already own, and on which you were receiving company-provided high cost housing benefits, you may be eligible to receive any remaining benefits.

If you're on a resident expatriate, temporary domestic or temporary international assignment and retain your home, your high cost housing benefits continue while you're on assignment. At the end of your assignment, you're expected to reoccupy your home. No home purchase benefits are provided.

If you're repatriating, sold your home through the Home Sale Program, and return to your Point of Origin, any remaining high cost housing benefits that you had when you expatriated may be applied to the purchase of a new home.

## Basic Housing Differential

The basic housing differential (BHD) is a one-time cash payment to eligible employees to assist with your new location housing costs.

The decision to purchase a home is one that you should consider carefully based upon the duration of your assignment, real estate market conditions and your personal circumstances. If you qualify for the BHD payment, you'll receive it whether you decide to purchase a new home or rent in your new location.

Your BHD payment, if applicable, is made in your first or second payroll after providing proof of a fully executed property lease or home purchase contract. Your BHD is taxable income and all applicable taxes are withheld.

The amount of your BHD assistance is determined by using the difference in the Runzheimer housing cost index between your current and new work locations, as follows:		
<b>Standard &amp; High Cost Area:</b>	0 – 32	\$ 0
	33 – 67	\$12,000
	68 – 100	\$17,000
	101 or above	\$22,000
<b>Very High Cost Area:</b>	0 – 32	\$ 0
	33 – 67	\$23,000
	68 – 100	\$31,000
	101 or above	\$40,000

## Supplemental Housing Assistance

Supplemental housing assistance (SHA) is a dollar-based mortgage subsidy used to reduce (buy down) the interest rate on your primary mortgage on your new home for up to five years. SHA is only available when you obtain a mortgage from one of Chevron's preferred lenders. If you wish to refinance or purchase a new home at a later date, and want to use any remaining SHA benefit, you must obtain your mortgage from one of Chevron's preferred lenders. If applicable, SHA is provided using the following proration schedule:

<b>Year One</b>	30%	<b>Year Four</b>	15%
<b>Year Two</b>	25%	<b>Year Five</b>	10%
<b>Year Three</b>	20%	<b>Year Six</b>	0%

The level of SHA assistance is calculated using the difference in the Runzheimer housing cost index between your old and new work locations as follows:		
<b>High Cost Area:</b>	0 – 32	\$ 0
	33 – 67	\$2,500
	68 – 100	\$5,000
	101 or above	\$7,500
<b>Very High Cost Area</b>	0	\$ 0
	1 – 32	\$10,000
	33 – 67	\$20,000
	68 – 100	\$30,000
<ul style="list-style-type: none"> <li>▪ Your SHA payment is made directly to your lender annually and is applied to your monthly mortgage payment.</li> <li>▪ The value of your SHA benefit is added to your income in 24 equal installments.</li> </ul>		

If you're currently receiving a SHA benefit and are relocated, the chart below provides guidance when moving within or between designated housing cost levels:

<b>Change in Cost Area</b>	<b>Benefit</b>
<b>Move up one tier</b>	New SHA calculated based on higher index.
<b>Move within a designated tier</b>	Remaining SHA balance carried over to your new location; maximum of \$40,000.
<b>Move down from very high to high</b>	Remaining SHA balance carried over to your new location; maximum of \$7,500.
<b>Move down from very high or high to standard</b>	SHA eligibility ends.

Your eligibility for SHA may be affected by mandatory lender guidelines and your personal creditworthiness. Eligibility for high cost housing assistance is based on the housing index values in place on your payroll transfer date.

The SHA payment made by Chevron to your lender is taxable income and is tax assisted at time of payment. Interest paid in the SHA program may be claimed as an itemized deduction on your personal income tax filing. Adjustment to your SHA tax assistance will be made in the year-end tax true up. Your SHA lender will provide you with an IRS-1099 form showing the amount of interest applied to your mortgage loan,

## tax assistance

U.S. employees relocating domestically receive tax assistance as described in this program guide. If you're included in the Expatriate Tax Equalization program during any portion of the calendar year, your tax assistance is managed through that program. Please consult your Chevron Global Mobility Expatriate Counselor for more details.

### **Tax Assistance (Gross-Up)**

Chevron provides tax assistance, except when noted in this program guide, for the estimated Federal Income Tax, and destination State Income Tax, on your relocation benefits. Supplemental income tax withholding rates are used to calculate your tax assistance. Payments are remitted directly to the appropriate taxing authority and reported as withheld taxes on your W-2 Wage and Tax Statement.

Chevron does not assist with local income taxes. These taxes are withheld from your income.

### **Tax true-up and year-end expense freeze and tax adjustment**

Your tax true-up is completed in November to ensure that you've received the appropriate tax assistance on your taxable relocation expenses. Necessary adjustments are usually made on your second paycheck in December.

Starting with the second payroll in November Chevron suspends relocation expense payments to facilitate the tax true-up process.

The tax assistance you receive from Chevron may not equal the taxes you incur. Your MEA can be used to assist with any tax assistance shortfall.

The year-end tax true-up process includes:

1. Your federal tax liability, excluding relocation expenses, is estimated using:
  - a. Your Chevron sourced income
  - b. Statistical itemized deductions, or your standard deduction if you're unable to itemize
  - c. Your expected tax return filing status
  
2. Your federal tax liability is re-estimated including your taxable relocation expenses during the year.
  
3. The tax assistance you received throughout the year is compared to your anticipated actual tax liability.

- a. If additional tax-assistance is necessary, Chevron will make necessary payments directly to the appropriate tax agencies.
  - b. If tax-assistance was overpaid, Chevron will reverse the tax overpayment from the applicable tax category and make the appropriate adjustments to amounts deposited on your behalf.
  - c. Your final December pay-check will reflect any adjustments made.
4. In January, you'll receive a relocation payment and tax statement from BGRS to assist you in preparing your taxes.

## **Chevron Sourced Income**

Chevron sourced income includes:

- Regular earnings
- Supplemental earnings
- Applicable relocation expense reimbursements

Chevron sourced income is reported on your Chevron *W-2*, and includes the income of your spouse, only if he or she is employed by Chevron. Chevron sourced income is the basis for your federal and, where applicable, state tax true-up assistance. Chevron sourced income doesn't include income from any other sources that you may have received during the year.

## **Statistical Itemized Deductions**

Your tax assistance is determined using a combination of a statistical itemized deduction amount based upon your Chevron sourced income the deductible portion of your relocation expenses, and your estimated state taxes. If itemized deductions cannot be used, then your tax assistance is based upon the applicable standard IRS deduction.

## **Social Security Tax**

Unless you've already reached the Social Security tax withholding maximum Chevron is required to withhold Social Security Tax on taxable relocation payments. (<http://www.ssa.gov/OACT/COLA/cbb.html>). If you have not met the Social Security maximum withholding cap for employee contributions at the time a payment is made to you, or on your behalf, Chevron will provide tax assistance to minimize your out of pocket tax withholding. Chevron-paid Social Security tax assistance for employee contributions will be recaptured from your Federal income tax withholding during the year-end tax true-up.

submitted.



## **Tax Consultation Assistance**

To assist you with understanding the implications of your relocation on your income taxes, Chevron provides one hour of professional tax consulting assistance. Tax consulting assistance is authorized in January following the year of your relocation, or a year in which you had relocation expenses; excluding ongoing high cost housing benefits.

## **Updating Your Personal Information**

To avoid possible withholding of multiple or incorrect state income taxes from your pay check it is important that you update your home address information as soon as possible after relocating. Your new state's withholding, if applicable, will begin as soon as you report to work in your new location, even if you continue to be a resident of your departure state.

"If you're currently enrolled in Chevron health plans, the plans available to you may change if your zip code changes. For this reason, update your permanent address on Benefits Connection or by calling the HR Service Center within 31 days of your relocation effective date. If your current plans are no longer available in your new zip code, you'll have the opportunity to update your plan choices. All updates must be made within 31 days of your relocation effective date. If you're eligible to make changes to your health plans and other benefits, please note there are limitations to the kind of changes you can make due to a relocation. For example, if you and/or an eligible dependent are not currently participating in Chevron health plans, relocation isn't an event that allows you to start participating. If a change to your health plans and other benefits is not permitted, you generally must wait until the next open enrollment period, typically held each fall, or a different qualifying life event to enroll or make other changes to your benefits. You can model the health plan choices and benefit changes available under your new zip code on the Benefits Connection website. You can also call the HR Service Center to discuss your personal situation in more detail."

Relocation to a new work location may be a qualifying event for Chevron health and insurance benefits. For further information contact the Human Resources Service Center.

## tax assistance chart

Relocation Program Component	Taxable	Tax Assisted
<b>Benefits Common to All Employees</b>		
Miscellaneous Expense Allowance	Yes	No
Relocation Allowance Lump Sum:	Yes	Yes
Final Trip to the New Location	Yes	Yes
Shipment of Household Goods	Yes	Yes
Spouse/Registered Domestic Partner Employment Search and Family Assistance	Yes	Yes
<b>Renter Benefits</b>		
Lease Cancellation Assistance	Yes	Yes
Home Finding/Rental Assistance	Yes	Yes
High Cost Rental Assistance	Yes	No
<b>Homeowner Benefits</b>		
Home Marketing Incentive	Yes	No
Home Sale Incentive	Yes	No
Home Sale Program:		
- Buyer Value Option (BVO)	N/A	N/A – Not reportable
- Guaranteed Buyout Offer (GBO)	N/A	N/A – Not reportable
- Amended Value Sale (AV)	N/A	N/A – Not reportable
<b>Relocation Program Component</b>		
<b>Taxable</b>		
<b>Tax Assisted</b>		
Self-Close Direct Reimbursement:		
- With relocation consultant direction	Yes	Yes
- With no relocation consultant direction	Yes	No
Loss on Sale	Yes	Yes
Equity Advance	Yes	Yes
Home Retention Allowance	Yes	No
New Home Purchase Closing Costs	Yes	Yes

Duplicate Housing Assistance:	Yes <sup>2</sup>	Yes <sup>3</sup>
High Cost Homeowners Assistance:		
- Basic Housing Differential (BHD)	Yes	No
- Supplemental Housing Allowance (SHA)	Yes <sup>2</sup>	Yes <sup>3</sup>

1 Mileage over current IRS standard mileage rate is taxable

2 Taxable moving expense which may be deductible as itemized deductions

3 Adjustments to tax assistance may be made during the year-end true-up