



Wayne Ederer
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April 19, 2019

Dear Valued Chevron Lubrication Marketer:

Chevron is updating its previously announced general price increase of up to 6% that was to be effective as of May 6, 2019. Now, effective May 29, 2019, there will be a general price increase of up to 14% on all lubricating oils and greases. In certain instances, specific products may increase in amounts that are outside of this range. This change is related to higher than expected increases in costs of raw materials impacting the manufacturing of our products and will avoid the burden associated with administering two price increases.

We understand and appreciate the efforts required by our Marketers to communicate this increase to your customers. Our posted price changes by material will be available in Business Point by Tuesday April 23rd, 2019.

Please note:

- To manage our order fulfillment and to provide the ability to meet the needs of all our customers, we would appreciate that you place your orders consistent with historical order patterns. To serve all Marketers, we will be limiting orders delivered between March 25th and May 28th to 110% of your average monthly volume over the last twelve months. Marketers that exceed the above limit will be billed at the new posted price levels via debit note for the difference between the current prices and new effective prices as of May 29th, 2019.
- Your average monthly volume is defined as your average monthly purchases from March 1st, 2018 to February 28th, 2019. Details regarding your average monthly volume are available to you through your LBST Customer Sales Associate.
- Please plan accordingly as large order quantities placed the week prior to the increase will be reviewed and may not be accepted by Chevron to better meet all customers' needs.

The Chevron Lubricants sales staff is committed to meeting your needs. Your Business Consultant will contact you with more details and supporting information.

As always, thank you for your business.

Sincerely,

Wayne Ederer
Manager – Lubrication Marketers