



August 2016

Re: Changes to the Chevron Phillips Chemical Company LP 401(k) Savings and Profit-Sharing Plan (the “Plan”)

The Chevron Phillips Chemical Company LP Investment Committee (“Committee”) selects the core Investment Funds available under the Plan and reviews fund performance. With assistance and input from independent investment consultants, the Committee evaluates each Investment Fund based upon a variety of criteria including, but not limited to, historical performance, investment manager strategy/style, trading practices, return vs. volatility, and fees. Based on these reviews, changes will be made to the Plan’s Investment Fund lineup.

Summary of Changes to Plan Investment Funds

Beginning September 30, 2016, changes will be made to the Plan’s Investment Fund lineup as summarized below.

- The following Investment Funds (the “Old Investment Options”) will be replaced with new Investment Funds (the “New Investment Options”).

Old Investment Options		New Investment Options
Vanguard Prime Money Market Fund Admiral Shares (Ticker: VMRXX)	→	Vanguard Federal Money Market Fund Investor Shares (Ticker: VMFXX)
American Beacon Large Cap Value Fund Class Institutional (Ticker: AADEX)	→	Fidelity [®] Large Cap Value Index Fund Institutional Class (Ticker: FLCMX)

I. Replacement of the Vanguard Prime Money Market Fund Admiral Shares

Effective as of the market close (generally 4:00 p.m. Eastern time) on September 30, 2016, Vanguard Prime Money Market Fund Admiral Shares will no longer be available under the Plan. Unless you instruct us otherwise as specified below under “Actions to Consider,” all existing balances and future contributions in Vanguard Prime Money Market Fund Admiral Shares will be transferred to Vanguard Federal Money Market Fund Investor Shares as of market close (generally 4:00 p.m. Eastern time) on September 30, 2016. The transfer of balances will appear as an exchange on your account history and quarterly statement. You may receive a prospectus or fact sheet (or similar documentation) as a result of this transaction.

Old Investment Option		New Investment Option
Vanguard Prime Money Market Fund Admiral Shares (Ticker: VMRXX)	→	Vanguard Federal Money Market Fund Investor Shares (Ticker: VMFXX)

The dates shown are based on the timing and accuracy of a variety of factors, including the transfer of data, receipt of instructions, and receipt of assets. Changes in any of these factors may result in changes to the dates and timing, including the dates on which, and thus the prices at which, assets in your account are sold and/or reinvested.

Please see the Comparison Table below for information concerning the historical performance of these funds.

Understanding investment performance: As you review the information below, please remember that the performance data stated represents past performance, which does not guarantee future results. Current performance may be higher or lower than the performance stated. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. To learn more or to obtain the most recent month-end performance, call Fidelity or visit www.netbenefits.com (Log on, choose “CP CHEM 401K PLAN,” select “Investments,” and then select the investment option).

Comparison Table

*Vanguard Prime Money Market Fund Admiral Shares vs.
Vanguard Federal Money Market Fund Investor Shares*

Average Annual Returns and Expense Ratios as of **June 30, 2016**

Old Investment Option	1 Year	5 Year	10 Year	Life of Fund	Short-term Trading Fee (% / days)	Gross Expense Ratio	Net Expense Ratio
Vanguard Prime Money Market Fund Admiral Shares (Inception Date 10/03/1989)	0.31	0.12	1.23	3.31	N/A	0.10	0.10
New Investment Option	1 Year	5 Year	10 Year	Life of Fund	Short-term Trading Fee (% / days)	Gross Expense Ratio	Net Expense Ratio
Vanguard Federal Money Market Fund Investor Shares (Inception Date 07/13/1981)	0.18	0.04	1.07	4.41	N/A	0.11	0.11

Actions to Consider: If you do not want your existing balances or future contributions in the *Old Investment Option* to transfer to the *New Investment Option*, you must contact Fidelity Investments® before 4:00 p.m. Eastern time on September 30, 2016, and request an exchange (with respect to existing balances) or an election change (with respect to future contributions) to other Plan Investment Fund(s) or to BrokerageLink®. You can do so by logging on to Fidelity NetBenefits® at www.netbenefits.com or by calling the Chevron Phillips Pension & Savings Service Center at 1-866-771-5225, Monday through Friday (excluding most New York Stock Exchange holidays), between 8:30 a.m. and 8:00 p.m. Eastern time to speak with a Service Center Representative.

For more information concerning the New Investment Option, please see the description in Attachment I, *Fund Descriptions*.

II. Replacement of the American Beacon Large Cap Value Fund Class Institutional

Effective as of the market close (generally 4:00 p.m. Eastern time) on September 30, 2016, American Beacon Large Cap Value Fund Class Institutional will no longer be available under the Plan. Unless you instruct us otherwise as specified below under “Actions to Consider,” all existing balances and future contributions in American Beacon Large Cap Value Fund Class Institutional will be transferred to Fidelity® Large Cap Value Index Fund Institutional Class as of market close (generally 4:00 p.m. Eastern time) on September 30, 2016. The transfer of balances will appear as an exchange on your account history and quarterly statement. You may receive a prospectus or fact sheet (or similar documentation) as a result of this transaction.

Old Investment Option		New Investment Option
American Beacon Large Cap Value Fund Class Institutional (Ticker: AADEX)	➔	Fidelity® Large Cap Value Index Fund Institutional Class (Ticker: FLCMX)

Please see the Comparison Table below for information concerning the historical performance of these funds.

Comparison Table
American Beacon Large Cap Value Fund Class Institutional vs.
Fidelity® Large Cap Value Index Fund Institutional Class

Average Annual Returns and Expense Ratios as of **June 30, 2016**

Old Investment Option	1 Year	5 Year	10 Year	Life of Fund	Short-term Trading Fee (% / days)	Gross Expense Ratio	Net Expense Ratio
American Beacon Large Cap Value Fund Class Institutional (Inception Date 07/17/1987)	-6.37	9.55	5.47	9.05	N/A	0.59	0.59
New Investment Option	1 Year	5 Year	10 Year	Life of Fund	Short-term Trading Fee (% / days)	Gross Expense Ratio	Net Expense Ratio
Fidelity® Large Cap Value Index Fund Institutional Class (Inception Date 06/07/2016)	N/A	N/A	N/A	-0.20	N/A	0.06	0.06

Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Life of fund figures are reported as of the commencement date to the period indicated.

Actions to Consider: If you do not want your existing balances or future contributions in the *Old Investment Option* to transfer to the *New Investment Option*, you must contact Fidelity Investments® before 4:00 p.m. Eastern time on September 30, 2016, and request an exchange (with respect to existing balances) or an election change (with respect to future contributions) to other Plan Investment Fund(s) or to BrokerageLink®. You can do so by logging on to Fidelity NetBenefits® at www.netbenefits.com or by calling the Chevron Phillips Pension & Savings Service Center at 1-866-771-5225, Monday through Friday (excluding most New York Stock Exchange holidays), between 8:30 a.m. and 8:00 p.m. Eastern time to speak with a Service Center Representative.

For more information concerning the New Investment Option, please see the description in Attachment I, *Fund Descriptions*.

III. BrokerageLink® Default Fund Change

Effective as of the market close (generally 4:00 p.m. Eastern time) on October 3, 2016, Vanguard Prime Money Market Fund Admiral Shares will no longer be the BrokerageLink® Default Fund. Any BrokerageLink® assets that were previously directed to be exchanged in Vanguard Prime Money Market Fund Admiral Shares will now be directed to the Vanguard Federal Money Market Fund Investor Shares.

BrokerageLink® may enable you to reinvest in the Old Investment Options being removed as Investment Funds offered by the Plan; however, you may not be able to qualify for the same share class that was offered through the Plan, and certain minimum balance requirements may apply. Please contact Fidelity Investments if you would like more information about investing through BrokerageLink®.

IV. Real-Time Traded Stock Restrictions

The Plan offers Real-Time Traded Stock. Exchanges out of ConocoPhillips Stock Fund, Chevron Corporation Stock Fund, or Phillips 66 Stock Fund (collectively, the "Company Stock Funds") into Vanguard Prime Money Market Fund Admiral Shares and/or American Beacon Large Cap Value Fund Class Institutional will be restricted after 4:00 p.m. Eastern time on September 27, 2016. All Good 'Til Canceled (GTC) sell orders involving the Company Stock Funds where the proceeds are to be used to purchase shares of the Vanguard Prime Money Market Fund Admiral Shares and/or American Beacon Large Cap Value Fund Class Institutional will be canceled after 4:00 p.m. Eastern time on September 27, 2016.

For More Information

You have the right under the Plan to direct the investment of your existing balances and future contributions to any available Plan Investment Fund. To obtain information about Plan Investment Funds, or to change your investment election for future contributions and existing balances, please log on to Fidelity NetBenefits at www.netbenefits.com or call the Chevron Phillips Pension & Savings Service Center at 1-866-771-5225, Monday through Friday (excluding most New York Stock Exchange holidays), between 8:30 a.m. and 8:00 p.m. Eastern time to speak with a Service Center Representative.

To receive important benefits information electronically, update your email address:

- Log on to Fidelity NetBenefits® at www.netbenefits.com.
- Go to “Profile.”
- Click “E-mail Address.”

To receive prospectuses for the Plan’s mutual fund investment options or fact sheets (or similar documentation) for non-mutual fund investment options (including those that may be delivered as a result of these changes to your investment lineup):

- Log on to Fidelity NetBenefits® at www.netbenefits.com.
- Go to “Profile.”
- Click “Mail Preferences.”

Best regards,

The Chevron Phillips Chemical Benefits Team

Attachment

Designate your beneficiary election online

Take a few moments to name your beneficiaries to ensure that your Plan benefits will be distributed according to your wishes.

1. Log on to Fidelity NetBenefits® at www.netbenefits.com.
2. Click “Profile.”
3. Click “Beneficiaries” and follow the online instructions.

Attachment I

Fund Descriptions

The following descriptions are intended to provide an overview of your new investment options available under the Plan. For more detailed information, please read the prospectus (with respect to mutual funds) or fact sheets or similar documentation (with respect to collective trust funds).

About Your New Investment Options

Vanguard Federal Money Market Fund Investor Shares

Ticker: VMFXX

Objective: The investment seeks to provide current income while maintaining liquidity and a stable share price of \$1.

Strategy: The fund invests primarily in high-quality, short-term money market instruments issued by the U.S. government and its agencies and instrumentalities. Under the new money market reforms, government money market funds are required to invest at least 99.5% of their total assets in cash, government securities, and/or repurchase agreements that are collateralized solely by government securities or cash (collectively, government securities).

Risk: *You could lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to money market funds and you should not expect that the sponsor will provide financial support to the fund at any time.* Additional risk information for this product may be found in the prospectus or other product materials, if available.

Who may want to invest: Someone who has a low tolerance for investment risk and who wishes to keep the value of his or her investment relatively stable; Someone who is seeking to complement his or her bond and stock fund holdings in order to reach a particular asset allocation.

Footnotes:

This description is only intended to provide a brief overview of the mutual fund. Read the fund's prospectus for more detailed information about the fund.

Fidelity® Large Cap Value Index Fund - Institutional Class

Ticker: FLCMX

Objective: Seeks to provide investment results that correspond to the total return of stocks of large capitalization U.S. companies.

Strategy: Normally investing at least 80% of assets in securities included in the Russell 1000 Value Index, which is a market capitalization-weighted index designed to measure the performance of the large-cap value segment of the U.S. equity market. Lending securities to earn income for the fund.

Risk: Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Value stocks can perform differently than other types of stocks and can continue to be undervalued by the market for long periods of time. Fund and index performance may vary somewhat due to factors such as transaction costs, sample selection, and timing differences associated with index additions and deletions.

Who may want to invest: Someone who is seeking the potential for long-term share-price appreciation and, secondarily, dividend income; Someone who is comfortable with the volatility of large-cap stocks and value-style investments.

Footnotes:

This description is only intended to provide a brief overview of the mutual fund. Read the fund's prospectus for more detailed information about the fund.

The Russell 1000 Value Index is an unmanaged market capitalization-weighted index of value-oriented stocks of the largest U.S. domiciled companies that are included in the Russell 1000 Index. Value-oriented stocks tend to have lower price-to-book ratios and lower forecasted growth values.

Before investing, consider the funds' investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.

A mutual fund expense ratio is the total annual fund or class operating expenses (before waivers or reimbursements) paid by the fund and stated as a percent of the fund's total net assets. For other types of investments, the figure in the expense ratio field reflects similar information, but may have been calculated differently than for mutual funds. Mutual fund data comes from the fund's

prospectus. For non-mutual fund investment options, the information has been provided by the plan sponsor, the investment option's manager or the trustee. When no ratio is shown for these options it is because none was available. There may be fees and expenses associated with the investment option. Expense information changes periodically. Please consult NetBenefits for updates.

Expense Ratio After Reductions (Net Expense Ratio) is an annualized figure that reflects amounts reimbursed by the fund company or reductions from brokerage service arrangements or other expense offset arrangements. For Fidelity Funds, brokerage service and other offset arrangements may be discontinued at any time and expense data is from the fund's most current annual or semiannual report. For non-Fidelity funds, expense data is from the fund's most current prospectus and is provided by Morningstar.

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