

ELEMENTS

CHEVRON PHILLIPS CHEMICAL COMPANY LP (CHEVRON PHILLIPS CHEMICAL)

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Chevron Phillips Chemical

Profit-Sharing Plan Payout and Variable Annuity Benefit Enhancement

In March 2011, Chevron Phillips Chemical announced that eligible employees* would receive a 7% Profit-Sharing contribution to the 401(k) Savings and Profit-Sharing (401(k)) Plan and a 9.5% Variable Annuity Success-Sharing credit within the Retirement (Pension) Plan for 2010 performance. The 9.5% Success-Sharing credit was in addition to the 12.2% interest previously credited to employees' Variable Annuity accounts in 2010.

WHAT DOES THIS MEAN TO YOU?

PROFIT-SHARING: If you contributed at least 7% of your eligible compensation to the 401(k) Plan in 2010 and contributed at least 6% of each paycheck, both as pre-tax and/or Roth after-tax contributions, your total combined Company match (4.5%) and Company Profit-Sharing contribution (7%) for 2010 would be 11.5%, or \$1.64 for each \$1 you contributed. For example, if you earned \$75,000 of eligible compensation in 2010 and contributed 7% to the 401(k) Plan, the Company would have contributed \$8,625 to your 401(k) account.

Company Contributions: An Example		
Your Eligible Compensation	\$75,000	
Your 401(k) Contribution Summary	%	\$
Employee 401(k) Deferral	7.0%	\$5,250
Company Match	4.5%	\$3,375
Profit Sharing Contribution	7.0%	\$5,250
Total Company Contribution	11.5%	\$8,625



SUCCESS-SHARING: The Company will take the entire amount of your Variable Annuity benefit earned through December 31, 2010, multiply it by 9.5%, and add the result as a Success-Sharing credit to your Variable Annuity benefit balance. For example, if your Variable Annuity balance was \$10,000 at December 31, 2010, the Company would have added \$950 to your balance. Your Variable Annuity benefit is a lump-sum amount that you can take unreduced at any time after you terminate employment, as long as you have three years of vesting service. You can view your most recent available Variable Annuity account balance on your quarterly 401(k) Plan account statement or by running an online statement within the Chevron Phillips Chemical 401(k) link at Fidelity NetBenefits®.

* The Profit-Sharing and Success-Sharing enhancements described above are applicable to all participating Chevron Phillips Chemical employees (other than Chevron Phillips Chemical Puerto Rico Core employees); salaried Performance Pipe employees; and Performance Pipe employees paid on an hourly basis at Reno and Knoxville hired prior to January 1, 2004.





Get the Big Picture on Your Wealth Benefits

You can now access an online summary statement that shows both your Chevron Phillips Chemical 401(k) Savings and Profit-Sharing Plan benefit and Chevron Phillips Chemical Retirement (Pension) Plan benefit. Just go to the Chevron Phillips Chemical Retirement Plan page on www.netbenefits.com and click "Benefits Statement."

YOUR TOTAL ADVANTAGE WEALTH BENEFITS

Our wealth benefits are an important part of your Total Advantage Rewards. To help you better understand the Profit-Sharing and Success-Sharing benefit enhancements and their value to you, we have provided Q&As within the "Total Advantage Wealth" section on the homepage of www.benefitium.com.

ARE YOU MAXIMIZING YOUR 401(K) SAVINGS AND PROFIT-SHARING PLAN BENEFITS?

The Chevron Phillips Chemical 401(k) Savings and Profit-Sharing Plan is a key component of your retirement income, so it pays to make the most of this plan. Here are two quick tips for getting started:

• Max out the Company match:

Be sure to stretch out your deferrals so that you can contribute at least 6% of each paycheck and receive the full Company match, as your contributions and the Company match will stop after you reach the \$16,500* employee pre-tax and/or Roth after-tax contribution limit. One way to accomplish this is to divide \$16,500 by your annual base salary, then take the resulting percentage and use it to set your pre-tax and/or Roth after-tax contribution on www.netbenefits.com.



Maximizing Your Company Match: An Example	
Annual IRS Contribution Limit (Pre-Tax and/or Roth After-Tax)	\$16,500
Divided by: Your 401(k) Eligible Compensation	\$75,000
Equals: Target Pre-Tax and/or Roth After-Tax Deferral Rate	22.0%

Therefore, if your 401(k) eligible compensation is \$75,000, you should set your deferral rate to at least 6% but no more than 22% to ensure you receive your full 4.5% Company match for the year. However, we recommend increasing your deferral rate to at least 8%, if possible, as explained further below.

- Boost your nest egg with Profit-Sharing:** If you have the means, try to contribute at least 8% of your eligible compensation each year to be sure you get the full Profit-Sharing contribution in the event of a maximum 8% payout year. For example, if you contribute only 5% of your salary on an annual basis and the Company announces a 7% Profit-Sharing contribution, your personal Profit-Sharing contribution will be limited to 5% and you'll miss out on a free 2% bonus.

Company Match: Are You Missing Out?

Remember, non-Roth after-tax contributions, also referred to as Medical Savings Account contributions, are not eligible for the Company match or the Profit-Sharing contribution. Take a moment to review your pay stub and if the only 401(k) deduction you see is "401(k) Post-Tax," then you're not receiving any matching contributions. Don't leave money on the table! Consider switching to pre-tax or Roth after-tax contributions for this year.



* Participants age 50 and over can contribute up to an additional \$5,500 per year pre-tax catch-up contribution (unmatched).

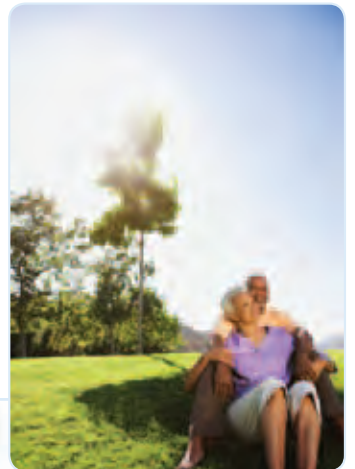


A Closer Look at the Pension Benefit Estimator Tool

The Pension Benefit Estimator tool is a helpful resource for you to understand your Chevron Phillips Chemical Retirement (Pension) Plan benefit and plan for your future. We provided some initial information on using the Pension Benefit Estimator in this year’s “Special Wealth Edition” of *Elements*. In this article, we’ll look at some important terms to know when using this tool.

Accessing the Pension Benefit Estimator

To access the Pension Benefit Estimator, just log on to Fidelity NetBenefits® and click “Chevron Phillips Chemical Retirement Plan” and then “Pension Estimates.” Keep in mind that the Pension Benefit Estimator is simply a tool you can use to project your future benefits. There is no guarantee you will receive the amounts projected.



ASSUMPTIONS

- **Benefit Commencement Date:** Your benefit commencement date must always fall on the first day of a month, and it must be at least one day after your last day worked.
- **Bonus Amount Paid per year:** This field refers to the Employee Incentive Plan (EIP) bonus and/or the Annual Incentive Plan (AIP) bonus, but not other bonus programs. Remember that (unlike for the 401(k) Plan) your EIP bonus or AIP bonus is considered eligible compensation for purposes of the Chevron Phillips Chemical Retirement (Pension) Plan and the Chevron Phillips Chemical Supplemental Executive Retirement Plan (SERP), respectively. This is a long-term assumption, so you may want to consider the target payout for your average expected grade level throughout your remaining career.
- **Salary Projection per year:** This field refers to your anticipated long-term annual salary increase.
- **Success-Sharing:** This field refers to the annual Success-Sharing credit made at the Company’s discretion to your Variable Annuity account. The number you input ties to an annual increase percentage:

Estimate	Annual Increase in Year-End Variable Annuity Balance
1 = Low	0%
2 = Medium	5%
3 = High	10%



MODELING RETIREMENT DATES

When inputting the “Date” field for “When will you stop working?,” you may want to look at other dates than your normal retirement date of age 65, such as your full vesting date, early retirement date and earliest unreduced retirement date (typically age 62). You can find these dates by clicking on the “Select from commonly used dates” link within the Pension Benefit Estimator inputs page or by contacting the Chevron Phillips Retirement and Savings Service Center at 1-866-771-5225.

If You’re a Legacy Participant

Legacy participants are employees of Chevron Phillips Chemical who transferred directly from one of our Parent companies on January 1, 2001. If you are a legacy participant, you may want to run a scenario first for your Early Retirement Eligibility Date Under Your Parent Company Plan, so that all fields, including the Legacy Early Retirement Uplift, populate on the output page.



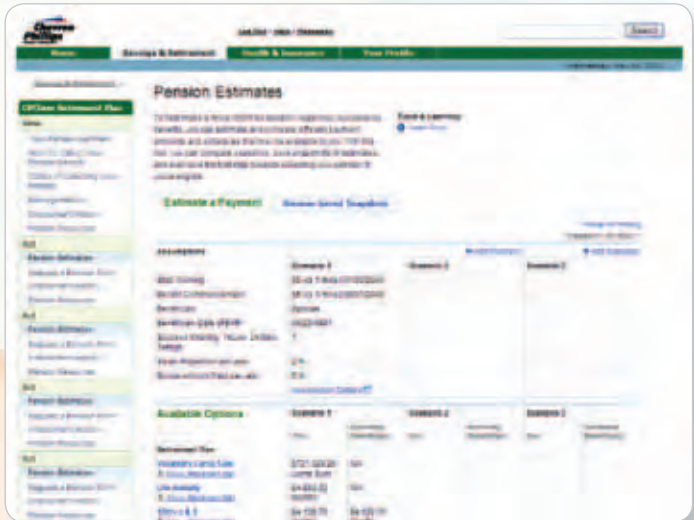
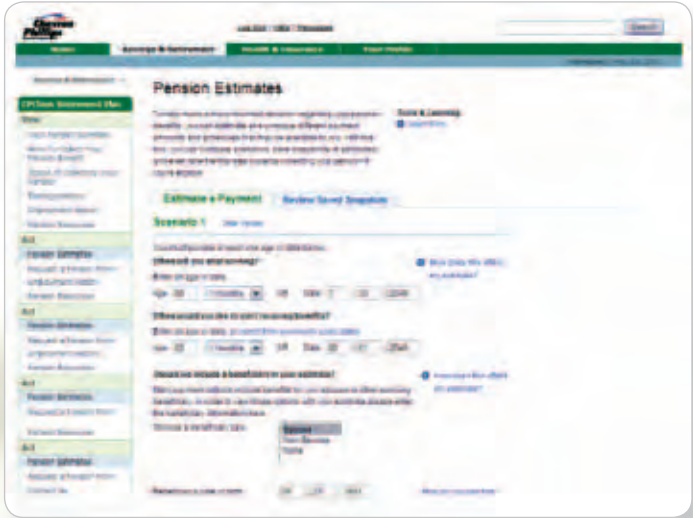


PENSION BENEFIT VALUES

- Lump-Sum Benefit:** The interest rate used to calculate your lump-sum benefit is determined based on your benefit commencement date, not your retirement date. The interest rate used for the estimate depends on whether the applicable interest rate is known for that particular commencement date. If the interest rate for that date is not known, the Pension Benefit Estimator uses the latest available monthly average interest rate updated on the 15th of each month and listed on the Federal Reserve Statistical Release website. To find the interest rate used to calculate your lump-sum benefit, click on the “How my benefit was calculated” link from the “Results” page.
- Age 65 Pension Amounts:** The pension amounts displayed on NetBenefits® (including “Welcome” page, Chevron Phillips Chemical Retirement Page “Benefit View” and “Balance View”) are based on the *unreduced age 65 value* as of the date specified for that value. **This means that the values are often higher than what you would receive if you left today.** The value displayed on the NetBenefits® “Welcome” page is updated quarterly.
- Under Age 65 Pension Amounts:** To find what you would receive today if you are: 1) not early retirement eligible and under age 65; or 2) early retirement eligible and under age 62, you must use the Pension Benefit Estimator. All estimates displayed will change when new eligible compensation information is loaded for each paycheck, and longer-term future estimates will change each time the lump-sum interest rate is updated (the 15th of each month).

Hours Displayed Under Earnings History

The “Hours” column displayed under the “Earnings History” tab reflects only regular work hours and is not used to determine eligibility or to calculate your pension benefit.



Exciting News

About the Chevron Phillips Chemical 401(k) Plan — Times Three

The Company continuously explores opportunities to help you prepare for retirement. As a result, three new programs are being rolled out this year to help you better understand and manage your 401(k) plan benefits.

REBALANCE/REBALANCE NOTIFICATION — AVAILABLE IN MAY 2011

In response to participant requests for tools to help you better maintain your target investment allocation, Chevron Phillips Chemical worked with Fidelity to add the following two features to the Fidelity NetBenefits® website:

- **Rebalance:** The Rebalance service allows you to indicate what percentage of your account you want to allocate to each plan investment option. The system then processes the requested exchanges in the next nightly cycle. For example, you can create a portfolio comprised of 50% Fidelity Contrafund, 30% Fidelity Diversified International and 20% Dodge & Cox Income. Regardless of your current asset allocation, the system will trigger exchanges to allocate the portfolio as desired. The Rebalance service trades only what is needed to attain the desired investment percentages. Note that the Rebalance service will exclude Chevron and ConocoPhillips stock (Employer Stock) fund holdings from all calculations and transactions.
- **Rebalance Notification:** Rebalance Notification also helps you maintain a consistent investment allocation over time. This service proactively notifies you when your account has strayed from your desired investment allocation. Once you enter your desired investment mix via NetBenefits®, you can choose the percentage — 5%, 10% or 15% — by which any investment in your account can vary before the system notifies you to consider rebalancing your investment mix. If an investment diverges by the specified percentage variance, you'll be notified by an email that contains a link directly to the Rebalance service on NetBenefits®. If you choose not to rebalance at the time the notification is sent, another notice is sent in three months if any investment still varies from the desired allocation.

FIDELITY WORKPLACE EDUCATION SERIES — AVAILABLE SUMMER 2011

Because you've expressed a desire for more direct benefits education resources and an opportunity to have your retirement questions answered, your Benefits Team and Fidelity will jointly roll out live interactive web-casts this summer with content specifically customized for Chevron Phillips Chemical's employees. The four monthly topics will include:

- **Building a Portfolio for Any Weather:**
 - Review plan specifics;
 - Establish income replacement need in retirement;
 - Learn about principles of asset allocation as well as diversification and risk vs. return potential; and
 - Build an investment strategy.
- **Designing Your Financial Roadmap:**
 - Build a financial roadmap;
 - Plan for retirement;
 - Establish non-retirement goals and savings options; and
 - Review ways to protect your assets.
- **Preparing Your Savings for Retirement:**
 - Maximize savings while still in the workplace;
 - Conduct an income and expense analysis;
 - Understand the impact of health care on retirement savings and the basics of estate planning;
 - Learn the four competing investing priorities; and
 - Identify key financial risks of not having an income plan.
- **Shifting from Saving to Spending:**
 - Learn why growth is still a must in retirement;
 - Explore common income strategies;
 - Understand the importance of a target investment mix; and
 - Establish a withdrawal strategy and learn the basics of minimum required distributions.

Please be on the lookout in the next few weeks for more details on these exciting educational workshops.

**FINANCIAL ENGINES —
RETIREMENT HELP FOR LIFE® —
LATE 2011**

We heard you express a need for more financial education and guidance. Therefore, Chevron Phillips Chemical has contracted with a company named Financial Engines to provide personalized advice and support you need throughout your career and into retirement, through a service called Retirement Help for Life®.

Retirement Help for Life® will be available online through Fidelity NetBenefits® in late 2011 and will enable you, as a participant in the Chevron Phillips Chemical 401(k) Plan, to:

- Create a personal savings, investing and retirement income plan;
- Receive more help at key life stages: getting started, nearing retirement, and transitioning into retirement; and
- Receive help based on your individual preferences — either online at no cost to you or by having professionals manage your account (additional asset-based fee paid by the participant).

Your Retirement Help for Life® experience will begin when you receive a printed Retirement Evaluation based upon your current investing and savings decisions. The Retirement Evaluation gives you a realistic view of where you stand with regard to savings, risk, diversification and Employer Stock fund holdings. Additionally, the Retirement Evaluation provides savings proposals so you can understand the types of changes needed to get or keep yourself on track.

Please look for more details on the upcoming roll-out of Financial Engines during the second half of 2011.

Special Savings Opportunity for 2011 ... And Beyond

You may know that the “Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010” temporarily reduced the employee portion of your Social Security FICA tax to 4.2% for tax year 2011, down from the previous level of 6.2%. This temporary tax cut could be an opportunity for you to try out a corresponding 2% increase in your 401(k) Plan deferrals for 2011. If 2012 comes along and your personal finances are still in balance, consider making the 2% 401(k) Plan deferral increase permanent to help boost your retirement income for the long run.



Reminder: Vanguard Inflation-Protected Securities Share Class Change

As a reminder, the share class of the Vanguard Inflation-Protected Securities mutual fund offering for the Chevron Phillips Chemical Company LP 401(k) Savings and Profit-Sharing Plan and the Chevron Phillips Chemical Company Puerto Rico Core LLC Savings Plan has been changed. Effective March 1, 2011, the Vanguard Inflation-Protected Securities Institutional Shares fund (VIPIX) replaced the Vanguard Inflation-Protected Securities Admiral Shares fund (VAIPX). The Institutional share class offers you the same management team and investment objectives and invests in the same underlying funds as the Admiral share class, but the overall expense ratio is 0.03% less (reduced from 0.12% to 0.09%), meaning higher returns for you in the long run.



KEEP SAVING —

You'll Be Glad You Did

The smartest gift you can give yourself for the future is to SAVE. It may not always be easy to set aside money for tomorrow when the needs of today are so demanding, but consistent savings is how you build a financial foundation.

A 401(k) plan such as the Chevron Phillips Chemical 401(k) Savings and Profit-Sharing Plan can reward you with compounded tax-deferred growth, boost your contributions with a Company match and provide the opportunity for Profit-Sharing. It's a wealth-building benefit specifically designed to help you prepare for the future.



THINK TWICE BEFORE BORROWING FROM YOURSELF

Often, in tough economic times, employees are tempted to stop contributing to their 401(k) plan account or to take out loans. At the end of 2009, 34% of our 401(k) participants had outstanding loans; at the end of 2010, that percentage increased to 36%.

The ability to borrow from your plan account exists to provide flexibility in case of need, but you should be aware that there is a downside to borrowing from yourself. If you're thinking of taking a loan, here are some things to consider:

- You'll lose any compounded, tax-deferred growth on the amount borrowed. Since the key benefit of a 401(k) plan is compounded, tax-deferred growth, a loan (particularly a large one) could result in a setback for your account and your financial goals.
- Loan repayments will be deducted from your paycheck on an after-tax basis.
- If you also stop your regular contributions to the plan, you'll miss out on the Company matching contributions, as well as the advantage of pre-tax contributions.
- The IRS will consider the loan taxable if you don't pay it back according to your repayment schedule — resulting in increased income taxes, plus a 10% penalty on the unpaid balance if you're younger than 59½.
- If you change jobs or retire, you'll need to make arrangements to pay back the loan.

You'll also want to keep in mind that a 401(k) plan invests for the long term, through up and down markets. If you're taking money out of your account during difficult times (in a down market), you could be losing out on the best buying (and growth) opportunities.



There are certainly situations where a 401(k) loan is an appropriate option — it's better than a taxable withdrawal where the money is completely gone from the plan, and certainly better than borrowing on a high-interest credit card. Your plan account is there if you need it, but the wise action is to consider all possibilities before raiding retirement savings.

For details about the 401(k) Plan's loan feature, see the loan section of the *401(k) Savings and Profit-Sharing Plan Summary Plan Description* on www.benefitium.com.

Also, don't forget the many tools and resources available to you through the NetBenefits® Planning Center at www.netbenefits.com. In addition to providing access to account information and being able to make changes, the NetBenefits® Planning Center offers tools, including interactive calculators, that allow you to create asset allocation strategies, compare fund performance and even model a new loan.

Value CDH Plan

and Health Savings Accounts (HSAs) — Growing Strong



For 2011, we introduced a brand new medical plan option, the Value CDH Plan, to respond to your concern about the high cost of medical coverage and your request for a medical plan option that costs less in per-paycheck contributions. We are pleased that many of our plan participants took advantage of the Aetna Plan Selection and Cost Estimator tool (still available on www.benefitium.com under “Benefit Guides & Online Tools”) to assess their family’s specific situation, evaluate the broad range of choices of medical plans, and migrate from the Select EPO Plan to the Value CDH Plan or the Choice PPO Plan. Enrollment in the Value CDH Plan and the Choice PPO Plan increased in 2011 by a combined 8% over 2010.

You may recall that the Value CDH Plan allows you the opportunity to pay less in per-paycheck contributions (premiums) while paying a higher percentage of your health care costs out-of-pocket when you visit the doctor. This trade-off is demonstrated in the graphic below.

Also keep in mind that designated preventive care is now covered at 100% for all three medical plans, so if you’re relatively healthy and expect to have only preventive visits for a given year or have lower than average health care activity, the Value CDH Plan may be right for you.

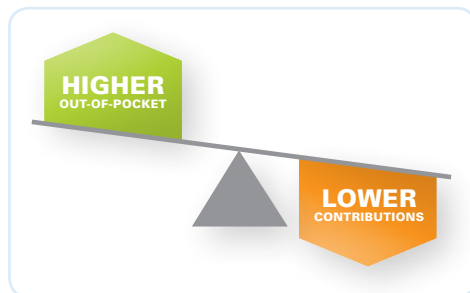
One of the key cost-saving components of the Value CDH Plan is a Health Savings Account (HSA), a special account that lets you set aside tax-free dollars to pay your out-of-pocket medical costs, such as your deductible and co-insurance charges.

As a reminder, here are some of the convenient, cost-saving advantages offered by an HSA:

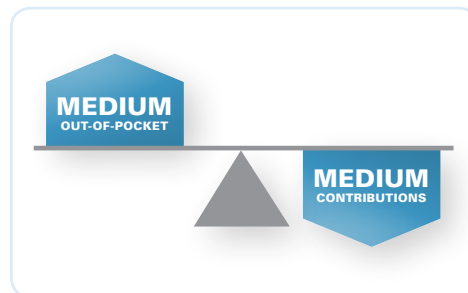
- **Tax savings:** In most cases, you contribute to your HSA tax-free. Since your HSA contributions are made before taxes are withheld, you don’t pay Social Security tax, federal income tax and, in most areas, state and local income taxes on the money you contribute.

- **Tax-free earnings:** Your HSA money is held in a Fidelity brokerage account that includes a core money market account through which deposits and withdrawals are made. Your contributions earn interest tax-free. And once your account balance reaches a minimum of \$2,500, you have the option to invest some of your HSA funds in a broad selection of investment options at Fidelity, including Fidelity and non-Fidelity mutual funds, ETFs, CDs and individual stocks and bonds for greater potential long-term growth. Any earnings on your Fidelity investments are automatically invested and grow tax-free — although your account is also subject to possible market losses.
- **Automatic rollover of funds:** Unlike with a Flexible Spending Account (FSA), any money remaining in your HSA at the end of the year rolls over, and you can add more money and/or spend the money on eligible expenses in future years.
- **Portability:** The funds in your HSA are always yours even if you change medical plans, leave the Company or retire. So even if you’re no longer with Chevron Phillips Chemical, you can still use your HSA money to pay, or reimburse yourself, for tax-free qualified medical expenses. What’s more, unlike with an FSA, your HSA balance can be used to pay COBRA premiums, long-term care and Medicare premiums.

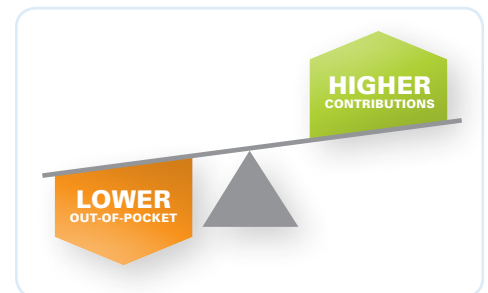
VALUE CDH PLAN



CHOICE PPO PLAN



SELECT EPO PLAN



No Time Limits for Claims Reimbursements

Unlike the Health Care Flexible Spending Account (FSA), which has a deadline for submitting claims for eligible expenses, there’s no time limit for submitting HSA claims. You don’t have to reimburse yourself in the same year that you incur a medical expense. For example, you can reimburse yourself in 2012 for an eligible expense you incurred, and paid for, in 2011, as long as your HSA was established in 2011.

Information at Your Fingertips — Anytime, Anywhere

Need information on one or more of your benefit plans? How about help understanding a certain program and how it works? Maybe you'd like to look up something you read in a previous issue of *Elements*, or you might be interested in learning more about retirement. What's the quickest way to find a vendor form, telephone number or web address?

Chevron Phillips Chemical has consolidated all this information — and much more — on one easy-to-access, easy-to-navigate website at www.benefitium.com.

Because the site is available on the Internet without a password, you or your spouse can access it from home.

Benefitium is a convenient, full-service site with information available in different formats, such as text to read, videos to watch, and online tools to wield. At www.benefitium.com, you'll find:

- Summary plan descriptions for all of the Chevron Phillips Chemical benefit plans;
- Prescription drug formularies and a list of lower copay preventive drugs;
- Guides for new hires, expats and prospective retirees, along with guides on topics such as preventive health care and our Health Savings Account (HSA);
- Online tools, such as the Aetna Plan Selection and Cost Estimator tool and the Express Scripts Express Preview tool;
- What to do when you've experienced a life event (known in the benefits world as a "qualified status change");
- Explanatory videos on topics such as prescription drug step therapy;
- An informational video on Total Advantage Wealth and your retirement benefits;
- Current and back issues of this newsletter;
- Wellness and fitness resources; and
- Forms and contact information.

Benefitium is also a window to lots of additional resources through links to the websites of our benefits vendors.

Be sure to bookmark www.benefitium.com on your home computer. If you and/or your spouse haven't yet taken time to explore the site, you may be surprised at the wealth of information available in one spot and how easy it is to find what you need.



Getting the Most

From Your Prescription Drug Plan

Prescription drugs prevent disease, cure illness, relieve suffering and save lives. As such, they are a critical component of healthcare and wellness. But, over the past several years, utilization of prescription drugs in the U.S. has significantly outpaced population growth, and most of the top-selling prescriptions are higher-priced brand name drugs. As a result, prescription drug costs are projected to grow faster over the next decade than the cost of hospital care and other professional healthcare services.

At Chevron Phillips Chemical, our commitment is to provide access to prescription drugs that maintain and improve your health without breaking the bank — yours or ours. That means taking a careful look at prescription drug management.

PREScription DRUG MANAGEMENT PROGRAMS WORK FOR YOU

Our Prescription Drug Management programs may require you to take a little extra time and make a phone call or two, but they can make a difference for you and for the Company. It's important that you take the right drug in the right amount. And it makes sense to spend no more than you have to in order to get the desired results.

Prior Authorization

The intent of prior authorization is to make sure you get the right drug at the right cost. A drug may require prior authorization if there is another safe and effective — but less expensive — drug available, or if the drug could be used for non-medical purposes.

If you're told that a drug your doctor has prescribed requires prior authorization, you can:

- Ask your doctor (or pharmacist) to contact Express Scripts. Express Scripts will ask specific questions about your condition and determine if the information meets the plan's requirement for that drug to be covered;
- Ask your doctor if you can use another medication that is covered by your plan; or
- Pay full price for the drug, if it is not covered.



Step Therapy

This program is designed to make prescription drugs more affordable for people treating ongoing medical conditions. The purpose of the program is to determine if a generic or lower cost Step 1 drug achieves the same health results as a more expensive Step 2 drug. This can mean significant savings for you over the long term.



In Step Therapy, before the plan will cover a Step 2 drug, you first need to try the Step 1 alternative. If you're told that a prescribed drug is subject to Step Therapy, you can:



- Ask the pharmacist to call your doctor and request a new prescription for a Step 1 drug; or
- Ask your doctor to request an override if you have already tried the Step 1 drug, have a reason not to take it (e.g., allergy) or your doctor decides that the Step 2 drug is needed for medical reasons.

Scenario	Coverage	Cost
Doctor provides new prescription for Step 1 drug	Drug is covered at generic level.	You save money.
Doctor decides Step 2 drug is medically necessary; override is accepted	Drug covered at preferred or non-preferred brand name level.	You pay more, but the drug is still covered.
Employee requests pharmacy to fill prescription for Step 2 drug without doctor's override	Drug not covered.	You pay for the full cost of the drug.

To learn more about how this program works and how it benefits people with ongoing medical conditions, go to www.benefitium.com, click “Benefit Guides and Online Tools,” and access “Step Therapy: The Right Medicine at the Right Cost.”

The first episode entitled “Learn Why Step Therapy is Important” includes a real-life example of how Step Therapy provides value for all plan participants through an analogy between your prescription drug purchase and dining out with friends at a local restaurant.

Drug Quantity Management

The Drug Quantity Management program helps reduce waste in your pharmacy benefit by ensuring that each prescription's dosage is consistent with FDA-approved clinical guidelines and that the most cost-effective product strength is dispensed.

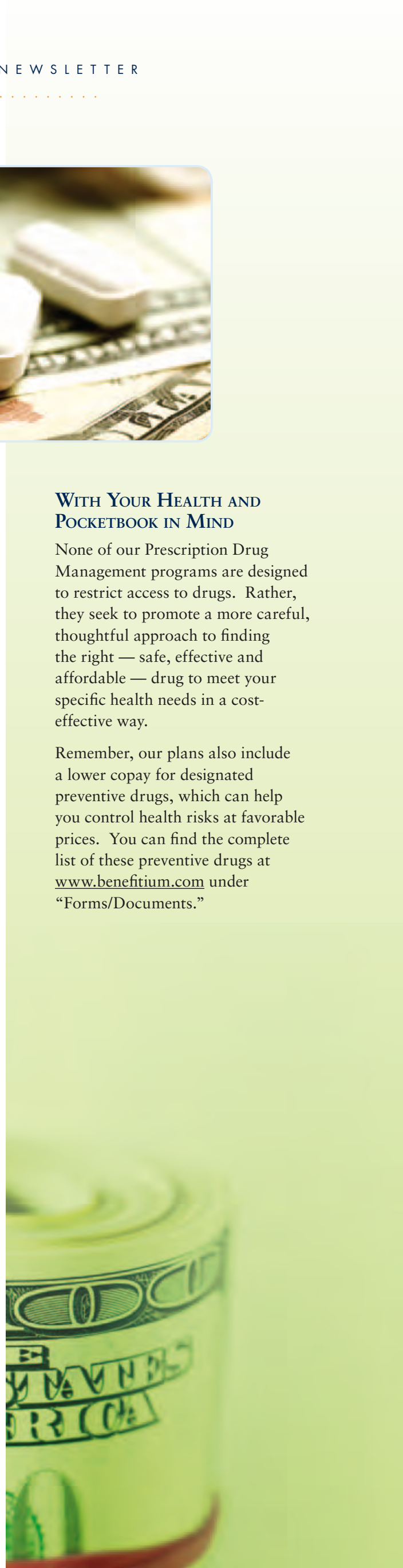
First, the Drug Quantity Management program promotes your safe usage of prescription drugs by providing an ongoing audit to correct administrative dosage errors. By monitoring for and correcting any dosage errors, the program protects you and your family members against inadvertent or, in rare cases, intentional overdosing.

Second, the Drug Quantity Management program helps to protect your family's budget by ensuring that the most cost-effective product strength is dispensed. For example, if clinically appropriate, you may be advised to take one 40 mg tablet instead of two 20 mg tablets, thereby cutting your cost in half.

WITH YOUR HEALTH AND POCKETBOOK IN MIND

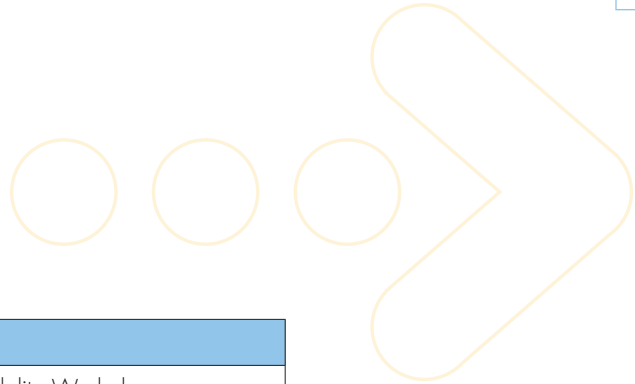
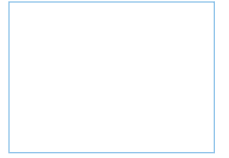
None of our Prescription Drug Management programs are designed to restrict access to drugs. Rather, they seek to promote a more careful, thoughtful approach to finding the right — safe, effective and affordable — drug to meet your specific health needs in a cost-effective way.

Remember, our plans also include a lower copay for designated preventive drugs, which can help you control health risks at favorable prices. You can find the complete list of these preventive drugs at www.benefitium.com under “Forms/Documents.”





Chevron Phillips Chemical Benefits Service Center
P.O. Box 744941
Houston, TX 77274-9962



Important Dates

Date	Activity
Summer 2011	Chevron Phillips Chemical/Fidelity Workplace Education Series
October 20 – November 4, 2011	2012 Open Enrollment
Late 2011	Financial Engines tool available on Fidelity NetBenefits®
December 31, 2011	Last date to incur expenses for the 2011 Flexible Spending Accounts (FSAs)



Notice to Participants

Elements ... Your Benefits Newsletter ("the Newsletter") is applicable to all participating Chevron Phillips Chemical employees (other than Chevron Phillips Chemical Puerto Rico Core employees); salaried Performance Pipe employees; and Performance Pipe employees paid on an hourly basis at Reno and Knoxville hired prior to January 1, 2004.

The Newsletter, including the examples contained herein, is not intended to constitute a promise or contractual commitment by the Company or a right to benefits under any of its employee benefit plans. The Company reserves the right to unilaterally change or terminate any or all of its employee benefit plans at any time and without prior notice. Also, modifications may be necessary to comply with applicable legal requirements. In the event of any inconsistency between a statement contained in the Newsletter and the relevant plan document, the plan document will control. Employees covered by collective bargaining agreements will also be subject to the benefit plan provisions contained in the applicable collective bargaining agreements. In addition, the Newsletter is not intended to be and should not be treated as investment advice or tax advice. Participants should not rely upon the information contained in the Newsletter as a substitute for obtaining specific tax advice or investment advice from their tax advisor or financial planner.

JUNE 2011

CHEVRON PHILLIPS CHEMICAL COMPANY LP (CHEVRON PHILLIPS CHEMICAL)

ELEMENTS



YOUR
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