

AMENDED THIS May 31, 2012 PURSUANT TO
MODIFIÉ CE CONFORMEMENT A

RÈGLE/RÈGLE 26.02 (A)

THE ORDER OF
L'ORDONNANCE DU
DATED / FAIT LE _____

Court File No. CV-12-454778

ONTARIO

SUPERIOR COURT OF JUSTICE

REGISTRAR
SUPERIOR COURT OF JUSTICE GREFFIER
COUR SUPÉRIEURE DE JUSTICE

BETWEEN:

(Court Seal)

DANIEL CARLOS LUSITANDE YAIGUAJE, BENANCIO FREDY CHIMBO
GREFA, MIGUEL MARIO PAYAGUAJE PAYAGUAJE, TEODORO
GONZALO PIAGUAJE PAYAGUAJE, SIMON LUSITANDE YAIGUAJE,
ARMANDO WILMER PIAGUAJE PAYAGUAJE, ANGEL JUSTINO
PIAGUAJE LUCITANTE, JAVIER PIAGUAJE PAYAGUAJE, FERMIN
PIAGUAJE, LUIS AGUSTIN PAYAGUAJE PIAGUAJE, EMILIO MARTIN
LUSITANDE YAIGUAJE, REINALDO LUSITANDE YAIGUAJE, MARIA
VICTORIA AGUINDA SALAZAR, CARLOS GREFA HUATATOCA,
CATALINA ANTONIA AGUINDA SALAZAR, LIDIA ALEXANDRIA
AGUINDA AGUINDA, CLIDE RAMIRO AGUINDA AGUINDA, LUIS
ARMANDO CHIMBO YUMBO, BEATRIZ MERCEDES GREFA TANGUILA,
LUCIO ENRIQUE GREFA TANGUILA, PATRICIO WILSON AGUINDA
AGUINDA, PATRICIO ALBERTO CHIMBO YUMBO, SEGUNDO ANGEL
AMANTA MILAN, FRANCISCO MATIAS ALVARADO YUMBO, OLGA
GLORIA GREFA CERDA, NARCISA AIDA TANGUILA NARVAEZ,
BERTHA ANTONIA YUMBO TANGUILA, GLORIA LUCRECIA TANGUILA
GREFA, FRANCISCO VICTOR TANGUILA GREFA, ROSA TERESA
CHIMBO TANGUILA, MARIA CLELIA REASCOS REVELO, HELEODORO
PATARON GUARACA, CELIA IRENE VIVEROS CUSANGUA, LORENZO
JOSE ALVARADO YUMBO, FRANCISCO ALVARADO YUMBO, JOSE
GABRIEL REVELO LLORE, LUISA DELIA TANGUILA NARVAEZ, JOSE
MIGUEL IPIALES CHICAIZA, HUGO GERARDO CAMACHO NARANJO,
MARIA MAGDALENA RODRIGUEZ BARCENES, ELIAS ROBERTO
PIYAHUAJE PAYAHUAJE, LOURDES BEATRIZ CHIMBO TANGUILA,
OCTAVIO ISMAEL CORDOVA HUANCA, MARIA HORTENCIA VIVEROS
CUSANGUA, GUILLERMO VINCENTE PAYAGUAJE LUSITANTE,
ALFREDO DONALDO PAYAGUAJE PAYAGUAJE,
and DELFIN LEONIDAS PAYAGUAJE PAYAGUAJE

Plaintiffs

and

CHEVRON CORPORATION, CHEVRON CANADA LIMITED, and
CHEVRON CANADA FINANCE LIMITED

Defendants

AMENDED STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiffs. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the plaintiffs' lawyer or, where the plaintiffs do not have a lawyer, serve it on the plaintiffs, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date

May 30, 2012

Issued by


Local Registrar

Address of
court office:

393 University Avenue, 10th Floor
Toronto, ON M5G 1E6

TO

CHEVRON CORPORATION

6001 Bollinger Canyon Road
San Ramon, California 94583

AND
TO

CHEVRON CANADA LIMITED

1200 - 1050 West Pender Street
Vancouver, BC V6E 3T4

AND
TO

CHEVRON CANADA FINANCE LIMITED

500 - 5th Avenue SW
Calgary, AB T2P 0L7

CLAIM

1. The plaintiffs claim against the defendants for:
 - (a) the Canadian equivalent of USD \$18,256,718,000.00, resulting from the final Judgment of the Appellate Division of the Provincial Court of Justice of Sucumbios of Ecuador of January 3, 2012;
 - (b) the Canadian equivalent of costs to be determined by the Ecuadorean Court;
 - (c) a Declaration that the shares of Chevron Canada Limited and Chevron Finance Canada Limited are exigible to satisfy the Judgment of this Honourable Court;
 - (d) the appointment of an equitable Receiver over the shares and assets of Chevron Canada Limited and of Chevron Canada Finance Limited, which are wholly owned subsidiaries of Chevron Corporation;
 - (e) prejudgment interest from January 3, 2012 in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
 - (f) the costs of this proceeding on a substantial indemnity basis, plus all applicable taxes; and
 - (g) such further and other relief as to this Honourable Court may seem just.

The Parties

2. The plaintiff, Maria Aguinda, and 46 other plaintiffs, listed are residents of the Sucumbios and Orellana Provinces in Ecuador. These plaintiffs were representatives of approximately 30,000 residents of Sucumbios Province whose lands, waterways, way of life, and means of living were

devastated by environmental pollution, occurring over a period of approximately 18 years, from 1972 to 1990.

3. The plaintiffs brought action in the District Court of the Southern District of New York in 1993 claiming damages against the defendant, Texaco Corporation ("Texaco"), which subsequently amalgamated or merged with Chevron Corporation ("Chevron") and which now forms part of Chevron.

4. The defendant, Chevron, is the third largest corporation domiciled in the United States. It is a Delaware Corporation which through 73 subsidiaries engages in petroleum operations, chemical operations, mining operations, power generation, and energy services in many countries of the world, including Canada. Chevron files a consolidated set of financial statements that includes the operations of all of its worldwide subsidiaries.

The Action

5. Chevron moved and was successful in dismissing the plaintiffs' claims in the Southern District of New York on the basis of *forum non conveniens*. Chevron persuaded the Court that Ecuador, not New York, was the appropriate forum on the basis, *inter alia*, that the dispute should be resolved according to the laws in Ecuador. The dismissal was upheld by the United States Court of Appeals for the Second Circuit. As a condition of obtaining the dismissal of the plaintiffs' claims, Texaco made promises and gave undertakings to the Court, which included:

- (a) a promise to accept service of process in Ecuador and not object to the civil jurisdiction of a court of competent jurisdiction in Ecuador as to the Aguinda plaintiffs; and

(b) a recognition of the binding nature of any Judgment issued in Ecuador.

6. In the Reasons for Judgment dated August 16, 2002, the Court stated:

Texaco (Chevron) consented to personal jurisdiction in Ecuador as to the Aguinda plaintiffs...

7. In a March 17, 2011 Decision of the United States Court of Appeals for the Second Circuit, the Court once again referred to the earlier *forum non conveniens* dismissal motion and stated:

Here, Texaco (Chevron) had been trying to convince the district court that Ecuador would serve as an adequate alternative forum for resolution of its dispute with plaintiffs. As part of those efforts, Texaco assured the district court that it would recognize the binding nature of any judgment issued in Ecuador. Doing so displayed Texaco's (Chevron) well-founded belief that such a promise would make the district court more likely to grant its motion to dismiss. Had Texaco taken a different approach and agreed to participate in the Ecuadorian litigation, but announced an intention to disregard any judgment the Ecuadorian courts might issue, dismissal could have been (to say the least) less likely.

8. In 2003, the plaintiffs brought action against Chevron in the Province of Sucumbios, Ecuador. Chevron retained counsel and defended the action for a period of almost eight years.

The Judgment

9. By Decision dated February 14, 2011, Judge Nicolas Zambrano Lozada of the Sucumbios Provincial Court of Justice rendered a 188-page Decision condemning Chevron to pay the sum of USD \$18,238,480,000.00. At the request of the parties, Judge Zambrano also issued Clarifications of his Decision.

10. Both parties appealed the Judgment and by Decision dated January 3, 2012, the Appellate Division of the Provincial Court of Justice of Sucumbios affirmed the February 14, 2011 Decision and ordered Chevron to pay the Judgment and, in addition, 0.10% of the Judgment as legal fees.

Thus, the final judgment amount is USD \$18,256,718,000.00. At the request of the parties, the Appellate Division also issued Clarifications.

11. The Judgment of the Appellate Division is a final Judgment in Ecuador and is exigible against the assets of Chevron in whatever jurisdiction any may be found, including Canada.

12. All the facts, findings and conclusions of law stated in the Judgments and Clarifications in Ecuador are *res judicata* as between the parties.

13. As a consequence of the Decision of the Supreme Court of Canada in *Beals v. Saldanha* and subsequent jurisprudence, Chevron is estopped from challenging any fact, finding or determination of law in the Ecuadorian Decisions on the merits. Further, Chevron is restricted from challenging the Ecuadorian Decisions on the basis of fraud unless it can demonstrate that the allegations are new, not the subject of prior adjudication and were not discoverable by the exercise of due diligence.

Recognition of the Judgment in Canada

14. Chevron no longer has assets in Ecuador.

15. In Canada, Chevron has two wholly-owned subsidiaries: Chevron Canada Limited and Chevron Canada Financial Limited (collectively, "Chevron Canada"). The assets of Chevron Canada are significant and are located in many provinces and territories throughout Canada. The assets are beneficially-owned by Chevron and, through it, by the shareholders of Chevron.

16. In its required Form 10-K filing with the United States Security and Exchange Commission for the fiscal year ended December 31, 2011, Chevron declares and the fact is that it manages its investments in subsidiaries, provides administrative, financial, management and technology

support to its US and international subsidiaries that engage in fully-integrated petroleum operations, chemical operations, mining operations, power generation and energy services. In its Annual Report, Chevron states and the fact is that its operating segments (subsidiaries) are managed by segment managers who report to the CODM (Chief Operating Decision Maker), which is Chevron's Executive Committee.

17. Chevron wholly owns and controls Chevron Canada. Chevron consolidates the financial results of its wholly owned subsidiaries including Chevron Canada and reports them as its own. Chevron raises capital in the equities markets based on the assets, operations and results of its wholly owned subsidiaries including Chevron Canada. Chevron Canada does not have an independent Board of Directors. Chevron provides a parent guarantee for the debts of its wholly owned subsidiaries including Chevron Canada.

18. As a condition of obtaining the dismissal of the action in New York, Texaco promised not only to submit to the jurisdiction of the Ecuadorean Court, but also to satisfy the Judgment.

19. After the Judgment, Chevron has resiled from that position. Chevron now repudiates its undertaking to the New York Court to respect and pay the Judgment rendered in the jurisdiction of its own choosing and, through its general counsel, has stated that “[w]e’re going to fight this until Hell freezes over and then fight it out on the ice”.

20. As a result of the allegations in paragraphs 4, 5, 14-17 and the fact that the great majority of its assets are held in 73 subsidiaries (as set out in Schedule “A” hereto), Chevron Canada is a necessary party to this action in order to achieve equity and fairness between parties and to yield a result that is not “too flagrantly opposed to justice...”.

21. The plaintiffs do not allege any wrongdoing against Chevron Canada. The action is for collection of a judgment debt.

22. The plaintiffs seek the appointment of an equitable Receiver to seize the shares and assets of Chevron Canada, the entire beneficial ownership of which belongs to the Judgment-Debtor, Chevron.

23. Service out of Ontario is authorized by Rule 17.02(m) and (o) of the *Rules of Civil Procedure*.

May 30, 2012

**LENCZNER SLAGHT ROYCE
SMITH GRIFFIN LLP**

Barristers
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130 Adelaide Street West
Toronto ON M5H 3P5

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Lawyers for the Plaintiffs

SCHEDULE "A"

SUBSIDIARIES OF CHEVRON CORPORATION¹ AT DECEMBER 31, 2011

Name of Subsidiary	State, Province or Country in Which Organized
Beta Offshore Nigeria Deepwater Limited	Nigeria
Cabinda Gulf Oil Company Limited	Bermuda
Chevron and Gulf UK Pension Plan Trustee Company Limited	England
Chevron Argentina S.R.L.	Argentina
Chevron Australia Pty Ltd.	Australia
Chevron Australia Transport Pty Ltd.	Australia
Chevron (Bermuda) Investments Limited	Bermuda
Chevron Brasil Petróleo Limitada	Brazil
Chevron Canada Finance Limited	Canada
Chevron Canada Limited	Canada
Chevron Capital Corporation	Delaware
Chevron Caspian Pipeline Consortium Company	Delaware
Chevron Environmental Management Company	California
Chevron Geothermal Indonesia, Ltd.	Bermuda
Chevron Global Energy Inc.	Delaware
Chevron Global Power Company	Pennsylvania
Chevron Global Technology Services Company	Delaware
Chevron International (Congo) Limited	Bermuda
Chevron International Petroleum Company	Delaware
Chevron Investment Management Company	Delaware
Chevron Investments (Netherlands), Inc.	Delaware
Chevron LNG Shipping Company Limited	Bermuda
Chevron Marine Products LLC	Delaware
Chevron Mining Inc.	Missouri
Chevron New Zealand	New Zealand
Chevron Nigeria Deepwater B Limited	Nigeria
Chevron Nigeria Deepwater D Limited	Nigeria
Chevron Nigeria Limited	Nigeria
Chevron Oil Congo (D.R.C.) Limited	Bermuda
Chevron Oronite Company LLC	Delaware
Chevron Oronite Pte. Ltd.	Singapore
Chevron Oronite S.A.S.	France
Chevron Overseas Company	Delaware
Chevron Overseas (Congo) Limited	Bermuda
Chevron Overseas Petroleum Limited	Bahamas
Chevron Overseas Pipeline (Cameroon) Limited	Bahamas
Chevron Overseas Pipeline (Chad) Limited	Bahamas
Chevron Pakistan Limited	Bahamas
Chevron Petroleum Chad Company Limited	Bermuda
Chevron Petroleum Company	New Jersey
Chevron Petroleum Limited	Bermuda
Chevron Philippines Inc.	Philippines
Chevron Pipe Line Company	Delaware
Chevron South Natuna B Inc.	Liberia
Chevron Synfuels Limited	Bermuda
Chevron Thailand Exploration and Production, Ltd.	Bermuda

Name of Subsidiary	State, Province or Country in Which Organized
Chevron (Thailand) Limited	Bahamas
Chevron Thailand LLC	Delaware
Chevron Transport Corporation Ltd.	Bermuda
Chevron United Kingdom Limited	England and Wales
Chevron U.S.A. Holdings Inc.	Delaware
Chevron U.S.A. Inc.	Pennsylvania
Chevron Upstream and Gas	Pennsylvania
Four Star Oil & Gas Company	Delaware
Heddington Insurance Limited	Bermuda
Insko Limited	Bermuda
Iron Horse Insurance Co.	Vermont
Oilfield Concession Operators Limited	Nigeria
PT Chevron Pacific Indonesia	Indonesia
Saudi Arabian Chevron Inc.	Delaware
Texaco Britain Limited	England and Wales
Texaco Capital Inc.	Delaware
Texaco Captain Inc.	Delaware
Texaco Inc.	Delaware
Texaco Overseas Holdings Inc.	Delaware
Texaco Venezuela Holdings (I) Company	Delaware
Traders Insurance Limited	Bermuda
TRMI-H LLC	Delaware
Union Oil Company of California	California
Unocal Corporation	Delaware
Unocal International Corporation	Nevada
Unocal Pipeline Company	California
West Australian Petroleum Pty Limited	Australia

¹ All of the subsidiaries in the above list are wholly owned, either directly or indirectly, by Chevron Corporation. Certain subsidiaries are not listed since, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary at December 31, 2011.

DANIEL CARLOS LUSITAND YAIGUAJE et al
Plaintiffs

-and- CHEVRON CORPORATION et al
Defendants

Court File No. CV-12-454778

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT TORONTO

AMENDED STATEMENT OF CLAIM

**LENCZNER SLAGHT ROYCE
SMITH GRIFFIN LLP**

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