

SECURITIES AND EXCHANGE COMMISSION

FORM S-3

Registration statement for specified transactions by certain issuers

Filing Date: **1994-08-02**  
SEC Accession No. **0000912057-94-002443**

([HTML Version](#) on [secdatabase.com](#))

FILER

**UNION OIL CO OF CALIFORNIA**

CIK: **100880** | IRS No.: **951315450** | State of Incorpor.: **CA** | Fiscal Year End: **1231**  
Type: **S-3** | Act: **33** | File No.: **033-54861** | Film No.: **94541287**  
SIC: **2911** Petroleum refining

Business Address  
*1201 W FIFTH ST  
LOS ANGELES CA 90017  
2139777600*

**UNOCAL CORP**

CIK: **716039** | IRS No.: **953825062** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **S-3** | Act: **33** | File No.: **033-54861-01** | Film No.: **94541288**  
SIC: **2911** Petroleum refining

Business Address  
*1201 W FIFTH ST  
LOS ANGELES CA 90017  
2139777600*

SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, D.C. 20549

FORM S-3 REGISTRATION STATEMENT  
 UNDER  
 THE SECURITIES ACT OF 1933

UNION OIL COMPANY OF CALIFORNIA

(Exact name of registrant as specified in its charter)

California 95-1315450  
 (State or other jurisdiction of (I.R.S. Employer Identification Number)  
 incorporation or organization)

1201 West Fifth Street  
 Los Angeles, California 90017  
 (213) 977-7600  
 (Address, including zip code and  
 telephone number, including area  
 code, of registrant's principal  
 executive offices)

Dennis P. R. Codon Esq.  
 Vice President and General Counsel  
 Union Oil Company of California  
 1201 West Fifth Street  
 Los Angeles, California 90017  
 (213) 977-7600  
 (Name, address, including zip code and  
 telephone number, including area code,  
 of agent for service)

UNOCAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 95-3825062  
 (State or other jurisdiction of (I.R.S. Employer Identification Number)  
 incorporation or organization)

1201 West Fifth Street  
 Los Angeles, California 90017  
 (213) 977-7600  
 (Address, including zip code and  
 telephone number, including area  
 code, of registrant's principal  
 executive offices)

Dennis P. R. Codon, Esq.  
 Vice President and General Counsel  
 Unocal Corporation  
 1201 West Fifth Street  
 Los Angeles, California 90017  
 (213) 977-7600  
 (Name, address, including zip code and  
 telephone number, including area code,  
 of agent for service)

With Copies To:

Douglas D. Smith, Esq.  
 Brobeck, Phleger & Harrison  
 550 South Hope Street  
 Los Angeles, California 90071

Approximate date of commencement of proposed sale to the public:  
 From time to time after the effective date of the Registration Statement.

If the only securities being registered on this Form are being offered  
 pursuant to dividend or interest reinvestment plans, please check the following  
 box. / /

If any of the securities being registered on this Form are to be  
 offered on a delayed or continuous basis pursuant to Rule 415 under the  
 Securities Act of 1933, check the following box. /x/

<TABLE>  
 <CAPTION>

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE
<S> Union Oil Debt Securities(3)	<C>	<C>	<C>	<C>

Unocal Preferred Stock(3)

Unocal Common Stock(3) (4)	\$1,000,000,000 (5)	100%	\$1,000,000,000 (5) (6)	\$344,828
----------------------------	---------------------	------	-------------------------	-----------

Union Oil and Unocal Warrants(7)

Unocal Guarantees of Union Oil Debt Securities(8)

<FN>

- (1) In United States dollars or the equivalent thereof in foreign currency or currency units.
- (2) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o).
- (3) Also includes such indeterminate amount of Union Oil Debt Securities and indeterminate numbers of shares of Unocal Preferred and Common Stock as may be issued upon conversion or exchange of any other Union Oil Debt Securities or shares of Unocal Preferred Stock that provide for conversion or exchange into such securities or upon exercise of Warrants for such securities.
- (4) Includes associated Preferred Stock Purchase Rights. Prior to the occurrence of certain events, the Rights will not be exercisable or evidenced separately from the Unocal Common Stock.
- (5) Such amount represents the aggregate of the principal amount of any Union Oil Debt Securities issued, the issue price of any Union Oil Debt Securities issued at an original issue discount, the liquidation preference of any Unocal Preferred Stock, the amount computed pursuant to Rule 457(c) for any Unocal Common Stock, the issue price of any Warrants and the exercise price of any Warrants.
- (6) No separate cash consideration will be received for the Union Oil Debt Securities, Unocal Preferred Stock or Unocal Common Stock issuable upon conversion or exchange of other Union Oil Debt Securities or Unocal Preferred Stock.
- (7) Warrants to purchase Union Oil Debt Securities, Unocal Preferred Stock or Unocal Common Stock may be sold separately or with Union Oil Debt Securities, Unocal Preferred Stock or Unocal Common Stock.
- (8) The Union Oil Debt Securities will be fully and unconditionally guaranteed as to the payment of principal, interest and premium, if any, by Unocal. No cash consideration will be received by Unocal for the Guarantees.

</TABLE>

-----

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a) may determine.

Pursuant to Rule 429 under the Securities Act of 1933, this Registration Statement contains a combined prospectus that also relates to up to \$188,800,000 principal amount of guaranteed debt securities and warrants to purchase guaranteed debt securities registered on Form S-3 Registration Statement Nos. 33-38505 and 33-38505-01, which was declared effective on January 29, 1991. In the event any of such previously registered debt securities or warrants to purchase debt securities are offered and sold prior to the effective date of this Registration Statement, the amount of such debt securities or warrants to purchase debt securities will not be included in any Prospectus hereunder. This Registration Statement constitutes Post-Effective Amendment No. 1 to Registration Statement Nos. 33-38505 and 33-38505-01, pursuant to which the total amount of unsold debt securities and warrants to purchase debt securities previously registered under Registration Statement Nos. 33-38505 and 33-38505-01, without limitation as to class of securities, may be offered and sold as Union Oil Debt Securities, Unocal Preferred Stock, Unocal Common Stock and Warrants to purchase Union Oil Debt Securities, Unocal Preferred Stock and Unocal Common Stock, together with the securities registered hereunder, through the use of the combined Prospectus included herein.

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE

SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

Subject to Completion, dated August 2, 1994

UNOCAL 76

§ \_\_\_\_\_ \*

UNION OIL COMPANY OF CALIFORNIA

Debt Securities and Warrants to Purchase Debt Securities  
With Payment of Principal, Interest and Premium, if any, Guaranteed by  
Unocal Corporation  
-----

UNOCAL CORPORATION

Common Stock, Preferred Stock and Warrants to Purchase  
Common Stock and Preferred Stock  
-----

Union Oil Company of California (the "Company") intends to offer from time to time in one or more series debt securities consisting of unsecured debentures, notes or other evidences of indebtedness (the "Debt Securities"). At the option of the Company, the Debt Securities may be offered as Senior Debt Securities ("Senior Debt Securities") and as Subordinated Debt Securities ("Subordinated Debt Securities"). Unocal Corporation ("Unocal"), the parent company of the Company, will guarantee the payment of principal, interest and premium, if any, on the Debt Securities. The Company and Unocal may also offer from time to time warrants to purchase guaranteed Debt Securities ("Debt Warrants"), which may be issued independently or together with guaranteed Debt Securities. Unocal may offer from time to time Common Stock ("Unocal Common Stock"), Preferred Stock ("Unocal Preferred Stock") and warrants to purchase Unocal Common or Preferred Stock ("Equity Warrants"), which may be issued independently or together with Unocal Common Stock or Unocal Preferred Stock. Such Unocal Common Stock and Unocal Preferred Stock may also be issued upon conversion or exchange of Debt Securities and such Unocal Common Stock may be issued upon conversion of Unocal Preferred Stock. The Debt Securities, Debt Warrants, Unocal Common Stock, Unocal Preferred Stock and Equity Warrants are referred to collectively as the "Securities." No more than an aggregate of \$\_\_\_\_\_ \* public offering price of Securities, including the exercise price of Debt Warrants and Equity Warrants, may be sold pursuant to this Prospectus. The Securities may be sold for United States dollars, foreign currency or currency units.

Certain specific terms of the particular Securities in respect of which this Prospectus is being delivered will be set forth in the accompanying Prospectus Supplement, including, where applicable, (i) in the case of Debt Securities, the title, aggregate principal amount, authorized denominations, maturity, interest rate (which may be fixed or variable) and time of payment of interest, terms for redemption, terms for sinking fund payments, terms for conversion or exchange into other Securities, currency or currencies of denomination and payment (if other than U.S. dollars), listing on a securities exchange and any other terms in connection with the offering and sale of the Debt Securities in respect of which this Prospectus is delivered, as well as the initial public offering price; (ii) in the case of Unocal Preferred Stock, the specific title, number of shares, dividend (including the method of calculation), seniority, liquidation, redemption, voting and other rights, terms for any conversion or exchange into other Securities, listing on a securities exchange, initial public offering price and any other terms; (iii) in the case of Unocal Common Stock, the number of shares and the terms of the offering thereof; and (iv) in the case of Debt Warrants and Equity Warrants, the designation and number, exercise price, any listing of the Debt Warrants, Equity Warrants or the underlying Securities on a securities exchange and any other terms in connection with the offering, sale and exercise of the Debt Warrants and Equity Warrants.

Debt Securities of a series may be issued in registered form, in a form registered as to principal only, or in bearer form (with or without coupons attached), or any combination of such forms. In addition, all or a portion of the Debt Securities may be issued in temporary or definitive global form. Debt Securities in bearer form are offered only outside the United States to non-United States persons and to offices located outside the United States of certain United States financial institutions and other exempt persons. See "Limitations on the Issuance of Bearer Securities."

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Securities will be sold directly, through agents designated from time to time or through underwriters or dealers, which may be a group of underwriters. The Securities may also be exchanged for outstanding securities of the Company or Unocal or both and resold by the holder pursuant to this Prospectus in the over-the-counter market, through negotiated transactions or otherwise, at market prices prevailing at the time of sale or at prices otherwise negotiated. The terms of any such exchange and the method of resale by the holder will be set forth in a Prospectus Supplement. If any agents of the

Company or Unocal or any dealers or underwriters are involved in the sale of the Securities, the names of such agents, underwriters or dealers and any applicable commissions or discounts will be set forth in a Prospectus Supplement.

THIS PROSPECTUS MAY NOT BE USED TO CONSUMMATE SALES OF SECURITIES

UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.

THE DATE OF THIS PROSPECTUS IS \_\_\_\_\_, 1994.

\* \$1,000,000,000 plus amount remaining unsold under Registration Statement Nos. 33-38505 and 33-38505-01.

#### AVAILABLE INFORMATION

Both Unocal and the Company are currently subject to the informational requirements of the Securities Exchange Act of 1934 (the "Exchange Act") and in accordance therewith file reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information filed by Unocal and the Company may be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following Regional Offices of the Commission: 7 World Trade Center, 13th Floor, New York, New York 10048; and 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such material may also be obtained by mail from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. In addition, such reports, proxy statements and other information concerning Unocal may be inspected at the offices of the New York Stock Exchange, 20 Broad Street, 17th Floor, New York, New York 10005, the Chicago Stock Exchange, 440 South LaSalle Street, Suite 518, Chicago, Illinois 60605-1070 and the Pacific Stock Exchange, 115 Sansome Street, 3rd Floor, San Francisco, California 94104.

Although currently subject to certain of the reporting requirements of the Exchange Act, the Company has submitted a request to the Commission for confirmation that it will not object if the Company ceases to file such reports since the reports of the Company and Unocal are substantially identical. If such request is granted, the Company would no longer file such reports with the Commission. Unocal reports filed thereafter would contain summarized financial information regarding the Company.

Unocal and the Company have filed with the Commission registration statements on Form S-3 (together with all amendments and exhibits thereto, the "Registration Statements") under the Securities Act of 1933. This Prospectus and the accompanying Prospectus Supplement do not contain all of the information set forth in the Registration Statements, certain parts of which are omitted in accordance with the rules and regulations of the Commission. For further information, reference is made to the Registration Statements, which may be examined without charge at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. Copies thereof may be obtained from the Commission upon payment of the prescribed fees.

#### INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed with the Commission are incorporated into this Prospectus by reference: (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 1993 of Unocal, as amended by Amendments Nos. 1 and 2 on Form 10-K/A; (ii) the Annual Report on Form 10-K for the fiscal year ended December 31, 1993 of the Company, as amended by Amendment No. 1 on Form 10-K/A; (iii) the Quarterly Reports on Form 10-Q for the quarter ended March 31, 1994 of Unocal and the Company; (iv) the Current Reports on Form 8-K dated January 12, 1994, January 31, 1994, March 2, 1994, March 24, 1994, April 25, 1994, June 27, 1994, June 28, 1994, July 22, 1994 and July 25, 1994 of Unocal; and (v) the Current Reports on Form 8-K dated March 2, 1994, June 27, 1994 and June 28, 1994 of the Company. All documents filed by Unocal and the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Securities shall be deemed to be incorporated by reference in this Prospectus and to be a part hereof from the date of filing of such documents. Any statement contained herein or in a document all or a portion of which is incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Unocal and the Company will provide without charge to each person to whom a copy of this Prospectus is delivered, upon the written or oral request of any such person, a copy of any or all of the documents incorporated herein by reference (not including the exhibits to such documents, unless such exhibits are specifically incorporated by reference in such documents). Requests for such copies should be directed to: Unocal Corporation, 1201 West Fifth Street, Los Angeles, California 90017, Attention: Corporate Secretary, telephone (213) 977-7600.

## USE OF PROCEEDS

The proceeds received by the Company from the sale of the Debt Securities and Debt Warrants offered hereby, will be used by the Company and its affiliates for general corporate purposes. The proceeds received by Unocal from the sale of the Unocal Preferred Stock, Unocal Common Stock and Equity Warrants offered hereby will be used for general corporate purposes, which are expected to include contributions or loans to the Company.

## THE COMPANY AND UNOCAL

The Company is principally engaged in the exploration for, and the production, transportation and sale of, crude oil and natural gas in the United States and foreign countries; and the manufacture, purchase, transportation and marketing of petroleum and selected chemical products. The Company is also engaged in the exploration for, and the production and sale of, geothermal resources. Other operations include the production and marketing of specialty minerals, and real estate development and sales. In addition, the Company conducts research programs in support of the above businesses.

The Company was incorporated in California in 1890 and in 1983 became a wholly owned operating subsidiary of Unocal. As of June 30, 1994, the net assets of the Company represented approximately 100% of the net assets of Unocal, based on book value. The Company is a California corporation and Unocal is a Delaware corporation, each with its principal executive office at 1201 West Fifth Street, Los Angeles, California 90017, telephone (213) 977-7600.

HISTORICAL CONDENSED CONSOLIDATED  
SELECTED FINANCIAL INFORMATION

The following historical condensed consolidated financial information of Unocal and its subsidiaries, including the Company, for the six months ended June 30, 1994 and 1993 and the five years ended December 31, 1993, has been derived from and is qualified in its entirety by the detailed financial statements included in the documents incorporated by reference herein. See "Incorporation of Certain Documents by Reference."

<TABLE>  
<CAPTION>

## SELECTED FINANCIAL INFORMATION OF UNOCAL

(Millions of dollars, except per share amounts)

	Six Months Ended June 30,		Year Ended December 31,				
	1994	1993	1993	1992	1991	1990	1989
	(unaudited)						
<S> INCOME STATEMENT DATA	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues . . . . .	\$3,961	\$4,416	\$ 8,344	\$10,061	\$10,895	\$11,808	\$11,353
Earnings from continuing operations(1) . . . . .	104	229	343	196	73	401	358
Per common share . .	.35	.88	1.27	.75	.31	1.71	1.53
Net earnings . . . . .	104	99	213	220	73	401	260
Per common share . .	.35	.34	.73	.85	.31	1.71	1.11

</TABLE>

<TABLE>  
<CAPTION>

	At June 30,		At December 31,				
	1994	1993	1993	1992	1991	1990	1989
	(unaudited)						
<S> BALANCE SHEET DATA	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Total assets . . . . .	\$9,053	\$8,934	\$ 9,254	\$ 9,452	\$ 9,918	\$ 9,762	\$ 9,257

Long-term debt . . . . .	3,434	3,115	3,455	3,530	4,543	4,025	3,853
Stockholders' equity . . .	3,138	3,132	3,129	3,131	2,464	2,550	2,300

<FN>

(1) Earnings from continuing operations are before a loss from discontinued operations of \$98 million (\$.42 per common share) in 1989 and the cumulative effect of changes in accounting principles, which consisted of a charge of \$130 million (\$.54 per common share) in the six months ended June 30, 1993 and the full year 1993 and a credit of \$24 million (\$.10 per common share) in 1992.

</TABLE>

<TABLE>  
<CAPTION>

RATIOS OF UNOCAL AND THE COMPANY  
(UNAUDITED)

	Six Months Ended June 30,		Year Ended December 31,				
	1994	1993	1993	1992	1991	1990	1989
<S> Ratio of Earnings to Fixed Charges(1)	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Unocal . . . . .	2.0	2.9	2.5	1.7	1.4	2.0	2.1
Company . . . . .	2.0	2.9	2.5	1.7	1.4	2.2	2.1
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends(1) (2)							
Unocal . . . . .	1.7	2.6	2.2	1.6	1.4	2.0	2.1

<FN>

(1) For purposes of this ratio, earnings consist of earnings from continuing operations (before discontinued operations and the cumulative effect of changes in accounting principles) before taxes on income and fixed charges. Fixed charges consist of interest on indebtedness and capital lease obligations, amortization of debt discount, debt premium and issuance expense and that portion of operating lease rental expense which is representative of the interest factor (assumed to be one-third).

(2) For purposes of this ratio, preferred stock dividends are adjusted to a pre-tax basis.

</TABLE>

DESCRIPTION OF THE DEBT SECURITIES

Described below are certain general terms and provisions of the Debt Securities to which a Prospectus Supplement may relate or for which Debt Warrants may be exercisable. The particular terms of the Debt Securities and the extent, if any, to which such general provisions may apply to a particular series of Debt Securities ("Offered Debt Securities") will be described in the Prospectus Supplement relating to such Offered Debt Securities.

The Senior Debt Securities will be issued under an Indenture dated as of \_\_\_\_\_, 1994 (the "Senior Indenture") among the Company, Unocal and Chemical Trust Company of California, as trustee (the "Senior Trustee"). The Subordinated Debt Securities will be issued under a proposed indenture (the "Subordinated Indenture") among the Company, Unocal and a trustee to be named in any Prospectus Supplement relating to Subordinated Debt Securities (the "Subordinated Trustee"). The Senior Indenture and the Subordinated Indenture are referred to collectively as the "Indentures" and individually as an "Indenture." The Senior Indenture incorporates, and the Subordinated Indenture will incorporate, the Standard Multiple-Series Indenture Provisions, January 1991, dated as of January 2, 1991 (the "Standard Provisions"), of the Company and Unocal, which is filed as an exhibit to the Registration Statement. Neither of the Indentures will limit the amount of Debt Securities which may be issued thereunder (Section 2.01). Each of the Indentures will provide that Debt Securities of any series may be issued thereunder up to the aggregate principal

amount which may be authorized from time to time by the Company.

The following summaries of certain provisions of the Debt Securities and the Indentures do not purport to be complete and are subject to, and qualified in their entirety by reference to, all provisions of the Indentures, including the definitions of certain terms used therein. Wherever particular sections of the Indentures or terms that are defined in the Indentures are referred to herein or in an accompanying Prospectus Supplement, it is intended that such sections or terms will be incorporated by reference as a part of the statements made herein or therein, and the statements are qualified in their entirety by such reference. Unless otherwise indicated, references in this Prospectus or in an accompanying Prospectus Supplement to particular sections of the Indentures are to the Standard Provisions. Unless otherwise indicated, when used in this Prospectus the term "principal" will mean principal of, and any premium on, the Debt Securities.

#### GENERAL

The Debt Securities will be direct, unsecured obligations of the Company and will be fully and unconditionally guaranteed as to payment by Unocal. The Senior Debt Securities and the related Guarantees will rank on a parity with all other unsecured and unsubordinated indebtedness of the Company and Unocal, respectively, and will have a right of payment prior to any Subordinated Debt Securities, in the case of Senior Debt Securities, and prior to the Guarantees of Subordinated Debt Securities, in the case of the Guarantees of the Senior Debt Securities. The indebtedness represented by the Subordinated Debt Securities and the Guarantees of the Subordinated Debt Securities will be subordinated in right of payment to the prior payment in full of the Senior Debt of the Company and Unocal, respectively, as described below under "Subordination." The Debt Securities may be issued in one or more series with the same or various maturities at or above par or with an original issue discount. Offered Debt Securities bearing no interest or interest at a rate which at the time of issuance is below market rates ("Original Issue Discount Securities") will be sold at a discount (which may be substantial) below their stated principal amount. In the event of redemption or acceleration of the maturity of an Original Issue Discount Security, the amount payable to the holder of such Security upon such redemption or acceleration will be determined in accordance with the terms of the Security, but will be an amount less than the amount payable at the Stated Maturity of such Security.

Reference is made to the Prospectus Supplement relating to the Offered Debt Securities for the following terms thereof:

- (1) the title of the Offered Debt Securities;
  - (2) any limit upon the aggregate principal amount of the Offered Debt Securities;
- 6
- (3) the percentage of their principal amount for which the Offered Debt Securities will be issued;
  - (4) the date or dates on which the principal of the Offered Debt Securities will be payable;
  - (5) the rate or rates (which may be fixed or variable) at which the Offered Debt Securities will bear interest, if any, or the method by which such rate or rates will be determined;
  - (6) the date or dates from which any such interest will accrue or the method by which such date or dates will be determined;
  - (7) the dates on which payment of any such interest will be payable and the record dates for such interest payment dates;
  - (8) the place or places where the principal of and any interest on the Offered Debt Securities (and Coupons, if any) will be payable and the offices or agencies of the Company maintained for such purposes and each office or agency where the Offered Debt Securities may be presented for registration of transfer or exchange;
  - (9) the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Offered Debt Securities may be redeemed in whole or in part, at the option of the Company;
  - (10) the obligation of the Company, if any, to redeem, repay or purchase, the Offered Debt Securities pursuant to any sinking fund or analogous provision or at the option of a holder of an Offered Debt Security and the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Offered Debt Securities will be redeemed, repaid or purchased, in whole or in part, pursuant to such obligation;

(11) any additional restrictive covenants included for the benefit of holders of the Offered Debt Securities;

(12) any additional Events of Default with respect to the Offered Debt Securities;

(13) the principal amount of the Offered Debt Securities that are Original Issue Discount Securities payable upon declaration of acceleration of the maturity of the Offered Debt Securities;

(14) the currency or currency unit for which the Offered Debt Securities may be purchased, the currency or currency unit in which the payment of principal and interest on such Offered Debt Securities will be payable, the right of the Company or the holder to elect a currency different from that in which the Offered Debt Securities are denominated for payments of principal and interest, and the Exchange Rate Agent, if any;

(15) any index used to determine the amount of payments of principal of and interest on the Offered Debt Securities;

(16) whether the Offered Debt Securities will be issued in registered form, in a form registered only as to principal, or in bearer form, or any combination thereof;

(17) whether and on what terms the Offered Debt Securities will be convertible or exchangeable into shares of Unocal Preferred Stock or Unocal Common Stock;

(18) whether any of the Offered Debt Securities will be issuable initially as a temporary Global Security (as defined in "Form, Exchange, Registration and Transfer") and whether any of the Offered

7

Debt Securities are to be issuable as a permanent Global Security, or any combination thereof and, if so, the Depositary (as defined in "Global Securities") or Depositaries therefor;

(19) if a temporary Global Security is to be issued with respect to such series, the requirements for certification of ownership by non-United States persons that will apply prior to (a) the issuance of a definitive Bearer Security (as defined in "Form, Exchange, Registration and Transfer") or (b) the payment of interest on an Interest Payment Date that occurs before the issuance of a definitive Bearer Security;

(20) the circumstances under which Offered Debt Securities may be exchanged for Debt Securities issued in a different form;

(21) any paying agents, transfer agents, registrars or other agents with respect to the Offered Debt Securities;

(22) whether and under what circumstances the Company will pay additional amounts to any holder of Offered Debt Securities who is not a United States person (as defined under "Limitations on the Issuance of Bearer Securities") in respect of any tax, assessment or governmental charge required to be withheld or deducted and, if so, whether the Company will have the option to redeem rather than pay any additional amounts;

(23) whether any of the provisions described in "Certain Covenants of Unocal," "Events of Default," "Subordination," "Conversion and Exchange," "Form, Exchange, Registration and Transfer," and "Defeasance" will not apply to the Offered Debt Securities;

(24) any other terms of the Offered Debt Securities not inconsistent with the applicable Indenture; and

(25) a discussion of certain Federal income tax considerations, if required.

#### INTEREST AND FOREIGN CURRENCY

Principal and interest will be payable, and the Offered Debt Securities will be transferable, in the manner described in the Prospectus Supplement relating to such Offered Debt Securities.

If any of the Offered Debt Securities are sold for any foreign currency or currency unit or if principal of or any interest on any of the Offered Debt Securities is payable in any foreign currency or currency unit, the restrictions, elections, tax consequences, specific terms and other information with respect to such Offered Debt Securities and such foreign currency or currency unit will be specified in a Prospectus Supplement.

## GUARANTEES

Under the terms of the Indentures and subject to the provisions thereof, Unocal will fully and unconditionally guarantee to the holders from time to time of the Debt Securities: (i) the full and prompt payment of the principal of any Debt Securities and Coupons, if any, when and as the same become payable, whether at the Stated Maturity thereof, by acceleration, call for redemption or otherwise, and (ii) the full and prompt payment of any interest on any Debt Securities and Coupons, if any, when and as the same becomes payable. The Guarantees will remain in effect until the entire principal of and interest on the Debt Securities has been paid in full or otherwise discharged in accordance with the provisions of the Indentures (Section 5.01). In the event of a default in the payment of principal of any Debt Security when and as the same becomes payable, whether at the Stated Maturity thereof, by acceleration, call for redemption or otherwise, or in the event of a default in any sinking fund payment, or in the event of a default in the payment of any interest on any Debt Security when and as the same becomes payable, the Trustee has the right to proceed directly against Unocal without first proceeding against the Company or exhausting any other remedies which the Trustee may have (Section 5.02).

8

Any right of payment of the holders of Senior Debt Securities under the related Guarantees will be prior to the right of payment of the holders of Subordinated Debt Securities under the related Guarantees.

## CERTAIN COVENANTS OF UNOCAL

**LIMITATIONS ON LIENS.** The Senior Indenture provides that neither Unocal nor any Restricted Subsidiary will issue, assume or guarantee any indebtedness for money borrowed ("Debt") that is secured by a Mortgage upon (i) any domestic oil or gas property of Unocal or a Restricted Subsidiary, (ii) any principal domestic refining or manufacturing plant of Unocal or a Restricted Subsidiary, or (iii) shares of stock or indebtedness of any Restricted Subsidiary, unless the Senior Debt Securities will be secured equally and ratably with or prior to such Debt. This covenant will not apply to (a) Mortgages on property or securities of a corporation when it becomes a Restricted Subsidiary, (b) purchase money Mortgages, (c) Mortgages existing at the time of acquisition of property pursuant to a merger, consolidation or purchase of substantially all the assets of the Seller, (d) any Mortgage securing Debt owing by a Restricted Subsidiary to Unocal or to another Restricted Subsidiary, (e) Mortgages on particular property incurred in connection with the exploration, drilling, development, repair, alteration or improvement of such property, (f) Mortgages on current assets or other personal property to secure Debt maturing in not more than one year, or extensions, renewals or replacements of Mortgages referred to in (a) through (e). Notwithstanding the foregoing, Unocal or one or more Restricted Subsidiaries may issue, assume or guarantee Debt secured by a Mortgage which would otherwise be subject to the foregoing restrictions if the aggregate amount of such Debt, together with the aggregate principal amount of all other such Debt of Unocal and its Restricted Subsidiaries then outstanding, does not at such time exceed 20% of the Consolidated Net Assets of Unocal (Senior Indenture Section 5.04).

The following types of transactions, among others, will not be deemed to create Debt secured by a Mortgage: (a) the sale or transfer of oil, oil shale, gas or other minerals in place for a period of time until, or in an amount such that, the transferee will realize therefrom a specified amount of money (however determined) or a specified amount of such minerals or the sale or transfer of any other interest in property of the character commonly referred to as a "production payment" and (b) the placing of any Mortgage in favor of domestic or foreign governmental bodies or agencies to secure payment, or the performance of any other obligations, pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing or refinancing all or a part of the purchase price or the cost of construction of the property subject to such Mortgage (Senior Indenture Section 5.04).

The term "Mortgage" is defined as any mortgage, pledge, lien, security interest, conditional sale or other title retention agreement or other similar encumbrance (Senior Indenture Section 1.01).

The term "oil or gas property" is defined as any interest owned by Unocal or a Restricted Subsidiary in land which in the opinion of Unocal's Board of Directors is capable of producing crude oil, natural gas or other hydrocarbons in paying quantities and any interest in such substances produced or to be produced (or the proceeds thereof) from said lands, but not including exploration or production facilities or other improvements on said lands (Senior Indenture Section 5.04).

The term "Consolidated Net Assets" is defined as the total amount of assets (less applicable reserves and other properly deductible items) of Unocal and its consolidated Subsidiaries after deducting therefrom all liabilities and liability items except Long-Term Debt, stockholders' equity and deferred income

taxes, which under generally accepted accounting principles would be included on such consolidated balance sheet (Senior Indenture Section 1.01).

The term "Restricted Subsidiary" is defined as the Company and any other "Subsidiary" (i) substantially all of the assets and operations of which are located within any one or more of the States of the United States and (ii) which has assets in excess of 2% of the total consolidated assets of Unocal and its consolidated Subsidiaries. The term "Subsidiary" is defined as any corporation, association, or other business entity of which Unocal, either directly or indirectly, has either (i) the voting power to elect a majority of the directors of such corporation or (ii) other ownership interest representing more than 50% ownership of such entity (Senior Indenture Section 1.01).

9

**LIMITATIONS ON SALE AND LEASEBACK.** Unocal will not, nor will it permit any Restricted Subsidiary to, enter into any sale and leaseback arrangement (where the lease runs for a term of more than five years) involving any domestic real property, unless (i) Unocal or such Restricted Subsidiary is not restricted by the above provisions from incurring Debt secured by a Mortgage on such property or (ii) Unocal will apply within 90 days an amount equal to the greater of (a) the fair value (as determined by the Board of Directors of Unocal) of such property or (b) the proceeds of the sale of such property, to the retirement (other than any mandatory retirement) of Long-Term Debt of Unocal or a Restricted Subsidiary (other than Debt owned by Unocal or a Restricted Subsidiary and Debt subordinated to the Senior Debt Securities) (Senior Indenture Section 5.05). The foregoing limitations will not apply to any sale and leaseback between Unocal and any of its Restricted Subsidiaries or between any of its Restricted Subsidiaries.

**RESTRICTIONS ON MERGER AND SALE OF ASSETS.** Neither the Company nor Unocal may consolidate with or merge into any other corporation, or transfer its properties as an entirety or substantially as an entirety to any person, unless (i) the person (if other than the Company or Unocal) formed by or resulting from any such consolidation or merger or which has received the transfer of such property and assets will be a corporation organized under the laws of the United States or any state or territory thereof or the District of Columbia and will assume payment of the principal of, and interest on, the Debt Securities and the performance and observance of the Indentures and (ii) immediately after the consolidation, merger, sale or conveyance, the surviving corporation or the corporation to which the sale or conveyance was made will not be in default under either Indenture (Section 12.01).

#### EVENTS OF DEFAULT

The Senior Indenture defines, and the Subordinated Indenture will define, an Event of Default with respect to any series of Debt Securities as being any one of the following events: (i) default in the payment of any interest on any Debt Security of that series when due, continued for 30 days after written notice has been given by the Trustee to the Company or Unocal or by a holder to the Company and the Trustee, (ii) default in the payment of the principal of a Debt Security of that series when due, (iii) default in the deposit of any sinking fund payment when and as due by the terms of a Debt Security of such series, continued for 30 days after written notice has been given by the Trustee to the Company or Unocal or by a holder to the Company and the Trustee, (iv) default in any material respect in the performance in any other of the Company's or Unocal's material covenants in the applicable Indenture (other than a covenant included in such Indenture solely for the benefit of another series of Debt Securities), continued for 90 days after written notice has been given by the Trustee to the Company or Unocal or by holders of at least 25% in principal amount of the Outstanding Debt Securities of such series to the Company and the Trustee, (v) a default resulting in acceleration of any other indebtedness for borrowed money, in an aggregate principal amount exceeding \$50,000,000, of the Company or Unocal under the terms of the instrument or instruments under which such indebtedness is issued or secured, unless such acceleration is annulled, or such indebtedness is discharged, or there is deposited in trust a sum of money sufficient to discharge such indebtedness, within 20 days after written notice has been given by the Trustee to the Company and Unocal or by holders of at least 25% in principal amount of the Outstanding Debt Securities of such series to the Company, Unocal and the Trustee, and (vi) certain events of bankruptcy, insolvency or reorganization (Section 7.01).

No holder of any Debt Security of a series will have any right to institute any proceeding with respect to the applicable Indenture or for any remedy thereunder, unless such holder previously has given to the Trustee written notice of an Event of Default with respect to such series and unless the holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time outstanding have made written request upon the Trustee, and have offered reasonable security or indemnity, to institute such proceeding as trustee under such Indenture, and the Trustee for 60 days shall have failed to institute such proceeding. However, the right of any holder of any Debt Security to institute suit for enforcement of any payment of principal of and interest on such Debt Security on or after the due date expressed in such Debt

Security may not be impaired or affected without such holder's consent (Section 7.04).

The holders of a majority in principal amount of Debt Securities of any series at the time outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee

10

or exercising any trust or power conferred on the Trustee with respect to Debt Securities of that series, provided that such holders have offered reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by the Trustee in compliance with any such direction and subject to certain other restrictions (Sections 7.06 and 8.02(d)).

Unocal and the Company will be required to furnish to the Trustee within 120 days after the end of each fiscal year a statement as to their respective compliance with all conditions and covenants under the Indentures (Sections 4.06 and 5.07).

#### MANDATORY PREPAYMENT

The provisions of each of (i) the \$1,400,000,000 Credit and Guarantee Agreement, dated as of December 12, 1991, as amended as of July 5, 1994, among the Company and Unocal Canada Limited, as borrowers, Unocal, as guarantor, and a syndicate of banks, (ii) the \$45,000,000 Credit and Guarantee Agreement, dated as of April 19, 1993, among Unocal Netherlands B.V., as borrower, the Company, Unocal, and others, as guarantors, and The Bank of Nova Scotia, as agent, and (iii) the \$250,000,000 Credit and Guarantee Agreement, dated as of December 15, 1993, among Unocal Thailand, Ltd.-Thailand Branch, as borrower, the Company and Unocal, as guarantors, and a syndicate of banks, provide for the termination of the loan commitments thereunder and require the prepayment of all outstanding loans and all other amounts owing thereunder in the event (a) any person or group becomes the beneficial owner of more than 30% of the then outstanding voting stock of Unocal, otherwise than in a transaction having the approval of the Board of Directors of Unocal, at least a majority of which are continuing directors, or (b) continuing directors shall cease to constitute at least a majority of the Board of Directors of Unocal. The Company or Unocal may include similar or different mandatory prepayment provisions in other borrowing instruments including, without limitation, Debt Securities issued in the future. There can be no assurance that the Company will have the funds available to prepay such amounts if required to do so under any of these mandatory prepayment provisions.

#### SUBORDINATION

The indebtedness represented by the Subordinated Debt Securities and the Guarantees of Subordinated Debt Securities will be subordinate and junior in right of payment to the prior payment in full of all Senior Debt of the Company or Unocal, as the case may be, whether outstanding on the date of the Subordinated Indenture or thereafter incurred. "Senior Debt" is defined as (i) all indebtedness of the Company or Unocal, as the case may be, for borrowed money, (ii) all indebtedness for borrowed money of others guaranteed by the Company or Unocal and (iii) any obligation of the Company or Unocal under any interest rate or currency swap agreement, in each case whether outstanding on the date of the Indenture or incurred thereafter that is not by its terms subordinate and junior in right of payment to any other indebtedness of the Company or Unocal, as the case may be, and, in the case of the Company, includes all indebtedness at any time evidenced by Senior Debt Securities (Subordinated Indenture Section 16.09).

In the event (i) of any liquidation, dissolution or other winding up of the Company or Unocal, or of any receivership, insolvency, bankruptcy, readjustment, reorganization or other similar proceedings relative to the Company or Unocal or their respective property, all principal of and any interest due on all Senior Debt will be paid in full, or provided for, before any principal, sinking fund, if any, or interest payment is made on the Subordinated Debt Securities, in the case of the Company, or the Guarantees of Subordinated Debt Securities, in the case of Unocal, or (ii) that the Subordinated Debt Securities are declared due and payable because of the occurrence of an Event of Default (under circumstances such that the preceding clause (i) will not be applicable), the holders of the Subordinated Debt Securities will be entitled to payment only after all principal of and any interest due on the Senior Debt has been paid or has been provided for (Subordinated Indenture Section 16.01).

By reason of such subordination, creditors of the Company who are holders of Senior Debt Securities may recover more, ratably, than holders of Subordinated Debt Securities.

11

## CONVERSION AND EXCHANGE

The terms, if any, on which Offered Debt Securities are convertible into or exchangeable for Unocal Preferred Stock or Unocal Common Stock will be set forth in the Prospectus Supplement relating thereto. Such terms may include provisions for conversion or exchange, either mandatory, at the option of the holder or at the option of the Company.

## FORM, EXCHANGE, REGISTRATION AND TRANSFER

The Debt Securities may be issued in fully registered form without coupons, in a form registered as to principal only with or without bearer coupons ("Registered Securities") or in bearer form with or without coupons ("Bearer Securities") or any combination thereof. Debt Securities may also be issued in whole or in part, in the form of one or more temporary or permanent global securities (each a "Global Security"). Unless otherwise specified in the applicable Prospectus Supplement relating to the Offered Debt Securities, the Debt Securities will be only Registered Securities. The Debt Securities denominated in United States Dollars will be issued, unless otherwise set forth in the applicable Prospectus Supplement relating to the Offered Debt Securities, in denominations of \$1,000 for Registered Securities and in denominations of \$5,000 for Bearer Securities, and in any integral multiple of such denominations (Section 2.02). See, however, "Limitations on the Issuance of Bearer Securities" below. One or more Global Securities will be issued in a denomination or aggregate denominations equal to the aggregate principal amount of Outstanding Debt Securities of the series to be represented by such Global Security or Securities. The Prospectus Supplement relating to a series of Debt Securities denominated in a foreign or composite currency will specify the denomination thereof.

Registered Securities of any series (other than a Global Security, except as set forth below) will be exchangeable for other Registered Securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations. In addition, if Debt Securities of any series are issuable as both Registered Securities and Bearer Securities, at the written request of the holder, and subject to the terms of the applicable Indenture, Bearer Securities (with all unmatured coupons, except as provided below, and all mature coupons in default) of such series will be exchangeable into Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. No Bearer Securities will be delivered in the United States. Bearer Securities with coupons appertaining thereto surrendered in exchange for Registered Securities between a Regular Record Date, or, in certain circumstances a Special Record Date, and the relevant date for payment of interest must be surrendered without the coupon relating to such date for payment of interest and such interest will not be payable in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the holder of such coupon when due in accordance with the terms of the applicable Indenture. Unless otherwise stated in a Prospectus Supplement, Registered Securities will not be exchangeable into Bearer Securities. If a holder elects to receive a definitive Bearer Security, rather than hold an interest in a permanent global Bearer Security, then, at the option of the Company, such holder must pay to the Company a service charge and a proportionate share of the cost of printing such definitive Bearer Security (Section 2.05).

Debt Securities may be presented for exchange as provided above, and Registered Securities (other than a Global Security) may be presented for registration of transfer (with the form of transfer endorsed thereon duly executed), at the office of the Security Registrar or at the office of any transfer agent designated by the Company for such purpose with respect to any series of Debt Securities and specified in the applicable Prospectus Supplement, upon payment of any required service charges and taxes and other governmental charges. The holders of the Debt Securities will be required to pay all service charges for the exchange or transfer of any Debt Security, except the Company shall pay for such service charges (i) for the transfer from a temporary global Debt Security to any other form of Debt Security, (ii) if the Debt Securities are listed on a stock exchange that requires the issuer to pay such charges as a condition to listing or (iii) if the applicable Prospectus Supplement otherwise specifies. Such transfer or exchange will be effected once the Security Registrar or such transfer agent, as the case may be, is satisfied with the document of title and identity of the person making the request. Bearer Securities will be transferable by delivery.

The Company has appointed the Senior Trustee under the Senior Indenture, and will appoint the Subordinated Trustee under the Subordinated Indenture, as Security Registrar (Section 2.05). At the date of this Prospectus, the Corporate Trust Office of the Senior Trustee is located at 300 South Grand Avenue, 4th Floor, Los Angeles, California 90071. If the identity or address of the Senior Trustee changes, the corrected information will appear in the applicable Prospectus Supplement, as appropriate. The identity and address of

the Subordinated Trustee will appear in the applicable Prospectus Supplement. If the applicable Prospectus Supplement specifies any transfer agents in addition to the Security Registrar with respect to any series of Debt Securities, the Company may at any time rescind the designation of any such transfer agent or approve a change in the location through which any such transfer agent acts, except that, if Debt Securities of a series are issuable only as Registered Securities, the Company will be required to maintain a transfer agent in each Place of Payment for such series and, if Debt Securities of a series are issuable as Bearer Securities, the Company will be required to maintain (in addition to the Security Registrar) a transfer agent in a Place of Payment for such series located outside the United States. The Company may at any time designate additional transfer agents with respect to any series of Debt Securities (Section 4.02).

In the event of any redemption in part, the Company shall not be required to: (i) issue, register the transfer or exchange of Debt Securities of any series during a period beginning at the opening of 15 Business Days before any selection of Debt Securities of that series to be redeemed and ending at the close of business on (a) the day of mailing of the relevant notice of redemption, if Debt Securities of the series are issuable only as Registered Securities, (b) the day of the first publication of the relevant notice of redemption, if Debt Securities of the series are issuable only as Bearer Securities, or (c) the day of mailing of the relevant notice of redemption, if Debt Securities of the series are issuable as Registered Securities and Bearer Securities and there is no publication; (ii) register the transfer or exchange of any Registered Security, or portion thereof, called for redemption, except the unredeemed portion of any Registered Security being redeemed in part; or (iii) exchange any Bearer Security called for redemption, except to exchange such Bearer Security for a Registered Security of that series and like tenor which is simultaneously surrendered for redemption (Section 2.05).

#### PAYMENT AND PAYING AGENTS

Payment of principal of, and any interest on, Registered Securities, unless otherwise specified in the applicable Prospectus Supplement, will be made at the office of the Paying Agent or Paying Agents as the Company may designate from time to time, except that at the option of the Company payment of any interest may be made by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register (Section 2.11). Payment of any installment of interest on Registered Securities will be made to the person in whose name such Registered Security is registered at the close of business on the Regular Record Date for such interest (Section 2.09), except as otherwise specified in the applicable Prospectus Supplement.

Payment of principal of, and any interest on, Bearer Securities will be payable in United States dollars, unless a different currency is designated in the applicable Prospectus Supplement, subject to any applicable laws and regulations, at the offices of such Paying Agents outside the United States as the Company may designate from time to time. Payment of interest on Bearer Securities with coupons appertaining thereto on any Interest Payment Date will be made only against surrender of the coupon relating to such Interest Payment Date, unless otherwise indicated in the applicable Prospectus Supplement (Sections 2.11 and 4.02). No payment with respect to any Bearer Security will be made at the Corporate Trust Office of the Trustee or any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to an account maintained in the United States. Notwithstanding the foregoing, payments of principal of, and any interest on, Bearer Securities denominated and payable in United States Dollars will be made at the office of the Company's Paying Agent in New York City, if (but only if) payment of the full amount thereof in United States Dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions (Section 4.02).

The Company has designated the New York City Corporate Trust Office of the Senior Trustee, and will designate the New York City Corporate Trust Office of the Subordinated Trustee, as the sole Paying Agent for payments with respect to Offered Debt Securities that are issuable as Registered Securities, and as the Paying Agent in New York City for payments with respect to Offered Debt Securities (subject to the limitations described

above in the case of Bearer Securities) that are issuable solely as Bearer Securities or as both Registered Securities and Bearer Securities. Any Paying Agents outside the United States and any other Paying Agents in the United States initially designated by the Company for the Offered Debt Securities will be named in the applicable Prospectus Supplement. The Company may at any time designate additional Paying Agents or rescind the designation of any Paying Agent or approve a change in the office through which any Paying Agent acts. However, the Company will be required to maintain a Paying Agent in each Place of Payment for Debt Securities of each series that is issuable solely as Registered Securities, and the Company will be required to maintain for each series of Bearer Securities a Paying Agent (i) in New York City for payments

with respect to any Registered Securities of the series (and for payments with respect to Bearer Securities of the series in the circumstances described above, but not otherwise), (ii) in a place of payment located outside the United States where Debt Securities of such series and any coupons appertaining thereto may be presented and surrendered for payment; and (iii) each place outside the United States required by any stock exchange on which Debt Securities of such series are listed (Section 4.02).

All monies paid by the Company to a Paying Agent for the payment of principal of, and any interest on, any Debt Securities that remain unclaimed at the end of two years after such principal or interest has become due and payable will be repaid to the Company and the holder of such Debt Security or any coupon appertaining thereto will thereafter look only to the Company or Unocal for payment thereof (Section 13.05).

#### GLOBAL SECURITIES

The Offered Debt Securities may be issued in whole or in part in the form of one or more Global Securities that will be deposited with, or on behalf of, a depository (the "Depository") identified in the applicable Prospectus Supplement. Global Securities may be issued in either registered or bearer form and in either temporary or definitive form. Unless and until it is exchanged in whole or in part for Debt Securities in definitive form, a Global Security may not be transferred except as a whole by the Depository for such Global Security to a nominee of such Depository or by a nominee of such Depository to such Depository or another nominee of such Depository or by such Depository or any such nominee to a successor of such Depository or a nominee of such successor (Sections 2.03 and 2.05).

The specific terms of the depository arrangement with respect to any Offered Debt Securities will be described in the applicable Prospectus Supplement. The Company anticipates that the following provisions will apply to all depository arrangements.

Upon the issuance of a Global Security, the Depository for such Global Security will credit, on its book-entry registration and transfer system, the respective principal amounts of the Debt Securities represented by such Global Security to the accounts of institutions that have accounts with such Depository ("Participants"). The accounts to be credited shall be designated by the underwriters of such Debt Securities, by certain agents of the Company or by the Company, if such Debt Securities are offered and sold directly by the Company. Ownership of beneficial interests in a Global Security will be limited to Participants or persons that may hold interests through Participants. Ownership of beneficial interests in such Global Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the Depository for such Global Security or by Participants or by persons that hold through Participants. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in definitive form. Such ownership limits and such laws may impair the ability to transfer beneficial interests in a Global Security.

So long as the Depository for a Global Security, or its nominee, is the owner of such Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Global Security for all purposes under the Indenture governing such Debt Securities. Except as set forth below, owners of beneficial interests in a Global Security will not be entitled to have Debt Securities of the series represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities of such series in definitive form and will not be considered the owners or holders thereof under the Indenture governing such Debt Securities.

Subject to the restrictions discussed under "Limitations on the Issuance of Bearer Securities" below, principal and interest payments on Debt Securities registered in the name of or held by a Depository or its nominee will be made to the Depository or its nominee, as the case may be, as the registered owner or the holder of the Global Security representing such Debt Securities. None of the Company, Unocal, the Trustee for such Debt Securities, any paying agent or the Security Registrar for such Debt Securities will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security for such Debt Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Company expects that the Depository for Debt Securities of a series, upon receipt of any payment of principal or interest in respect of a definitive Global Security, will immediately credit Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Security as shown on the records of such Depository. The Company also expects that payments by Participants to owners of beneficial

interests in such Global Security held through such Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participants.

If a Depositary for Debt Securities of a series is at any time unwilling or unable to continue as Depositary and a successor Depositary is not appointed by the Company within 90 days, the Company and Unocal will issue Debt Securities of such series in definitive form in exchange for the Global Security or Securities representing the Debt Securities of such series. In addition, the Company may at any time and in its sole discretion determine not to have any Debt Securities of a series represented by one or more Global Securities and, in such event, will issue Debt Securities of such series in definitive form in exchange for the Global Security or Securities representing such Debt Securities. Further, an owner of a beneficial interest in a Global Security representing Debt Securities of such series may, under certain circumstances and on terms acceptable to the Company and the Depositary for such Global Security, receive Debt Securities of such series in definitive form. In any such instance, an owner of a beneficial interest in a Global Security will be entitled to physical delivery in definitive form of Debt Securities of the series represented by such Global Security equal in principal amount to such beneficial interest and to have such Debt Securities registered in its name (if the Debt Securities of such series are issuable as Registered Securities). Unless otherwise specified by the Company, Debt Securities of such series so issued in definitive form will be issued (a) as Registered Securities in denominations of \$1,000 and integral multiples thereof, if the Debt Securities of such series are issuable as Registered Securities; (b) as Bearer Securities in the denominations of \$5,000, if the Debt Securities of such series are issuable as Bearer Securities or (c) as either Registered or Bearer Securities in such denominations, if the Debt Securities of such series are issuable in either form (Section 2.05). See, however, "Limitations on the Issuance of Bearer Securities" below for a description of certain restrictions on the issuance of a Bearer Security in definitive form in exchange for an interest in a Global Security.

#### MEETINGS, MODIFICATION AND WAIVER

**MODIFICATION OF INDENTURES.** The Senior Indenture provides, and the Subordinated Indenture will provide, that the Company, Unocal and the Trustee thereunder may, without the consent of any holders of Debt Securities, enter into supplemental indentures for the purposes, among other things, of adding to the Company's or Unocal's covenants, adding additional Events of Default, establishing the form or terms of Debt Securities or curing ambiguities or inconsistencies in such Indenture or making other provisions; provided such action shall not adversely affect the interests of the holders of any series of Debt Securities in any material respect (Section 11.01). In addition, modifications and amendments of each Indenture may be made by the Company and Unocal and the Trustee with the consent of the holders of not less than a majority in aggregate principal amount of the Debt Securities then outstanding of each series affected by such modification or amendment; provided, however, that no such modification or amendment may, without the consent of the holder of each Debt Security then outstanding that is affected thereby, (a) change the Stated Maturity of the principal of, or any installment of principal of or interest on any Debt Security, (b) reduce the principal amount of or interest on any Debt Security, (c) change any obligation to pay additional amounts, (d) reduce the amount of principal of an Original Issue Discount Security payable upon acceleration of the Maturity thereof, (e) change the Place of Payment or the currency or currency unit in which any Debt Security or interest thereon is payable, (f) impair the right to institute suit for the enforcement of any payment on or with respect to any Debt Security, (g) reduce the percentage in principal

15

amount of Debt Securities then outstanding of any series, the consent of whose holders is required for modification or amendment of the applicable Indenture or for any waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults, (h) change any obligation of the Company to maintain an office or agency in the places and for the purposes required by an Indenture, (i) if the Debt Securities are convertible into any other security of the Company or Unocal, make any change that would materially adversely affect the right to convert such Debt Securities, or (j) modify any of the above provisions. If the Debt Securities of any series are issuable upon the exercise of Debt Warrants, then each holder of a Debt Warrant with respect to such series shall be treated as a holder of such Debt Securities in the amount issuable upon exercise of such Debt Warrant for purposes of voting under Section 11.02 of the Indenture (Sections 9.04 and 11.02).

**WAIVER OF DEFAULT.** The holders of a majority in aggregate principal amount of the Debt Securities then outstanding of each series may, on behalf of the holders of all the Debt Securities of that series, waive, insofar as that series is concerned, compliance by Unocal with certain restrictive provisions of the applicable Indenture (Section 5.11). The holders of a majority in aggregate principal amount of the Debt Securities then outstanding of each series may, on

behalf of all holders of Debt Securities of that series and any coupons appertaining thereto, waive any past default under the Indenture with respect to Debt Securities of that series, except a default (a) in the payment of principal of or any interest on any Debt Security of such series and (b) in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of the holder of each Debt Security then outstanding of such series affected (Section 7.06).

**CALCULATING OUTSTANDING PRINCIPAL.** The Senior Indenture provides, and the Subordinated Indenture will provide, that in determining whether the holders of the requisite principal amount of the Debt Securities that are outstanding have given any request, demand, authorization, direction, notice, consent or waiver thereunder or are present at a meeting of holders of Debt Securities for quorum purposes, (i) the principal amount of an Original Issue Discount Security that will be deemed to be outstanding will be the amount of the principal thereof that would be due and payable as of the date of such determination upon acceleration of the Maturity thereof, and (ii) the principal amount of a Debt Security denominated in a foreign currency or currency unit will be deemed to be that amount of United States dollars that could be obtained for such principal amount on the basis of the spot rate of exchange for such foreign currency or currency unit as determined by the Company or an Exchange Rate Agent up to ten days before the date of the action by the holders (Section 9.04).

**MEETINGS AND VOTING.** The Senior Indenture contains, and the Subordinated Indenture will contain, a provision for convening meetings of the holders of Debt Securities of a series, including Debt Securities issuable as Bearer Securities (Section 10.01). A meeting may be called at any time by the Trustee, and upon request, by the Company, Unocal or the holders of at least 25% in principal amount of the Debt Securities then outstanding of such series, in any such case upon notice given in accordance with "Notices" below (Sections 10.02 and 10.03). Except as described above under "Modifications of Indentures" and "Waiver of Default," a resolution presented at a meeting or reconvened meeting at which a quorum of the holders of Debt Securities then outstanding of the applicable series is present may be adopted by the affirmative vote of the lesser of (i) the holders of a majority in principal amount of the Debt Securities then outstanding of such series, or (ii) the holders of 66-2/3% in principal amount of the Debt Securities then outstanding of such series represented and voting at the meeting; provided, however, that if any consent, waiver, or other action which the applicable Indenture expressly provides may be made, given or taken by the holders of a specified percentage, which is less than a majority of the principal amount of the Debt Securities then outstanding of a series, such action may be adopted at a meeting or reconvened meeting at which a quorum is present by the affirmative vote of the lesser of (a) the holders of such specified percentage in principal amount of the Debt Securities then outstanding of that series or (b) a majority in principal amount of Debt Securities then outstanding of such series represented and voting at the meeting. Any resolution passed or decision taken at any meeting of holders of Debt Securities of any series duly held in accordance with the Indenture will be binding on all holders of Debt Securities of that series and the related coupons whether or not present or represented at the meeting.

The quorum at a meeting of the holders of a series of Debt Securities will be persons holding or representing a majority in principal amount of the Debt Securities then outstanding of a series, unless otherwise specified in a Prospectus Supplement (Section 10.08).

The record date for purposes of determining the identity of holders entitled to vote regarding, or consent to, actions by the Trustee and certain waivers will be the later of (i) thirty (30) days prior to the first solicitation of such consent or (ii) the date of the most recent list of holders of securities furnished to the Trustee prior to such solicitation.

#### NOTICES

Except as otherwise provided in the applicable Indenture, notices to holders of Bearer Securities will be given by publication at least once in a newspaper published on a Business Day in New York City and London and in such other city or cities as may be required with respect to such Bearer Securities and will be mailed to such persons whose names and addresses were previously filed with the Trustee under the applicable Indenture, within the time prescribed for the giving of such notice. Notices to holders of Registered Securities will be given by mail to the address of such holders as they appear in the Security Register (Section 1.04).

#### TITLE

Title to any Bearer Securities (including Bearer Securities in permanent global bearer form) and any coupons appertaining thereto will pass by delivery. The Company, Unocal, the appropriate Trustee and any agent of the Company or such Trustee may treat the bearer of any Bearer Securities, the bearer of any coupon and the registered owner of any Registered Security as the absolute owner

thereof (whether or not such Debt Security or coupon is overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all the other purposes (Section 2.07).

#### DEFEASANCE

Unless otherwise indicated in the applicable Prospectus Supplement, the obligations of the Company and Unocal with respect to the payment of the principal of and interest on the Offered Debt Securities and their respective obligations under Sections 5.01, 5.02, 5.03, 5.04, 5.05, 5.08, 5.09, 5.11, 12.01 and 12.02 of the Indenture will be terminated if: (i) the Company irrevocably deposits or causes to be deposited with the appropriate Trustee, under the terms of an escrow trust agreement in form and substance satisfactory to the appropriate Trustee, as trust funds pledged as security for, and dedicated solely to, the benefit of the holders of the Offered Debt Securities, (a) money or (b) in the case of Offered Debt Securities and coupons denominated in United States Dollars, U.S. Government Obligations (as defined in Section 13.04), and in the case of Debt Securities and coupons denominated in a foreign currency, Foreign Government Securities (as defined in Section 13.04), which through the payment of interest thereon and principal thereof in accordance with their terms will provide money or (c) a combination of (a) and (b), in each case in an amount sufficient to pay in the currency or currency unit in which the Offered Debt Securities are payable all the principal of and interest on the Offered Debt Securities on the dates such payments are due in accordance with the terms of the Offered Debt Securities; and (ii) the Company furnishes to the appropriate Trustee a ruling by the Internal Revenue Service, in form and substance satisfactory to such Trustee, or an Opinion of Counsel, in form and substance satisfactory to the appropriate Trustee, to the effect, in either case, that the holders of such Offered Debt Securities (a) will not recognize income, gain or loss for Federal income tax purposes as a result of the Company's exercise of the defeasance provisions of the Indenture and (b) will be subject to Federal income tax in the same amount, in the same manner and at the same time as would have been the case if the Company had not exercised its defeasance rights under the Indenture (Section 13.03).

#### THE TRUSTEES

A Trustee may resign or be removed with respect to one or more series of Debt Securities and a successor Trustee may be appointed by the Company to act with respect to such series (Section 8.10). In the event that two or more Persons are acting as Trustee with respect to different series of Debt Securities under one of the Indentures, each such Trustee will be deemed to be a Trustee of a trust under the applicable Indenture, separate and apart from the trust administered by any other such Trustee, and any action described herein to be taken by the "Trustee" may then be taken by each such Trustee with respect to, and only with respect to, the one or more series of Debt Securities for which it is Trustee (Section 8.11).

17

The initial Senior Trustee is Chemical Trust Company of California, Los Angeles, California. The identity of the initial Subordinated Trustee has yet to be determined. Chemical Bank, an affiliate of the Senior Trustee, is a lending bank and one of the agents under the \$1,400,000,000 Credit and Guarantee Agreement, as amended, referred to above under "Mandatory Prepayment" and the Company maintains various accounts and conducts other normal banking transactions with Chemical Bank. The Senior Trustee is the transfer agent and registrar for the Unocal Common Stock and \$3.50 Convertible Preferred Stock and is the Rights Agent under the Rights Agreement, dated as of January 29, 1990, referred to below under "Description of the Common Stock-Rights to Purchase Series A Preferred Stock." Chemical Bank is the administrator of the Unocal Dividend Reinvestment and Common Stock Purchase Plan. Unocal and the Company may in the future maintain other banking relationships with the Senior Trustee and Chemical Bank in the ordinary course of business and may do the same with the Subordinated Trustee.

#### GOVERNING LAW

The Indentures, the Debt Securities, the Guarantees, and the coupons will be governed by, and construed in accordance with, the laws of the State of New York (Section 15.05).

#### DESCRIPTION OF THE PREFERRED STOCK

The following description of Unocal Preferred Stock sets forth certain general terms and provisions of the series of Unocal Preferred Stock to which any Prospectus Supplement may relate. The specific terms of an offered series of Unocal Preferred Stock will be described in the Prospectus Supplement relating to such series. If so indicated in the Prospectus Supplement relating thereto, the terms of any such series of Unocal Preferred Stock may differ from the terms set forth below. The description of Unocal Preferred Stock set forth below and the description of the terms of an offered series of Unocal Preferred Stock set forth in the Prospectus Supplement relating thereto do not purport to

be complete and are qualified in their entirety by reference to Unocal's Certificate of Incorporation, as amended (the "Certificate of Incorporation"), and the Certificate of Designations relating to such offered series of Unocal Preferred Stock, which will be filed with the Commission and incorporated by reference as an exhibit to the Registration Statement of which this Prospectus is a part at or prior to the time of the sale of such offered series.

Under Unocal's Certificate of Incorporation, Unocal's Board of Directors is authorized, without further stockholder action, to provide for the issuance of up to 100,000,000 shares of preferred stock, \$0.10 par value per share, in one or more series, with or without voting powers, and with such designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions, as the Board of Directors shall determine. As of the date of this Prospectus, Unocal has outstanding 10,250,000 shares of \$3.50 Convertible Preferred Stock ("3.50 Preferred Stock"). So long as any shares of 3.50 Preferred Stock are outstanding, the preferences, privileges and voting powers, if any, of the shares of Unocal Preferred Stock of any series, and the restrictions or qualifications thereof, shall be subject to the preferences, privileges and voting powers, if any, of the shares of 3.50 Preferred Stock. See "-Description of Outstanding Preferred Stock." In addition, Unocal has reserved for issuance and designated 3,000,000 shares of preferred stock as Series A Junior Participating Cumulative Preferred Stock in connection with the Rights Plan described below under "Description of the Common Stock - Rights to Purchase Series A Preferred Stock."

#### GENERAL

The applicable Prospectus Supplement will set forth the following specific terms regarding the series of Unocal Preferred Stock offered thereby: (i) the designation, number of shares and liquidation preference per share; (ii) the initial public offering price; (iii) the dividend rate or rates, if any, or the method of determining the dividend rate or rates; (iv) the index, if any, upon which the amount of dividends is to be determined; (v) the dates on which dividends will accrue and be payable and the designated record dates for determining the holders entitled to such dividends; (vi) any redemption or sinking fund provisions; (vii) any conversion or exchange provisions; (viii) any provisions for the issuance of global securities; (ix) the currency (which may be composite currency) in which liquidation preferences, redemption prices and dividends shall be payable, if other than United

18

States dollars; (x) voting rights, if different from those described under "-Voting Rights"; and (xi) any additional terms, preferences or rights.

The shares of Unocal Preferred Stock will, when issued, be fully paid and nonassessable and will have no preemptive rights.

The transfer agent, registrar, dividend disbursing agent, redemption agent and, if applicable, conversion agent for the offered series of Unocal Preferred Stock will be specified in the applicable Prospectus Supplement relating thereto.

#### DIVIDENDS

The holders of the Unocal Preferred Stock of each series will be entitled to receive, when, as and if declared by the Board of Directors of Unocal, out of funds legally available therefor, cumulative or non-cumulative cash or other dividends at such rate or rates and on such dates as will be set forth in the applicable Prospectus Supplement. Such rates may be fixed or variable or both. If variable, the formula used for determining the dividend rate for each dividend period will be set forth in the Prospectus Supplement. Dividends will be payable to the holders of record as they appear on the stock register of Unocal on such record dates, not more than sixty (60) days nor less than ten (10) days preceding the payment dates thereof, as will be fixed by the Board of Directors of Unocal. If the Board of Directors of Unocal fails to declare a dividend payable on a dividend payment date on any series of Unocal Preferred Stock for which dividends are noncumulative ("Noncumulative Preferred Stock"), then the holders of such series of Noncumulative Preferred Stock will have no right to receive a dividend in respect of the dividend period ending on such dividend payment date, and Unocal will have no obligation to pay a dividend for such period, whether or not dividends on such series are declared payable on any future dividend payment dates. Dividends payable on any series of Unocal Preferred Stock for any period less than a full dividend period will be computed on the basis of a 360-day year consisting of twelve 30-day months.

If the offered series of Unocal Preferred Stock ranks junior to or on a parity with the 3.50 Preferred Stock as to dividends, no full dividends may be declared or paid or set apart for payment on such offered series of Unocal Preferred Stock for any period unless full cumulative dividends have been or contemporaneously are declared and paid, or declared and a sum sufficient for the payment thereof set apart for such payment, on the 3.50 Preferred Stock for all dividend payment periods terminating on or prior to the date of the payment

of such full cumulative dividends. If the offered series of Unocal Preferred Stock ranks on a parity with the \$3.50 Preferred Stock and dividends are not paid in full on the \$3.50 Preferred Stock, then all dividends declared upon all outstanding shares of \$3.50 Preferred Stock and shares of such offered series of Unocal Preferred Stock will be declared pro rata so that the amounts of dividends declared per share on the \$3.50 Preferred Stock and such offered series of Unocal Preferred Stock will in all cases bear to each other the same ratio that accrued and unpaid dividends per share on the shares of \$3.50 Preferred Stock and such offered Unocal Preferred Stock bear to each other.

If the offered series of Unocal Preferred Stock ranks junior to or on a parity with the \$3.50 Preferred Stock, then unless full cumulative dividends on all outstanding shares of \$3.50 Preferred Stock have been paid or declared and set aside for payment for all past dividend payment periods, no dividend or distribution (other than a dividend or distribution in Unocal Common Stock or in any other capital stock of Unocal ranking junior to the \$3.50 Preferred Stock as to dividends and upon liquidation and other than as provided in the preceding paragraph) may be declared or paid or set apart for payment on the offered series of Unocal Preferred Stock nor may the offered series of Unocal Preferred Stock be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any shares of any such stock) by Unocal (except by conversion into or exchange for capital stock of Unocal ranking junior to the \$3.50 Preferred Stock as to dividends and upon liquidation). These restrictions will not prevent Unocal from making contributions to, or purchasing capital stock in connection with, its employee benefit plans and dividend reinvestment plan or from redeeming rights pursuant to its Rights Plan, described below under "Description of the Common Stock-Rights to Purchase Series A Preferred Stock."

19

#### REDEMPTION

The offered series of Unocal Preferred Stock may be redeemable at the option of Unocal and may be subject to mandatory redemption pursuant to a sinking fund or otherwise, in each case upon the terms, on the date or dates and at the redemption price or prices set forth in the applicable Prospectus Supplement. If fewer than all shares of the offered series of Unocal Preferred Stock are to be redeemed, the shares to be redeemed will be selected by Unocal pro rata or by lot, by any other method determined by the Board of Directors to be equitable, or by any method set forth in the applicable Prospectus Supplement.

If any dividends on shares of the offered series of Unocal Preferred Stock are in arrears, no shares of Unocal Common Stock or shares of capital stock ranking junior to or on parity with the offered series of Unocal Preferred Stock may be redeemed and no shares of such offered series of Unocal Preferred Stock may be redeemed unless all outstanding shares of such series are simultaneously redeemed, and Unocal may not purchase or otherwise acquire any shares of such series; provided, however, that the foregoing shall not prevent the purchase or acquisition of shares of such series pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of such series.

Notice of redemption will be given by mailing the same to each record holder of the shares to be redeemed to the respective addresses of such holders as the same shall appear on Unocal's stock register. Each such notice will state: (i) the redemption date; (ii) the number of shares and series of Unocal Preferred Stock to be redeemed; (iii) the redemption price and the manner in which such redemption price is to be paid and delivered; (iv) the place or places where certificates for such shares of Unocal Preferred Stock are to be surrendered for payment of the redemption price; and (v) that dividends on the shares to be redeemed will cease to accrue on such redemption date. If fewer than all shares of any series of Unocal Preferred Stock held by any holder are to be redeemed, the notice mailed to such holder will also specify the number of shares to be redeemed from such holder.

If notice of redemption has been given, from and after the redemption date for the shares of the series of Unocal Preferred Stock called for redemption (unless default shall be made by Unocal in providing money for the payment of the redemption price of the shares so called for redemption), dividends on the shares of Unocal Preferred Stock so called for redemption will cease to accrue, any right to convert the shares of Unocal Preferred Stock will terminate, such shares will no longer be deemed to be outstanding, and all rights of the holders thereof as stockholders of Unocal (except the right to receive the redemption price, without interest) will cease. Upon surrender in accordance with such notice of the certificates representing any shares so redeemed (properly endorsed or assigned for transfer, if the notice shall so state), the redemption price set forth above will be paid out of funds provided by Unocal. If fewer than all of the shares represented by any such certificate are redeemed, a new certificate will be issued representing the unredeemed shares without cost to the holder thereof.

#### LIQUIDATION PREFERENCE

The applicable Prospectus Supplement will set forth the specific liquidation preference of the offered series of Unocal Preferred Stock.

If the offered series of Unocal Preferred Stock ranks on a parity with the \$3.50 Preferred Stock, then upon any voluntary or involuntary liquidation, dissolution or winding up of Unocal, the holders of shares of such offered series of Unocal Preferred Stock and of \$3.50 Preferred Stock will be entitled to receive out of the assets of Unocal available for distribution to stockholders, before any distribution of assets is made to or set apart for the holders of Unocal Common Stock or of any other shares of capital stock of Unocal ranking as to such a distribution junior to the shares of such series, with respect to the offered series of Unocal Preferred Stock, an amount described in the Prospectus Supplement relating to such offered series of Unocal Preferred Stock, and with respect to \$3.50 Preferred Stock, an amount equal to the liquidation value of such shares. See "-Description of Outstanding Preferred Stock." If the offered series of Unocal Preferred Stock ranks on a parity with the \$3.50 Preferred Stock, and upon any voluntary or involuntary dissolution, liquidation or winding up of Unocal, the amounts payable with respect to the liquidation preference of the \$3.50 Preferred Stock and the offered series of Unocal Preferred Stock are not paid in full, then the holders of \$3.50 Preferred Stock and the offered series

20

of Unocal Preferred Stock will share ratably in any such distribution of assets of Unocal in proportion to the full distributable amounts to which they are entitled. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of \$3.50 Preferred Stock and the offered series of Unocal Preferred Stock will have no right or claim to any of the remaining assets of Unocal. Neither the sale of all or substantially all of the property or business of Unocal (other than in connection with the winding up of its business), nor the merger or consolidation of Unocal into or with any other corporation will be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary, of Unocal.

Unocal conducts substantially all of its operations through the Company. The right of Unocal, and hence the right of creditors and stockholders of Unocal, to participate in any distribution of assets of any subsidiary (including the Company) upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of Unocal itself as a creditor of the subsidiary may be recognized.

#### CONVERSION AND EXCHANGE

The terms, if any, on which shares of any offered series of Unocal Preferred Stock are convertible into or exchangeable for Unocal Common Stock will be set forth in the Prospectus Supplement relating thereto. Such terms may include provisions for conversion or exchange, either mandatory, at the option of the holder, or at the option of Unocal.

#### VOTING RIGHTS

Except as indicated below or in the Prospectus Supplement relating to a particular offered series of Unocal Preferred Stock, or except as expressly required by applicable law, the holders of Unocal Preferred Stock will not be entitled to vote.

On matters on which holders of such offered series and holders of any other series of Unocal Preferred Stock are entitled to vote as a single class, each full share of any series of Unocal Preferred Stock shall be entitled to one vote. Therefore, the voting power of such series will depend on the number of shares in such series, not the liquidation preference or initial offering price of the shares of such series of the Unocal Preferred Stock.

If the equivalent of six quarterly dividends (whether or not consecutive) payable on any offered series of Unocal Preferred Stock, \$3.50 Preferred Stock or any other series of Unocal Preferred Stock are in default, the number of directors of Unocal will be increased by two and the holders of all outstanding shares of Unocal Preferred Stock, \$3.50 Preferred Stock, and all other outstanding shares of preferred stock having similar voting rights, voting as a single class without regard to series and with no cumulative voting, to the exclusion of the holders of Unocal Common Stock, will be entitled to elect those two additional directors, who shall serve until all dividends in default have been paid or declared and set apart for payment.

So long as any shares of Unocal Preferred Stock and \$3.50 Preferred Stock remain outstanding, Unocal shall not, without the consent of the holders of at least two-thirds of the shares of the affected series of Unocal Preferred Stock and \$3.50 Preferred Stock outstanding at the time (voting separately as a class with all other affected series of preferred stock ranking on a parity with the affected series of Unocal Preferred Stock and \$3.50 Preferred Stock),  
(i) authorize, create or issue, or increase the authorized amount of, any class

or series of capital stock ranking prior to the affected series of Unocal Preferred Stock and \$3.50 Preferred Stock as to dividends or upon liquidation; or (ii) amend, alter or repeal the provisions of Unocal's Certificate of Incorporation, whether by merger, consolidation or otherwise, so as to materially and adversely affect any right, preference, privilege or voting power of the affected series of Unocal Preferred Stock or \$3.50 Preferred Stock or the holders thereof; provided, however, that any increase in the amount of the authorized Common Stock or authorized Preferred Stock or the creation and issuance of other series of capital stock ranking on a parity with or junior to the affected series of Unocal Preferred Stock or \$3.50 Preferred Stock as to dividends and upon liquidation shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

21

#### DESCRIPTION OF OUTSTANDING PREFERRED STOCK

As of June 30, 1994, Unocal had issued and outstanding 10,250,000 shares of the \$3.50 Preferred Stock, which is senior to the Unocal Common Stock as to payment of dividends and distribution of assets on liquidation, dissolution or winding up of Unocal.

Holders of \$3.50 Preferred Stock are entitled to receive, when and as declared by Unocal's Board of Directors, out of Unocal's funds legally available for payment, quarterly cash dividends at an annual rate of \$3.50 per share payable in arrears. Dividends are cumulative.

In the event of any voluntary or involuntary dissolution, liquidation or winding up of Unocal, the holders of \$3.50 Preferred Stock will be entitled to receive and to be paid out of Unocal's assets available for distribution to its stockholders, before any payment or distribution is made to holders of Unocal Common Stock or any other class of capital stock of Unocal ranking junior to the \$3.50 Preferred Stock upon liquidation, a liquidation preference in the amount of \$50 per share of the Unocal Preferred Stock plus accrued and unpaid dividends.

The \$3.50 Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. At any time on or after July 15, 1996, the \$3.50 Preferred Stock is redeemable in whole or in part, at Unocal's option, at redemption prices declining from 104.2% at July 15, 1996 to 100% at July 15, 2002.

The \$3.50 Preferred Stock is convertible at the option of the holder at any time, unless previously redeemed, into Unocal Common Stock at the rate of 1.6260 shares of Unocal Common Stock for each share of \$3.50 Preferred Stock (equivalent to a conversion price of \$30.75 per share of Unocal Common Stock). The conversion price is subject to adjustment in certain events, including a Non-Stock Fundamental Change or a Common Stock Fundamental Change (as such terms are defined in the Certificate of Designations relating thereto).

Holders of \$3.50 Preferred Stock have no right to require redemption of the \$3.50 Preferred Stock.

#### DESCRIPTION OF THE COMMON STOCK

Unocal's Board of Directors is authorized to issue a maximum of 750,000,000 shares of Unocal Common Stock, \$1.00 par value per share, under Unocal's Certificate of Incorporation. As of June 30, 1994, 242,418,030 shares of Unocal Common Stock were outstanding and 35,073,749 shares were reserved for issuance upon the conversion of the \$3.50 Preferred Stock and in connection with Unocal's employee benefit plans, its Directors' Restricted Stock Plan and its Dividend Reinvestment and Common Stock Purchase Plan.

The following summary of the rights of the Unocal Common Stock does not purport to be complete and is subject in all respects to the applicable provisions of the Delaware General Corporation Law and the Certificate of Incorporation.

**DIVIDEND RIGHTS:** Subject to the prior rights, if any, of the holders of \$3.50 Preferred Stock and Unocal Preferred Stock, holders of Unocal Common Stock are entitled to receive such dividends as are declared by Unocal's Board of Directors out of funds legally available therefor.

**VOTING RIGHTS:** Subject to the rights, if any, of the holders of \$3.50 Preferred Stock and Unocal Preferred Stock, all voting rights are vested in the holders of shares of Unocal Common Stock, each share being entitled to one vote on all matters presented for a vote (except for those matters for which a separate class vote is required under Delaware law). The holders of one-third of the shares entitled to vote constitute a quorum at any meeting of stockholders.

**LIQUIDATION RIGHTS:** Subject to the rights, if any, of the holders of \$3.50 Preferred Stock and Unocal Preferred Stock, in the event of liquidation of

Unocal, holders of Unocal Common Stock will share pro rata in all assets distributable to stockholders in respect of shares held by them.

22

**PREEMPTIVE RIGHTS:** Holders of Unocal Common Stock are not entitled to any preemptive rights to subscribe for any additional securities that may be issued.

**NON-CUMULATIVE VOTING:** Holders of shares of Unocal Common Stock have non-cumulative voting rights, which means that holders of more than 50% of the shares voting for the election of directors can elect 100% of the directors standing for election if they choose to do so, and, in such event, the holders of the remaining less than 50% of the shares voting for the election of directors will not be able to elect any person or persons to the Board of Directors of Unocal. Unocal's Board of Directors is divided into three classes, and directors are normally elected for three-year terms. One of the classes is presented for election at each annual meeting, so that the entire Board of Directors is never presented for election in any one year.

Chemical Trust Company of California, Los Angeles, California, is the transfer agent and registrar for the Unocal Common Stock. The Unocal Common Stock may also be presented for transfer at the office of Chemical Bank, New York, New York.

#### RIGHTS TO PURCHASE SERIES A PREFERRED STOCK

In January 1990, the Board of Directors of Unocal adopted a stockholder rights plan (the "Rights Plan") and declared a dividend of one right (a "Right"; collectively, the "Rights") for, and to be attached to, each outstanding share of Common Stock. The resolutions creating the Rights Plan provide that as long as the Rights are attached to shares of Common Stock, as provided in the "Rights Agreement" referred to below, one additional Right will be issued and delivered with each share of Common Stock that becomes outstanding after February 12, 1990. Each Right entitles the holder thereof to purchase one one-hundredth of a share of preferred stock designated as the Series A Junior Participating Cumulative Preferred Stock ("Series A Preferred Stock"). The Rights will expire on January 29, 2000, unless redeemed earlier, and will not be exercisable or transferable separately from the shares of Common Stock until the close of business on the Distribution Date, which will occur on the earlier of (i) the tenth day following a public announcement that a person or group of affiliated or associated persons (a "15% Stockholder") has acquired, or obtained the right to acquire, beneficial ownership of 15% or more of the outstanding Common Stock or (ii) the date of the commencement or the announcement of an intention to make a tender or exchange offer that would cause any person or group to become a 15% Stockholder.

Pursuant to the Rights Plan, 3,000,000 shares of Series A Preferred Stock have been designated and reserved for issuance upon exercise of the Rights. An additional number of shares of Series A Preferred Stock equal to one one-hundredth of the number of shares of Unocal Common Stock will be reserved for issuance in connection with an issuance of Preferred Stock or Unocal Common Stock, whether issued directly, upon exercise of Equity Warrants or upon conversion of Preferred Stock or Debt Securities.

A description of the Rights and the Series A Preferred Stock is set forth in the Rights Agreement, dated January 29, 1990, between Unocal and Chemical Trust Company of California, as Rights Agent, which is included as exhibit to the Registration Statement of which this Prospectus is a part.

#### CERTAIN PROVISIONS OF THE CERTIFICATE OF INCORPORATION AND BYLAWS OF UNOCAL

The Certificate of Incorporation and Bylaws of Unocal contain certain provisions which may have the effect of rendering a change of control of Unocal more difficult. The Certificate of Incorporation provides that the Board of Directors is divided into three classes, with the directors serving three-year staggered terms. Special meetings of Unocal's stockholders generally may be called only by the Board of Directors, and any action required or permitted to be taken by the stockholders must be taken at an annual or special meeting and may not be effected by written consent. The vote of 75% of the outstanding stock of Unocal entitled to vote is required for the stockholders to adopt, amend or repeal bylaws. Such a 75% vote is also required for approval of a merger or consolidation of Unocal with, and certain other transactions with, another corporation which, with its affiliates, owns beneficially more than 10% of the total voting power of all outstanding shares of Unocal voting stock (a "Related Corporation"), unless such a transaction was approved by 75% of the directors of Unocal prior to the

23

Related Corporation becoming such. The Certificate of Incorporation also require such a 75% vote to repeal or amend any of the foregoing provisions.

The Bylaws of Unocal require 30 days' advance notice of, and specified information with respect to, nominations by stockholders of persons for election as directors and other business to be brought before an annual meeting by a stockholder.

As set forth above under "Description of the Preferred Stock," the Board of Directors has the authority, without further stockholder action, to provide for the issuance of Unocal Preferred Stock and to fix the terms thereof. Provisions which could render a change of control of Unocal more difficult, such as extraordinary voting, dividend, redemption or conversion rights, could be included in such Unocal Preferred Stock.

#### DESCRIPTION OF THE WARRANTS

The following description sets forth certain general terms and provisions of the Debt Warrants and Equity Warrants to which a Prospectus Supplement may relate. The particular terms of any Debt Warrants and Equity Warrants offered will be described in the Prospectus Supplement relating to such Debt Warrants or Equity Warrants.

The following summaries of certain provisions of the Debt Warrants and Equity Warrants and of one or more separate Warrant Agreements (each a "Warrant Agreement") between the Company and Unocal and one or more banking institutions or trust companies, as Warrant Agent (each a "Warrant Agent"), do not purport to be complete and are subject to and qualified in their entirety by reference to all provisions of the applicable Warrant Agreement. Forms of Warrant Agreements are filed as exhibits to the Registration Statement. Each Warrant Agreement will be governed by, and construed in accordance with, the laws of the State of New York.

#### GENERAL

Debt Warrants and Equity Warrants, evidenced by Warrant Certificates (the "Warrant Certificates"), may be issued under a Warrant Agreement independently or together with any Debt Securities, Unocal Preferred Stock or Unocal Common Stock and may be transferable with or separate from such Securities. If Debt Warrants to purchase Debt Securities are offered, the applicable Prospectus Supplement will describe the terms of the Debt Warrants, including the following: (i) the offering price, if any, including the currency, or currency unit in which such price will be payable; (ii) the designation, aggregate principal amount and terms of the Offered Debt Securities with which the Debt Warrants are issued and the number of Debt Warrants issued with each such Offered Debt Security; (iii) if applicable, the date on or after which the Debt Warrants and the related Offered Debt Securities will be separately transferable; (iv) the designation, aggregate principal amount and terms of Debt Securities purchasable upon exercise of one Debt Warrant and the price or prices at which, and the currency, or currency unit in which such principal amount of Debt Securities may be purchased upon exercise; (v) the date on which the right to exercise the Debt Warrants commences and the date on which such right expires; (vi) any United States Federal income tax consequences; (vii) whether the Debt Warrants represented by the Warrant Certificates will be issued in registered or bearer form or both; and (viii) any other material terms of the Debt Warrants. If Equity Warrants are offered, the applicable Prospectus Supplement will describe the terms of the Equity Warrants, including the following: (i) the offering price, if any, including the currency or currency unit in which such price will be payable; (ii) the designation of any series of Unocal Preferred Stock purchasable upon exercise of the Equity Warrants; (iii) the number of shares of Unocal Preferred Stock or Unocal Common Stock purchasable upon exercise of one Equity Warrant, and the price or prices at which, and the currency, or currency unit in which such shares may be purchased upon exercise; (iv) the date on which the right to exercise the Equity Warrants commences and the date on which such right expires; (v) any United States Federal income tax consequences; (vi) whether the Equity Warrants represented by the Warrant Certificate will be issued in registered or bearer form or both; (vii) whether the Equity Warrants or the underlying Unocal Preferred Stock or Unocal Common Stock will be listed on any national securities exchange; and (viii) any other material terms of the Equity Warrants. In addition, if any Debt Warrants or Equity Warrants are sold for any foreign currency or currency units, the restrictions, elections, tax consequences, specific terms and other information with respect to such issue will be specified in the applicable Prospectus Supplement.

Warrant Certificates, if any, may be exchanged for new Warrant Certificates of different denominations and may (if in registered form) be presented for registration of transfer at the corporate trust office of the Warrant Agent, which will be listed in the applicable Prospectus Supplement, or at such other office as may be set forth therein. Warrant holders do not have any of the rights of holders of Debt Securities (except to the extent that the consent of Warrant holders may be required for certain modifications of the terms of the

Indenture under which the series of Offered Debt Securities issuable upon exercise of the Warrants are to be issued) or Unocal Preferred or Common stockholders and are not entitled to payments of principal and interest, if any, on Debt Securities or to dividends or other distributions made with respect to Unocal Preferred Stock or Unocal Common Stock.

#### EXERCISE OF WARRANTS

Warrants may be exercised by surrendering the Warrant Certificate, if any, at the corporate trust office or other designated office of the Warrant Agent, with (i) the form of election to purchase on the reverse side of the Warrant Certificate, if any, properly completed and executed, and (ii) payment in full of the exercise price, as set forth in the applicable Prospectus Supplement. Upon exercise of Warrants, the Warrant Agent will, as soon as practicable, deliver the Debt Securities, Unocal Preferred Stock or Unocal Common Stock issuable upon the exercise of the Warrants in authorized denominations in accordance with the instructions of the exercising Warrantholder and at the sole cost and risk of such holder. If less than all of the Warrants evidenced by the Warrant Certificate are exercised, a new Warrant Certificate will be issued for the remaining amount of unexercised Warrants, if sufficient time exists prior to the expiration date.

#### LIMITATIONS ON THE ISSUANCE OF BEARER SECURITIES

In compliance with United States Federal tax laws and regulations, Bearer Securities may not, in general, be offered or sold during the Restricted Period (as defined below) to a person within the United States or to, or for the account or benefit of, a United States person. However, offers or sales can be made to (i) the United States office of international organizations (as defined in Section 7701(a)(18) of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder), (ii) the United States office of foreign central banks (as defined in Section 895 of the Code and the regulations thereunder) and (iii) foreign branches of United States financial institutions which are purchasing for their own account or for resale, and which have agreed to comply with the reporting requirements of Section 165(j)(3)(A), (B) or (C) of the Code and the regulations thereunder. In addition, sales can be made to a United States person acquiring a Bearer Security through a financial institution described in clause (iii) of the preceding sentence if certain certification requirements and other conditions are satisfied. Definitive Bearer Securities will not be delivered within the United States, or in any event unless the beneficial owner of the Securities has complied with the certification requirements to be described in the relevant Prospectus Supplement.

Each underwriter, dealer and agent (or other "distributor" within the meaning of the regulations under Section 163 of the Code) participating in the distribution of any Bearer Securities will agree that (i) it will not offer, sell or deliver Bearer Debt Securities within the United States or to, or for the account or benefit of, United States persons (other than qualifying financial institutions) (a) until 40 days after the closing date or (b) at any time if the obligation is held as part of an unsold allotment or subscription (the "Restricted Period"), and (ii) it has in effect procedures reasonably designed to ensure that its employees and agents who are directly engaged in selling the Bearer Securities are aware of the restrictions described in clause (i) of this sentence. Bearer Securities will bear a legend on their face and on any interest coupons that may be detached therefrom or, if the obligation is evidenced by a book entry, a legend will appear in the book of record in which the book entry is made substantially to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Section 165(j) and 1287(a) of the Internal Revenue Code." The Code Sections referred to in such legend provide that a United States person who holds a Bearer Security will not be allowed to deduct any loss realized on the sale, exchange or redemption of such Bearer Security and any gain (which might otherwise be characterized as capital gain) recognized on such sale, exchange or redemption will be treated as ordinary income. If the Company or Unocal issue Warrants in bearer form, they will specify in the applicable Prospectus Supplement what, if any, restrictions or certification requirements will be applicable to the issuance and delivery of such bearer Warrants.

As used herein, "United States person" means an individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof, or an estate or trust the income of which is subject to United States Federal income taxation regardless of its source; and "United States" means the United States of America (including the States and the District of Columbia) and its possessions, which include, as of the date hereof, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island, and Northern Mariana Islands.

The Company and Unocal may offer and sell the Securities in any of three ways: (i) directly to investors; (ii) to investors through agents; or (iii) through underwriters or dealers. The Company may also exchange Securities for outstanding indebtedness of the Company or Unocal, or both. The applicable Prospectus Supplement with respect to the Securities will set forth the terms of the offering of the Securities, including the name or names of any underwriters, the purchase price of the Securities and the proceeds to the Company or Unocal, as the case may be, from such sale, any underwriting discounts and other items constituting underwriters' compensation, any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers and any securities exchanges on which such Securities may be listed.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The Securities may be either offered to the public through underwriting syndicates represented by managing underwriters, or directly by one or more underwriters. Unless otherwise set forth in the applicable Prospectus Supplement, the obligations of the underwriters to purchase the Securities will be subject to certain conditions precedent and the underwriters will be obligated to purchase all the Securities if any are purchased. Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

Except for Unocal Common Stock, each issue of Securities sold will be a new issue of securities with no established trading market. Any underwriters or agents with respect to an issue of Securities may make a market in such Securities, but such underwriters or agents will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given as to the liquidity of any Securities in the secondary market.

If the Securities are issued in exchange for outstanding securities of the Company or Unocal, the applicable Prospectus Supplement will set forth the terms of the exchange, the identity of and the terms of sale of the Securities by the selling security holders.

Securities may be sold directly by the Company or Unocal or through agents designated by the Company or Unocal from time to time. Any agent involved in the offer or sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Company or Unocal to such agent will be set forth, in the applicable Prospectus Supplement. Unless otherwise indicated in the applicable Prospectus Supplement, any such agent will be acting on a best efforts basis for the period of its appointment.

If so indicated in the applicable Prospectus Supplement, the Company or Unocal will authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase the Securities from the Company at the public offering price set forth in the applicable Prospectus Supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject only to those conditions set forth in the applicable Prospectus Supplement and the applicable Prospectus Supplement will set forth the commission payable for solicitation of such contracts.

Agents, selling security holders and underwriters may be entitled under agreements entered into with the Company and Unocal to indemnification by the Company and Unocal against certain civil liabilities, including certain liabilities under the Securities Act of 1933, or to contribution with respect to payments which the agents, selling security holders or underwriters may be required to make in respect thereof. Agents, selling security

26

holders and underwriters may be customers of, engage in transactions with, or perform services for the Company or Unocal in the ordinary course of business.

#### EXPERTS

The consolidated financial statements and financial statement schedules of the Company and Unocal as of December 31, 1993 and 1992, and for each of the three years in the period ended December 31, 1993, included in the 1993 Annual Reports on Form 10-K of the Company and of Unocal incorporated by reference in this Prospectus, have been incorporated herein in reliance on the reports of Coopers & Lybrand, independent accountants, which reports are incorporated by reference herein, and given on the authority of that firm as experts in accounting and auditing. Each of such reports includes an explanatory paragraph with respect to the changes in methods of accounting for income taxes in 1992 and for postretirement benefits other than pensions and for postemployment benefits in 1993.

The information concerning estimates of proved oil and gas and geothermal reserves attributable to the Company and Unocal, included in the 1993 Annual

Reports on Form 10-K of the Company and Unocal incorporated by reference in this Prospectus, has been prepared by the Company's petroleum engineering staff and certified by John F. Imle, Jr., President of Unocal and the Company and formerly President of the Energy Resources Division of Unocal and the Company, and has been incorporated by reference herein in reliance upon the authority of Mr. Imle as an expert in the field of petroleum engineering.

LEGAL MATTERS

Legal matters in connection with the issuance and sale of the Securities offered hereby will be passed upon for the Company and Unocal by Dennis P. R. Codon, Esq., Vice President and General Counsel of the Company and Unocal, and for any underwriters, selling security holders or agents by Brobeck, Phleger & Harrison, Los Angeles, California. As of June 30, 1994, Mr. Codon owned beneficially 23,740 shares of Unocal Common Stock. Brobeck, Phleger & Harrison represents the Company and Unocal in certain other legal matters.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

Other expenses of all issuances and distributions pursuant to this Registration Statement to be borne by the Company are estimated\* as follows:

<TABLE>

<S>	<C>
Registration fee-Securities and Exchange Commission . . .	\$ 344,828
Blue Sky registration fees and expenses . . . . .	16,000
Printing costs . . . . .	75,000
Legal fees and expenses . . . . .	75,000
Accounting fees and expenses . . . . .	150,000
Trustees' fees and expenses . . . . .	68,500
Warrant Agent's fees and expenses . . . . .	1,000
Transfer Agent and Registrars' fees . . . . .	1,000
Rating agency fees and expenses . . . . .	325,000
Miscellaneous expenses . . . . .	33,672
	-----
Total . . . . .	\$1,090,000
	-----
	-----

</TABLE>

\* All of the amounts are estimated, except the registration fee.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The General Corporation Law of the State of Delaware, the state of incorporation of Unocal, and the Bylaws of Unocal provide for indemnification of directors and officers in certain circumstances. The General Corporation Law of the State of California, the state of incorporation of the Company, and the Bylaws of the Company also provide for indemnification of directors and officers in certain circumstances.

In addition, Unocal and the Company have provided in their respective Certificate of Incorporation and Restated Articles of Incorporation that each shall eliminate the personal liability of its directors to the full extent permitted by Delaware and California law, as the case may be, and Unocal has entered into indemnification agreements with each director providing for additional indemnification. The Company and Unocal have policies of directors' and officers' liability insurance which insures directors and officers against the cost of defense, settlement or payment of a judgment under certain circumstances.

Section 8 of the Standard Underwriting Provisions-Debt Securities, July 1994, Standard Underwriting Provisions-Preferred Stock, July 1994 and Standard Underwriting Provisions-Common Stock, July 1994. (Exhibits 1.1, 1.2 and 1.3 hereto) and Section 7 of the Form of Agency Agreement (Exhibit 1.4 hereto) each provides for indemnification of directors and officers of the Company and Unocal by the underwriters and agents, respectively, in certain circumstances.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibit  
Number      Exhibit  
-----

- 1.1 Standard Underwriting Provisions-Debt Securities, July 1994 (including form of Underwriting Agreement).
- 1.2 Standard Underwriting Provisions-Preferred Stock, July 1994 (including form of Underwriting Agreement).
- 1.3 Standard Underwriting Provisions-Common Stock, July 1994 (including form of Underwriting Agreement).
- 1.4 Form of Agency Agreement.
- 3.2 Bylaws of the Company.
- 4.1 Certificate of Incorporation of Unocal, as amended (incorporated by reference to Exhibit 3.1 to Amendment No. 2 on Form 10-K/A to Unocal's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, File No. 1-8483).
- 4.2 Bylaws of Unocal.
- 4.3 Rights Agreement dated as of January 29, 1990, between Unocal and Chemical Trust Company of California, as Rights Agent (incorporated by reference to Exhibit 1 to Unocal's Current Report on Form 8-K dated January 29, 1990, File No. 1-8483).
- 4.5 Standard Multiple-Series Indenture Provisions, January 1991, dated as of January 2, 1991 (incorporated by reference to Exhibit 4.1 to the Company's and Unocal's Registration Statement on Form S-3 (Registration Nos. 33-38505 and 33-38505-01)).
- 4.6 Form of Senior Indenture.
- 4.7 Form of Subordinated Indenture.
- 4.8 Form of Warrant Agreement for Debt Securities (including form of Warrant Certificate).
- 4.9 Form of Warrant Agreement for Unocal Preferred Stock (including form of Warrant Certificate).
- 4.10 Form of Warrant Agreement for Unocal Common Stock (including form of Warrant Certificate).
- 4.11 Form of Senior and Subordinated Security.
- 4.12 Form of Temporary Global Bearer Fixed Rate Security.
- 4.13 Form of Permanent Global Bearer Fixed Rate Security.
- 4.14 Form of Fixed Rate Registered Medium-Term Note.
- 4.15 Form of Floating Rate Registered Medium-Term Note.
- 5 Opinion of Dennis P. R. Codon, Esq. to the Company and Unocal.
- 12.1 Statement re computation of ratio of earnings to fixed charges for the Company.

II-2

- 12.2 Statement re computation of ratio of earnings to fixed charges for Unocal.
- 12.3 Statement re computation of ratio of earnings to combined fixed charges and preferred stock dividends for Unocal.
- 23.1 Consent of Coopers & Lybrand.
- 23.2 Consent of John F. Imle, Jr.
- 23.3 Consent of Dennis P. R. Codon, Esq. (contained in his opinion filed as Exhibit 5 to this Registration Statement).
- 24 Power of Attorney (set forth on page II-5).
- 25 Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of the Senior Trustee.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Act"), may be permitted to directors, officers and controlling persons of the Company and Unocal pursuant to the provisions described in the first and third paragraphs under Item 15 above, or otherwise, the Company and Unocal have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company and Unocal of expenses incurred or paid by a director, officer or controlling person of the Company and Unocal in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company and Unocal will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by them is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The Company and Unocal hereby undertake that, for purposes of determining any liability under the Act, each filing of the Company's and Unocal's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial BONA FIDE offering thereof.

The undersigned Registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement;

(i) To include any prospectus required by Section 10(a)(3) of the Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement;

PROVIDED, HOWEVER, that the undertakings set forth in paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed

II-3

by the Company or Unocal pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement.

(2) That, for the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial BONA FIDE offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

II-4

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrants certify that they have reasonable grounds to believe that they meet all of the requirements for filing on Form S-3 and have duly caused this registration statement to be signed on their behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on July 29, 1994.

UNION OIL COMPANY OF CALIFORNIA  
UNOCAL CORPORATION

By /s/ Neal E. Schmale  
-----

POWER OF ATTORNEY

By signing below, each of the undersigned officers and/or directors of the Company and Unocal hereby constitutes and appoints Neal E. Schmale, Charles S. McDowell and Darrell D. Chessum and each of them severally, with full power of substitution and resubstitution, as his or her true and lawful attorney-in-fact and agent to sign for the undersigned and in the name of the undersigned in any and all capacities any or all amendments (including any post-effective amendments) to this Registration Statement filed on Form S-3 and to file the same with all exhibits thereto, and any and all applications or other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform any and all acts and things whatsoever required and necessary to be done in and about the premises, as fully to all intents and purposes as the undersigned could do if personally present. Each of the undersigned hereby ratifies and confirms all that said attorneys-in-fact and agents or their substitute or substitutes may lawfully do or cause to be done by virtue hereof. This power of attorney may be signed in several counterparts.

IN WITNESS WHEREOF, each of the undersigned has executed this Power of Attorney as of the date indicated opposite his or her name.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated, which capacities are held for both the Company and Unocal.

Signature -----	Title -----	Date ----
/s/ Roger C. Beach ----- Roger C. Beach	Chief Executive Officer and Director	July 29, 1994
/s/ Neal E. Schmale ----- Neal E. Schmale	Chief Financial Officer and Director	July 29, 1994
/s/ Charles S. McDowell ----- Charles S. McDowell	Vice President and Comptroller (Principal Accounting Officer)	July 29, 1994

II-5

Signature -----	Title -----	Date ----
/s/ Richard J. Stegemeier ----- Richard J. Stegemeier	Chairman of the Board of Directors	July 29, 1994
/s/ Claude S. Brinegar ----- Claude S. Brinegar	Vice Chairman of the Board of Directors	July 29, 1994
/s/ John W. Amerman ----- John W. Amerman	Director	July 29, 1994
/s/ MacDonald G. Becket ----- MacDonald G. Becket	Director	July 29, 1994
/s/ Malcolm R. Currie ----- Malcolm R. Currie	Director	July 29, 1994
/s/ Frank C. Herring ----- Frank C. Herring	Director	July 29, 1994
/s/ John F. Imle, Jr. ----- John F. Imle, Jr.	Director	July 29, 1994
/s/ Donald P. Jacobs ----- Donald P. Jacobs	Director	July 29, 1994

/s/ Charles R. Weaver Director July 29, 1994

-----  
Charles R. Weaver

/s/ Marina v.N. Whitman Director July 29, 1994

-----  
Marina v.N. Whitman

II-6

EXHIBIT INDEX

Exhibit Number	Exhibit
-----	-----
1.1	Standard Underwriting Provisions-Debt Securities, July 1994 (including form of Underwriting Agreement).
1.2	Standard Underwriting Provisions-Preferred Stock, July 1994 (including form of Underwriting Agreement).
1.3	Standard Underwriting Provisions-Common Stock, July 1994 (including form of Underwriting Agreement).
1.4	Form of Agency Agreement.
3.2	Bylaws of the Company.
4.1	Certificate of Incorporation of Unocal, as amended (incorporated by reference to Exhibit 3.1 to Amendment No. 2 on Form 10-K/A to Unocal's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, File No. 1-8483).
4.2	Bylaws of Unocal.
4.3	Rights Agreement dated as of January 29, 1990, between Unocal and Chemical Trust Company of California, as Rights Agent (incorporated by reference to Exhibit 1 to Unocal's Current Report on Form 8-K dated January 29, 1990, File No. 1-8483).
4.5	Standard Multiple-Series Indenture Provisions, January 1991, dated as of January 2, 1991 (incorporated by reference to Exhibit 4.1 to the Company's and Unocal's Registration Statement on Form S-3 (Registration Nos. 33-38505 and 33-38505-01)).
4.6	Form of Senior Indenture.
4.7	Form of Subordinated Indenture.
4.8	Form of Warrant Agreement for Debt Securities (including form of Warrant Certificate).
4.9	Form of Warrant Agreement for Unocal Preferred Stock (including form of Warrant Certificate).
4.10	Form of Warrant Agreement for Unocal Common Stock (including form of Warrant Certificate).
4.11	Form of Senior and Subordinated Security.
4.12	Form of Temporary Global Bearer Fixed Rate Security.
4.13	Form of Permanent Global Bearer Fixed Rate Security.
4.14	Form of Fixed Rate Registered Medium-Term Note.
4.15	Form of Floating Rate Registered Medium-Term Note.
5	Opinion of Dennis P. R. Codon, Esq. to the Company and Unocal.
12.1	Statement re computation of ratio of earnings to fixed charges for the Company.
12.2	Statement re computation of ratio of earnings to fixed charges for Unocal.
12.3	Statement re computation of ratio of earnings to combined fixed charges and preferred stock dividends for Unocal.

- 23.1 Consent of Coopers & Lybrand.
- 23.2 Consent of John F. Imle, Jr.
- 23.3 Consent of Dennis P. R. Codon, Esq. (contained in his opinion filed as Exhibit 5 to this Registration Statement).
- 24 Power of Attorney (set forth on page II-5).
- 25 Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of the Senior Trustee.

UNION OIL COMPANY OF CALIFORNIA

GUARANTEED DEBT SECURITIES

PAYMENT OF PRINCIPAL, INTEREST AND PREMIUM, IF ANY  
GUARANTEED BY

UNOCAL CORPORATION

AND

WARRANTS TO PURCHASE GUARANTEED DEBT SECURITIES

STANDARD UNDERWRITING PROVISIONS

JULY 1994

## INTRODUCTION

A. From time to time Union Oil Company of California, a California corporation (the "Company"), and Unocal Corporation, a Delaware corporation (the "Guarantor"), propose (i) to enter into one or more Underwriting Agreements (each an "Underwriting Agreement") in the form of Annex I (including Schedule I and, as applicable, Schedules II and III to Annex I) to these Standard Underwriting Provisions, which Underwriting Agreements will incorporate therein by reference some or all of the provisions set out below under "Standard Provisions," with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, (ii) to issue and sell to the firms named in Schedule I to the applicable Underwriting Agreement (such firms constituting the "Underwriters" with respect to such Underwriting Agreement and the securities specified therein) certain debentures, notes or other evidences of indebtedness specified in Schedule II to such Underwriting Agreement specifically including, without limitation, senior and subordinated debentures (collectively, the "Notes") of the Company, guaranteed (the "Guarantees") as to payment of principal, interest and premium, if any, thereon by the Guarantor (the Notes and the Guarantees related thereto being hereinafter collectively referred to as the "Debt Securities") and certain warrants specified in Schedule III to such Underwriting Agreement (the "Warrants") to purchase Debt Securities (the "Warrant Securities") to be issued pursuant to the provisions of a Warrant Agreement (the "Warrant Agreement") (the Debt Securities and Warrants to be issued and sold are hereinafter referred to as the "Securities"), less the principal amount of Securities covered by Delayed Delivery Contracts, if any, as provided in Section 3 below under "Standard

Provisions" and as may be specified in Schedule II (with respect to Debt Securities) or Schedule III (with respect to Warrants) to such Underwriting Agreement (with respect to such Underwriting Agreement, any Securities to be covered by Delayed Delivery Contracts being herein sometimes referred to as "Contract Securities" and the Securities to be purchased by the Underwriters (after giving effect to the deduction, if any, for Contract Securities) being herein sometimes referred to as "Underwriters' Securities").

B. The terms and rights of any particular issuance of Securities shall be as specified in the Underwriting Agreement relating thereto and in or pursuant to the particular indenture (the "Indenture") and, if applicable, the particular Warrant Agreement identified in such Underwriting Agreement.

C. Particular sales of Securities may be made from time to time to the Underwriters of such Securities, for whom the firms designated as representatives of the Underwriters of such Securities in Schedule I to the Underwriting Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to Underwriters who act without any firm being designated as their representative.

D. These Standard Underwriting Provisions shall not be construed as an obligation of the Company or the Guarantor to sell any Securities. The obligation of the Company and the Guarantor to issue and sell any Securities shall be evidenced by the Underwriting Agreement with respect to the Securities specified therein. The expression "this Underwriting Agreement" is used below under "Standard Provisions" so that when an Underwriting Agreement incorporates therein a provision using such expression, such expression will, without modification, be referring to that specific Underwriting Agreement. Each Underwriting Agreement shall specify the initial public offering price of the Securities, the purchase price to the Underwriters of the Securities, the names of the Underwriters of the Securities, the names of the Representatives of such Underwriters, whether any of the Securities shall be covered by Delayed Delivery Contracts (as defined in Section 3 hereof) and the commission payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of the Securities and payment therefor and (to the extent not set forth in the Indenture and the registration statement and prospectus with respect thereto) the terms of the Securities, and with respect Securities that are Warrants, the terms of the Warrant Securities. Each Underwriting Agreement where the Securities consist of Debt Securities shall specify the aggregate principal amount of such Debt Securities to be purchased by all of the Underwriters, and the principal amount of such Debt Securities to be purchased by each Underwriter. Each Underwriting Agreement where the Securities consist of Warrants shall specify the aggregate number of Warrants to be purchased by all of the Underwriters, and the number of Warrants to be purchased by each Underwriter.

## STANDARD PROVISIONS

1. Terms used but not defined below have the meaning given such terms above under "Introduction."

2. The Company and the Guarantor, jointly and severally, represent and warrant to, and agree with, each of the Underwriters that:

a. Two registration statements (Nos. 33-38505; 33-38505-01 and Nos. 33-\_\_\_\_\_ and 33-\_\_\_\_\_-01) in respect of the Securities, as well as other securities which may be issuable from time to time by the Company and the Guarantor (collectively with the Securities, the "Registered Securities"), have been filed with the Securities and Exchange Commission (the "Commission") in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to such registration statements, but including all documents incorporated by reference in the prospectus contained therein, to the Representatives for each of the other Underwriters and such registration statements in such form have been declared effective by the Commission and to the knowledge of the Company and the Guarantor no stop order suspending the effectiveness of such registration statements has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (the various parts of such registration statements, including all exhibits thereto but excluding Form T-1, each as amended at the time such part became effective, being hereinafter collectively called the "Registration Statements"; references herein to the "applicable Registration Statement" shall be deemed to refer to both Registration Statements so long as Registered Securities remain issuable under Registration Statement Nos. 33-38505 and 33-38505-01 and only to Registration Statement Nos. 33-\_\_\_\_\_ and 33-\_\_\_\_\_-01 thereafter; the term "Basic Prospectus" means the prospectus included in the applicable Registration Statement; the term "Prospectus" means the Basic Prospectus together with the prospectus supplement (other than a preliminary prospectus supplement) specifically relating to the Securities as filed with, or transmitted for filing with the Commission pursuant to Rule 424; the term preliminary prospectus means a preliminary prospectus supplement specifically relating to the Securities together with the Basic Prospectus; the terms "Registration Statement," "Basic Prospectus," "Prospectus" and "preliminary prospectus" shall include, in each case, the material, if any, incorporated by reference therein);

2.

b. The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus, when such documents become effective or are filed with the Commission, as the case may be,

will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company or the Guarantor by an Underwriter through the Representatives expressly for use in the Prospectus;

c. Each Registration Statement and the Prospectus conform in all material respects to the requirements of the Act and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each Registration Statement and any amendment thereto, and as of the date of the Prospectus as to the Prospectus, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company or the Guarantor by an Underwriter through the Representatives expressly for use in the Prospectus;

d. Since the respective dates as of which information is given in the applicable Registration Statement and the Prospectus, there has not been any material change in the capital stock or consolidated long-term debt of the Company or the Guarantor or any material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company or the Guarantor and their respective subsidiaries taken as a whole, otherwise than as set forth or contemplated in the Prospectus;

e. Each of the Company and the Guarantor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

f. The Guarantor has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company and the Guarantor have been duly and validly authorized and issued and are fully paid and non-assessable (except for a DE MINIMIS number of shares), and the Guarantor is the registered and beneficial owner of all of the outstanding shares of capital stock of the Company;

g. The Securities have been duly authorized, and,

(i) if any of the Securities are Debt Securities, when such Debt Securities are authenticated and issued pursuant to the Indenture and delivered and paid for pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Debt Securities, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, authenticated, issued and delivered and will constitute

valid and legally binding obligations of the Company and the Guarantor, entitled to the benefits provided by the Indenture, which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Indenture has been duly authorized and, at the Time of Delivery (as defined in Section 4 hereof) the Indenture will be duly qualified under the Trust Indenture Act and (assuming the due

3.

authorization, execution and delivery thereof by the Trustee) will constitute a valid and legally binding instrument of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Debt Securities and the Indenture conform in all material respects to the descriptions thereof in the Prospectus;

(ii) if any of the Securities are Warrants, when such Warrants are countersigned and issued by the Warrant Agent pursuant to the related Warrant Agreement and delivered and paid for pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Warrants, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, issued and delivered and will constitute valid and legally binding obligations of the Company and the Guarantor, entitled to the benefits provided by the Warrant Agreement, which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Warrant Agreement has been duly authorized and, at the Time of Delivery the Warrant Agreement (assuming the due authorization, execution and delivery thereof by the Warrant Agent) will constitute a valid and legally binding instrument of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Warrant Securities will have been duly authorized and, upon due authentication and issuance pursuant to the Indenture and delivery thereof against payment upon exercise of the Warrants pursuant to the related Warrant Agreement, will constitute valid and legally binding obligations of the Company and the Guarantor entitled to the benefits of the Indenture; and the Warrants, the related Warrant Securities and the Warrant Agreement conform in all material respects to the descriptions thereof in the Prospectus;

h. There are no holders of securities of the Company or the Guarantor who, by reason of the filing of either Registration Statement under

the Act or the execution by the Company and Guarantor of this Underwriting Agreement, have the right to request or demand that the Company or the Guarantor register under the Act any securities held by them;

i. In the event any of the Securities are to be purchased pursuant to Delayed Delivery Contracts, each of such Delayed Delivery Contracts has been duly authorized by the Company and the Guarantor and, when executed and delivered by the Company and the Guarantor and the purchaser named therein, will constitute a valid and legally binding agreement of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Delayed Delivery Contracts will conform in all material respects to the description thereof in the Prospectus;

j. The issue and sale of the Securities and the compliance by the Company and the Guarantor with all of the provisions of the Securities, in the case of issue and sale of Debt Securities, the Indenture, in the case of issue and sale of Warrants, the Warrant Agreement and the related Warrant Securities, each of the Delayed Delivery Contracts, if any, this Underwriting Agreement, and the consummation of the transactions herein contemplated will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or the Guarantor is a party or by which the Company or the Guarantor is bound or to which any of the property or assets of the Company or the Guarantor is subject, nor will such action result in any violation of the provisions of the Company's Restated Articles of Incorporation, as amended, or the Guarantor's Certificate of Incorporation, as amended, or the By-Laws, as amended, of the

4.

Company or the Guarantor or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or the Guarantor or any of their respective properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body in the United States is required for the issue and sale of the Securities (or in the case of Securities that are Warrants, the issue and sale of the related Warrant Securities) or the consummation by the Company or the Guarantor of the other transactions contemplated by this Underwriting Agreement or, in the case of Securities that are Debt Securities, the Indenture or, in the case of Securities that are Warrants, the Warrant Agreement, or any Delayed Delivery Contract, except such as have been, or will have been prior to the Time of Delivery, obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required by any stock exchange on which any of the Securities may be listed and under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the

Underwriters; and

k. Other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which the Company or the Guarantor or any of their respective subsidiaries is a party or of which any property of the Company or the Guarantor or any of their respective subsidiaries is subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of the Company and its subsidiaries, or of the Guarantor and its subsidiaries, and, to the best of the Company's or the Guarantor's knowledge and other than as set forth and contemplated in the Prospectus, no such proceeding is threatened or contemplated by governmental authorities or threatened by others.

3. Upon the execution of this Underwriting Agreement and authorization by the Representatives of the release of the Underwriters' Securities, the several Underwriters propose to offer the Underwriters' Securities for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

The Company and the Guarantor may specify in Schedule II (with respect to Debt Securities) and in Schedule III (with respect to Warrants) hereto that the Underwriters are authorized to solicit offers to purchase Securities from the Company and the Guarantor pursuant to delayed delivery contracts (herein "Delayed Delivery Contracts"), substantially in the form of Annex III attached hereto but with such changes therein as the Representatives, the Company and the Guarantor may authorize or approve. If so specified, the Underwriters will endeavor to make such arrangements, and as compensation therefor the Company will pay to the Representatives, for the accounts of the Underwriters, at the Time of Delivery, such commission, if any, as may be set forth in such Underwriting Agreement. Delayed Delivery Contracts, if any, are to be with investors of the types described in the Prospectus and subject to other conditions therein set forth. The Underwriters will not have any responsibility in respect of the validity or performance of any Delayed Delivery Contracts.

The principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of Contract Securities to be deducted from the principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of Securities to be purchased by each Underwriter as set forth in Schedule I hereto shall be, in each case, the principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of Contract Securities which the Company and the Guarantor have been advised by the Representatives has been attributed to such Underwriter, provided that, if the Company and the Guarantor have not been so advised, the amount of Contract Securities to be so deducted shall be, in each case, that proportion of Contract Securities which the principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of Securities to be purchased by such Underwriter under this Underwriting Agreement bears to the total principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of the Securities (rounded as the Representatives may determine). The total principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of Underwriters' Securities to be purchased by all the Underwriters pursuant to this Underwriting Agreement shall be the total principal amount (with respect to Debt Securities) or total number (with respect to Warrants) of Securities set

forth in Schedule I to such Underwriting Agreement less the principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of the Contract Securities. The Company and the Guarantor will deliver to the

5.

Representatives not later than 3:30 p.m., New York time, on the third business day preceding the Time of Delivery specified in this Underwriting Agreement (or such other time and date as the Representatives and the Company may agree upon in writing) a written notice setting forth the principal amount (with respect to Debt Securities) or the number (with respect to Warrants) of Contract Securities.

4. If in definitive form, Underwriters' Securities to be purchased by each Underwriter pursuant to this Underwriting Agreement, in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company and the Guarantor, shall be delivered by or on behalf of the Company and the Guarantor to the Representatives for the account of such Underwriter; and if in global form, Underwriters' Securities to be purchased by each Underwriter pursuant to this Underwriting Agreement shall be delivered to The Depository Trust Company for credit to the specified account of such Underwriters. Such delivery in each case shall be made against payment by such Underwriter or on its behalf of the purchase price therefor by electronic funds transfer, certified or official bank check or checks (or such other method of payment that may be specified in the Underwriting Agreement), payable to the order of the Company in the funds specified in this Underwriting Agreement, all at the place and time and date specified in this Underwriting Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Securities.

Concurrently with the delivery of and payment for the Underwriters' Securities, the Company will deliver to the Representatives for the accounts of the Underwriters a check payable to the order of, or an electronic funds transfer to the account of, the party designated in this Underwriting Agreement in the amount of any compensation payable by the Company to the Underwriters in respect of any Delayed Delivery Contracts as provided in Section 3 hereof and in this Underwriting Agreement.

5. The Company and the Guarantor, jointly and severally, agree with each of the Underwriters:

a. To make no further amendment or supplement to the Registration Statements or the Prospectus after the date of this Underwriting Agreement and prior to the Time of Delivery which shall be disapproved by the Representatives promptly after reasonable notice thereof, except that the Company and the Guarantor shall be permitted to make further amendments or supplements to the Registration Statements or the Prospectus by incorporation by reference of any

proxy statements, Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K and Current Reports on Form 8-K without the approval of the Representatives, provided that the Company or the Guarantor shall (i) deliver a copy of each such report or proxy statement (together with all exhibits thereto) to each Representative promptly with such report or proxy statement being filed with the Commission; and (ii) if the date of the filing of such a report or proxy statement with the Commission will be the same day as the Time of Delivery, then the Company shall to the extent practicable notify each Representative at least one business day (i.e. any day which is not a Saturday or Sunday and which in New York City is not a day on which banking institutions are generally authorized or obligated by law to close) prior to filing such a report or proxy statement with the Commission; to advise the Representatives promptly of any amendment or supplement to any Registration Statement or the Prospectus after such Time of Delivery and furnish the Representatives with copies thereof and to file promptly all reports and any definitive proxy or information statements required to be filed by the Company or the Guarantor with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as delivery of a prospectus is required in connection with the offering or sale of the Securities, and during such same period to advise the Representatives, promptly after either of them receives notice thereof, of the time when any amendment to any Registration Statement has been filed or become effective or any supplement to the Prospectus or any amended Prospectus has been filed or transmitted for filing, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Securities (or if the Securities consist of Warrants, of the related Warrant Securities), of the suspension of the qualification of the Securities (or if the Securities consists of Warrants, of the related Warrant Securities) for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of any Registration Statement or Prospectus or for additional

6.

information; and, in the event of the issuance of any such stop order or of any such order relating to the Securities (or if the Securities consist of Warrants, of the related Warrant Securities) or suspension of any such qualification, to use promptly its best efforts to obtain its withdrawal;

b. Promptly from time to time to take such action as the Representatives may reasonably request to qualify the Securities (and, if the Securities consist of Warrants, the related Warrant Securities) for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Securities, provided that in connection therewith neither the Company nor the Guarantor shall be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

c. To furnish the Underwriters with copies of the Prospectus in such quantities as the Representatives may from time to time reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Securities (and, if the Securities consist of Warrants, the related Warrant Securities) and if at such time any event shall have occurred as a result of which the Prospectus would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

d. To make generally available to their respective security holders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement and of the post-effective amendment thereto hereinafter referred to, a consolidated earnings statement of the Guarantor and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including at the option of the Guarantor, Rule 158); and

e. During the period beginning from the date of this Underwriting Agreement and continuing to and including the earlier of (i) the termination of trading restrictions for the Securities, as notified to the Company and the Guarantor by the Representatives, and (ii) the Time of Delivery, not to offer, sell, contract to sell or otherwise dispose, or announce the proposed issuance or sale, of any debt securities (or warrants therefor) of the Company or the Guarantor which mature more than one year after such Time of Delivery (or in the case of warrants are exercisable more than one year after such Time of Delivery) and which are substantially similar to the Securities, without the prior oral consent of the Representatives, which consent shall be promptly confirmed in writing.

6. The Company and the Guarantor, jointly and severally, covenant and agree with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's and the Guarantor's respective counsel and accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing and filing of any Registration Statement, any preliminary prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, the Standard Underwriting Provisions, July 1994, this Underwriting Agreement, the Indenture, any Warrants, any Warrant Agreements, any Delayed Delivery Contracts, any Blue Sky and Legal Investment Memoranda and any

other documents in connection with the offering, purchase, sale and delivery of the Securities (and if the Securities consist of Warrants, the related Warrant Securities); (iii) all expenses in connection with the qualification of the Securities (and if the Securities consist of Warrants, the related Warrant Securities) for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in

7.

connection with such qualification and in connection with the Blue Sky and legal investment surveys; (iv) any fees charged by securities rating services for rating the Securities (and, if the Securities consist of Warrants, the related Warrant Securities); (v) any filing fees incident to any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities (and, if the Securities consist of Warrants, the related Warrant Securities); (vi) the cost of preparing the Securities (and if the Securities consist of Warrants, the related Warrant Securities); (vii) the fees and expenses of any Trustee and any agent of any Trustee and the fees and disbursements of counsel for any Trustee and, if the Securities consist of Warrant Securities, the fees and expenses of any Warrant Agent and the fees and disbursements of counsel for any Warrant Agent; (viii) the costs and fees incurred in connection with the listing of any Securities on any securities exchange; and (ix) all other costs and expenses incident to the performance of its obligations hereunder and under any Delayed Delivery Contracts which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, Section 8 and Section 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Securities by them, and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of each of the Company and the Guarantor herein are, at and as of the Time of Delivery, true and correct, the condition that the Company and the Guarantor shall have performed all of their respective obligations hereunder theretofore to be performed, and the following additional conditions:

a. No stop order suspending the effectiveness of any Registration Statement shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

b. Brobeck, Phleger & Harrison, counsel for the Underwriters, shall have furnished to the Representatives such opinion or opinions, dated the Time of Delivery, with respect to the incorporation of the Company and the Guarantor,

the validity of the Indenture, the Securities, the Warrant Securities, the Warrant Agreement, the Delayed Delivery Contracts, if any, the applicable Registration Statement, the Prospectus and other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

c. The General Counsel of the Company and the Guarantor, or his designee, subject to the approval by the Representatives of such designee, shall have furnished to the Representatives his written opinion, dated the Time of Delivery, in form and substance satisfactory to the Representatives, to the effect that:

(i) Each of the Company and the Guarantor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

(ii) The Guarantor has an authorized capitalization as set forth in the Prospectus, all of the issued shares of capital stock of the Company and of the Guarantor have been duly and validly authorized and issued and are fully paid and non-assessable (except such counsel may take exception for a DE MINIMIS number of shares), and the Guarantor is the registered and beneficial owner of all of the outstanding shares of capital stock of the Company;

(iii) To the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which the Company or the Guarantor or any of their respective subsidiaries is a

8.

party or of which any property of the Company or the Guarantor or any of their respective subsidiaries is the subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of the Company and its subsidiaries or of the Guarantor and its subsidiaries; and, to the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, no such proceeding is threatened or contemplated by governmental authorities or threatened by others;

(iv) This Underwriting Agreement has been duly authorized, executed and delivered by the Company and the Guarantor;

(v) In the event any of the Securities are to be purchased pursuant to Delayed Delivery Contracts, each of such Delayed Delivery

Contracts has been duly authorized, executed and delivered by the Company and the Guarantor and, assuming each such Delayed Delivery Contract has been duly executed and delivered by the purchaser named therein, constitutes a valid and legally binding agreement of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Delayed Delivery Contracts conform in all material respects to the description thereof in the Prospectus;

(vi) The Securities that are Debt Securities have been duly authorized executed, authenticated, issued and delivered and constitute valid and legally binding obligations of the Company and the Guarantor entitled to the benefits provided by the Indenture (assuming the due authorization, execution and delivery thereof by the Trustee), subject as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Contract Securities that are Debt Securities, if any, when executed, authenticated and issued pursuant to the Indenture and delivered against payment therefor pursuant to the Delayed Delivery Contracts, if any, will constitute valid and legally binding obligations of the Company and the Guarantor entitled to the benefits provided by the Indenture, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Debt Securities and the Indenture conform in all material respects to the descriptions thereof in the Prospectus;

(vii) The Indenture has been duly authorized, executed and delivered by the Company and the Guarantor and (assuming the due authorization, execution and delivery thereof by the Trustee) constitutes a valid and legally binding instrument of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture has been duly qualified under the Trust Indenture Act;

(viii) The issue and sale of the Securities and the compliance by the Company and the Guarantor with all of the provisions of the Securities, in the case of the issue and sale of Debt Securities, the relevant Indenture, in the case of the issue and sale of Warrants, the Warrant Agreement and the related Warrant Securities, each of the Delayed Delivery Contracts, if any, and this Underwriting Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default

under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel to which the Company or the Guarantor is a party or by which the Company or the Guarantor is bound or to which any of the property or assets of the Company or the Guarantor is subject, nor will such action result in any violation of the provisions of the Guarantor's Certificate of Incorporation, as amended, or the Company's Restated Articles of Incorporation, as amended, or the By-Laws, as amended, of the Company or the Guarantor or any statute or any order, rule or regulation known to such counsel of any governmental agency or body having jurisdiction over the Company or the Guarantor or any of their respective properties, except that such counsel may state that the opinion set forth in the preceding clause is limited to those statutes, orders, rules and regulations currently in effect which, in such counsel's experience, are normally applicable to transactions of the type contemplated by this Agreement and that such counsel expresses no opinion as to the securities or Blue Sky laws of the various jurisdictions in which the Debt Securities are to be offered;

(ix) No consent, approval, authorization, order, registration or qualification of or with any such United States court or governmental agency or body is required for the issue and sale of the Securities (or, in the case of Securities that are Warrants, the issue and sale of the related Warrant Securities) or the consummation by the Company or the Guarantor of the other transactions contemplated by this Underwriting Agreement or, in the case of Securities that are Debt Securities, the relevant Indenture or, in the case of the Securities that are Warrants, the Warrant Agreement, or any of such Delayed Delivery Contracts, except such as have been obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required by any stock exchange on which any of the Securities may be listed and under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters;

(x) The Securities that are Warrants have been duly authorized, countersigned and issued by the Warrant Agent pursuant to the Warrant Agreement and, when delivered against payment therefor pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Warrants, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, issued and delivered and will constitute valid and legally binding obligations of the Company and the Guarantor, entitled to the benefits provided by the Warrant Agreement (assuming the due authorization, execution and delivery thereof by the Warrant Agent), which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Warrant Agreement has been duly authorized, executed and delivered by

the Company and the Guarantor and (assuming the due authorization, execution and delivery thereof by the Warrant Agent), at the Time of Delivery the Warrant Agreement will constitute a valid and legally binding instrument of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Warrant Securities will have been duly authorized and, upon due execution, authentication and issuance pursuant to the Indenture and delivery and payment therefor upon exercise of the Warrants pursuant to the related Warrant Agreement, will constitute valid and legally binding obligations of the Company and the Guarantor entitled to the benefits of the Indenture, subject, as to enforcement, to bankruptcy, insolvency, reorganization, and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Warrants, the

10.

related Warrant Securities and the Warrant Agreement conform in all material respects to the descriptions thereof in the Prospectus;

(xi) To the best of such counsel's knowledge after reasonable inquiry, there are no holders of securities of the Company or the Guarantor who, by reason of the filing of either of the Registration Statements under the Act or the execution by the Company and Guarantor of this Underwriting Agreement, have the right to request or demand that the Company or the Guarantor register under the Act any securities held by them;

(xii) The documents incorporated by reference in the Prospectus, (other than the financial statements, the related schedules and financial exhibits and other financial and statistical information included therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, in the case of a registration statement which became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light

of the circumstances under which they were made when such documents were so filed, not misleading; and

(xiii) Each Registration Statement and the Prospectus (other than the financial statements, the related schedules and financial exhibits and other financial and statistical information included therein, as to which such counsel need express no opinion), comply as to form in all material respects with the requirements of the Act, the Trust Indenture Act, the rules and regulations thereunder; such counsel has no reason to believe that, as of the effective date of the applicable Registration Statement, either the applicable Registration Statement or the Basic Prospectus contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of the Time of Delivery, either the applicable Registration Statement or the Prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading; PROVIDED, such counsel need express no opinion with respect to any statement contained in or omitted from any Registration Statement or the Prospectus in reliance upon or in conformity with written information furnished to the Company or the Guarantor by any Underwriter, expressly for use in any Registration Statement or Prospectus; and such counsel does not know of any contracts or other documents of a character required to be filed as an exhibit to the applicable Registration Statement or required to be incorporated by reference into the Prospectus or required to be described in the applicable Registration Statement or the Prospectus, which are not filed or incorporated by reference or described as required;

d. At the Time of Delivery, the independent accountants of the Company and the Guarantor who have audited the consolidated financial statements of the Company and the Guarantor and their respective subsidiaries incorporated by reference in the applicable Registration Statement shall have furnished to the Representatives letters dated as of the Time of Delivery with respect to each of the Company and the Guarantor to the effect set forth in Annex II to these Standard Underwriting Provisions, and as to such

11.

other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives;

e. (i) Neither the Company nor the Guarantor nor any of their respective subsidiaries shall have sustained since the date of the latest audited consolidated financial statements included or incorporated by reference in the Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity,

whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and

(ii) since the respective dates as of which information is given in the Prospectus there shall not have been any change in the capital stock or consolidated long-term debt of the Company or the Guarantor or any change, or development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company or the Guarantor and their respective subsidiaries, otherwise than as set forth or contemplated in the Prospectus, the effect of which, in any such case described in Clause (i) or (ii), is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Prospectus;

f. Subsequent to the date of this Underwriting Agreement (i) no downgrading shall have occurred in the rating accorded the Company's or the Guarantor's debt securities by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act; and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's or the Guarantor's debt securities;

g. Subsequent to the date of this Underwriting Agreement there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities; or (iii) any outbreak or escalation of hostilities or other calamity or crisis on or after the date of such Underwriting Agreement, if the effect of any such event specified in this Clause (iii) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Underwriters' Securities on the terms and in the manner contemplated in the Prospectus;

h. The Company and the Guarantor shall have furnished or caused to be furnished to the Representatives at the Time of Delivery certificates of officers of the Company and the Guarantor satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company and the Guarantor, respectively, herein at and as of such Time of Delivery, as to the performance by the Company and the Guarantor of all of their respective obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (e) of this Section, and as to such other matters as the Representatives may reasonably request; and

i. There has been no notice pursuant to Section 5(a) above of an intention to amend or supplement, nor has there been any such amendment or supplement to, the applicable Registration Statement or the Prospectus by

incorporation by reference pursuant to Section 5(a) above between the date of this Underwriting Agreement and the Time of Delivery, inclusive. If the Company notifies any Representative of the impending filing of any amendment or supplement to the Registration Statement or the Prospectus by incorporation by reference pursuant to Section 5(a) above, then each Representative so notified shall use such

12.

information, until such information has been filed with the Commission, solely for the purpose of determining whether or not to consummate the purchase of the Securities pursuant to this Underwriting Agreement.

8. a. The Company and the Guarantor, jointly and severally, will indemnify and hold harmless each Underwriter against any losses, claims, damages, or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim; provided, however, that neither the Company nor the Guarantor shall be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the Securities, or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company or the Guarantor by any Underwriter through the Representatives expressly for use in the Prospectus.

b. Each Underwriter will indemnify and hold harmless the Company and the Guarantor against any losses, claims, damages or liabilities to which the Company and the Guarantor, respectively, may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent that such untrue statement or alleged untrue statement or omission or alleged omission was made in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus

relating to the Securities, or any such amendment or supplement thereto in reliance upon and in conformity with written information furnished to the Company or the Guarantor by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company or the Guarantor for any legal or other expenses reasonably incurred by the Company or the Guarantor, as the case may be, in connection with investigating or defending any such action or claim.

c. Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

d. If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative

13.

benefits received by the Company and the Guarantor, on the one hand, and the Underwriters, on the other, from the offering of the Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Guarantor, on the one hand, and the

Underwriters, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantor, on the one hand, and such Underwriters, on the other, shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Guarantor, on the one hand, or such Underwriters, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Guarantor and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to the Securities and not joint.

e. The obligations of the Company and the Guarantor under this Section 8 shall be in addition to any liability which the Company or the Guarantor may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company or the Guarantor and to each person, if any, who controls the Company or the Guarantor within the meaning of the Act.

9. a. If any Underwriter shall default in its obligation to purchase the Underwriters' Securities which it has agreed to purchase under this Underwriting Agreement relating to such Securities, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Underwriters' Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Underwriters' Securities, then the Company

and the Guarantor shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Underwriters' Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company and the Guarantor that they have so arranged for the purchase of such Underwriters' Securities, or the Company and the Guarantor notify the Representatives that they have so arranged for the purchase of such Underwriters' Securities, the Representatives or the Company and the Guarantor shall have the right to postpone the Time of Delivery for such Underwriters' Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the applicable Registration Statement or the Prospectus as amended or supplemented, or in any other documents or

14.

arrangements, and the Company and the Guarantor agree to file promptly any amendments or supplements to the applicable Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Underwriting Agreement.

b. If, after giving effect to any arrangements for the purchase of the Underwriters' Securities of a defaulting Underwriter or Underwriters by the Representatives or the Company and the Guarantor as provided in subsection (a) above, the aggregate principal amount (with respect to Debt Securities) and number (with respect to Warrants) of such Underwriters' Securities which remains unpurchased does not exceed one-eleventh of the aggregate principal amount (with respect to Debt Securities) and number (with respect to Warrants) of the Securities, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount (with respect to Debt Securities) and number (with respect to Warrants) of Underwriters' Securities which such Underwriter agreed to purchase under this Underwriting Agreement and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount (with respect to Debt Securities) and number (with respect to Warrants) of Securities which such Underwriter agreed to purchase under this Underwriting Agreement) of the Underwriters' Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

c. If, after giving effect to any arrangements for the purchase of the Underwriters' Securities of a defaulting Underwriter or Underwriters by the Representatives or the Company and the Guarantor as provided in subsection (a) above, the aggregate principal amount (with respect to Debt Securities) and number (with respect to Warrants) of Underwriters' Securities which remains unpurchased exceeds one-eleventh of the aggregate principal amount (with respect to Debt Securities) and number (with respect to Warrants) of the Securities, as

referred to in subsection (b) above, or if the Company and the Guarantor shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Underwriters' Securities of a defaulting Underwriter or Underwriters, then this Underwriting Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter, the Company or the Guarantor, except for the expenses to be borne by the Company, the Guarantor and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Company, the Guarantor and the several Underwriters, as set forth in this Underwriting Agreement or made by or on behalf of them, respectively, pursuant to this Underwriting Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any officer or director or controlling person of the Company, or the Guarantor, or any officer or director or controlling person of the Guarantor, and shall survive delivery of and payment for the Securities.

11. If this Underwriting Agreement shall be terminated pursuant to Section 9 hereof, the Company and the Guarantor shall not then be under any liability to any Underwriter with respect to the Securities except as provided in Section 6 and Section 8 hereof; but, if for any other reason, Underwriters' Securities are not delivered by or on behalf of the Company and the Guarantor as provided herein, the Company and the Guarantor will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements or counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Securities, but the Company and the Guarantor shall then be under no further liability to any Underwriter with respect to such Securities except as provided in Section 6 and Section 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in Schedule II hereto.

15.

All statements, requests, notices and agreements hereunder shall be in writing or by facsimile, telex, telegram or other similar electronic communication if promptly confirmed in writing, and if the Underwriters shall be sufficient in all respects if delivered or sent by registered mail to the

address of the Representatives as set forth in Schedule II and Schedule III hereto; and if to the Company and the Guarantor shall be sufficient in all respects if delivered or sent by registered mail to the address of the Company and the Guarantor set forth in the applicable Registration Statement, Attention: Corporate Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by registered mail to such Underwriter at its address set forth either in its Underwriters' Questionnaire, or facsimile constituting such Questionnaire, which address will be supplied to the Company and the Guarantor by the Representatives upon request.

13. This Underwriting Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company, the Guarantor and, to the extent provided in Section 8 and Section 10 hereof, the officers and directors of the Company and each person who controls the Company, the officers and directors of the Guarantor and each person who controls the Guarantor, or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Underwriting Agreement. No purchaser of any of the Securities from an Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. Time shall be of the essence in this Underwriting Agreement.

15. This Underwriting Agreement shall be governed by and construed in accordance with the laws of the State of New York.

16. This Agreement may be (i) executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument and (ii) evidenced by an exchange of facsimile communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Underwriting Agreement shall be several and not joint.

16.

ANNEX I  
TO  
STANDARD UNDERWRITING PROVISIONS

UNDERWRITING AGREEMENT  
-----  
-----  
-----

-----  
-----  
-----  
-----

As Representatives of the several  
Underwriters named in Schedule I  
hereto

[Date]

Ladies and Gentlemen:

Union Oil Company of California (the "Company") proposes, subject to the terms and conditions stated herein and in Section 1 through 16 and Annexes II and III of the Company and Unocal Corporation (the "Guarantor") Standard Underwriting Provisions, July 1994 (the "Standard Provisions"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the securities (the "Securities") specified in Schedule II hereto (with respect to Debt Securities) and Schedule III hereto (with respect to Warrants). Each of the provisions of the Standard Provisions is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Underwriting Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Underwriting Agreement, except that each representation and warranty with respect to the Prospectus in Section 2 of the Standard Provisions shall be deemed to be a representation and warranty as of \_\_\_\_\_, 1994 in relation to the Basic Prospectus (as therein defined), and also a representation and warranty as of the date of this Underwriting Agreement in relation to the Prospectus (as therein defined). Each reference to the Representatives herein and in the provisions of the Standard Provisions so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Standard Provisions are used herein as therein defined. The Representatives designated to act on behalf of each of the Underwriters pursuant to Section 12 of the Standard Provisions and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto (with respect to Debt Securities) and Schedule III hereto (with respect to Warrants).

An amendment to the applicable Registration Statement, or a supplement to the Basic Prospectus, as the case may be, relating to the Securities, in the form heretofore delivered to you, has been or is now proposed to be transmitted for filing with the Commission.

Subject to the terms and conditions set forth herein and in the Standard Provisions incorporated herein by reference, the Company and the Guarantor agree to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and the Guarantor, at the time and place and at the purchase price to the

Underwriters set forth in Schedule II hereto (with respect to Debt Securities) and Schedule III hereto (with respect to Warrants), the principal amount (with respect to Debt Securities) and number (with respect to Warrants) of Securities set forth opposite the name of such Underwriter in Schedule I hereto, less the principal amount (with respect to Debt Securities) and number (with respect to Warrants) of Securities covered by Delayed Delivery Contracts, if any, as may be

I-1

specified respectively in such Schedule II (with respect to Debt Securities) and Schedule III (with respect to Warrants).

If the foregoing is in accordance with your understanding, please sign and return to us two counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Standard Provisions incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters, the Company and the Guarantor. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company and the Guarantor for examination, upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

By:

-----

Name:

Title:

UNOCAL CORPORATION

By:

-----

Name:

Title:

Accepted as of the date hereof:

[Name of Representative]

By: \_\_\_\_\_  
Authorized Signature  
Name:  
Title:

[Name of Representative]

By: \_\_\_\_\_  
Authorized Signature  
Name:  
Title:

On behalf of each of the Underwriters

I-2

SCHEDULE I  
TO  
UNDERWRITING AGREEMENT

Underwriters	Principal Amount of Securities that are Debt Securities to be Purchased	Number of Securities that are Warrants to be Purchased
-----	-----	-----
[Names of Underwriters]. . . . .	.\$	

Total. . . . . \$ \_\_\_\_\_  
-----

I-3

SCHEDULE II  
TO  
UNDERWRITING AGREEMENT

DEBT SECURITIES  
-----

TITLE OF SECURITIES:

[ %] [Floating Rate] [Zero Coupon] [Indexed] [Amortizing] [Notes]  
[Debentures] due

AGGREGATE PRINCIPAL AMOUNT:

\$ \_\_\_\_\_  
-----

GUARANTEE:

Payment of Principal, Interest and Premium, if any, is guaranteed by the Guarantor

PRICE TO PUBLIC:

% of the principal amount of the Securities, plus accrued interest  
from \_\_\_\_\_ to \_\_\_\_\_ [and accrued amortization, if  
any, from \_\_\_\_\_ to \_\_\_\_\_]

PURCHASE PRICE BY UNDERWRITER:

% of the principal amount of the Securities, plus accrued interest  
from \_\_\_\_\_ to \_\_\_\_\_ [and accrued amortization, if  
any, from \_\_\_\_\_ to \_\_\_\_\_]

SPECIFIED FUNDS FOR PAYMENT OF PURCHASE PRICE:

[New York] Clearing House funds [or immediately available federal  
funds, if agreed to by the Representatives]

FORM OF PAYMENT:

INDENTURE:

[Indenture dated as of \_\_\_\_\_, 1994, among the Company, the Guarantor and Chemical Trust Company of California, as Trustee]

[Indenture dated \_\_\_\_\_, among the Company, the Guarantor and \_\_\_\_\_, as Trustee]

RANKING AS SENIOR OR SUBORDINATED:

CONVERSION OR EXCHANGE:

MATURITY:

I-4

INTEREST RATE:

[ %] [Floating Rate] [Zero Coupon] [Indexed] [Amortizing]

INTEREST PAYMENT DATES:

[months and dates]

REDEMPTION PROVISIONS:

[No provisions for redemption]

[The Securities may be redeemed, otherwise than through the sinking fund, in whole or in part at the option of the Company, in the amount of \$ \_\_\_\_\_ or an integral multiple thereof, \_\_\_\_\_] [on or after \_\_\_\_\_ at the following redemption prices (expressed in percentage of principal amount). If redeemed on or before \_\_\_\_\_, \_\_\_\_\_%, and if redeemed during the 12-month period beginning

YEAR	REDEMPTION PRICE
----	-----

and thereafter at 100% of their principal amount, together in each case with accrued interest to the redemption date.]

[on any interest payment date falling on or after \_\_\_\_\_, \_\_\_\_\_, at the election of the Company, at a redemption price equal to the principal

amount thereof, plus accrued interest to the date of redemption.] Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

SINKING FUND PROVISIONS:

[No sinking fund provisions]

[The Securities are entitled to the benefit of a sinking fund to retire \$ \_\_\_\_\_ principal amount of Securities on \_\_\_\_\_ in each of the years \_\_\_\_\_ through \_\_\_\_\_ at 100% of their principal amount plus accrued interest] [together with [cumulative] [non-cumulative] redemptions at the option of the Company to retire an additional \$ \_\_\_\_\_ principal amount of Securities in the years \_\_\_\_\_ through \_\_\_\_\_ at 100% of their principal amount plus accrued interest.]

REPAYMENT PROVISIONS:

Securities are repayable on \_\_\_\_\_, [insert date and years]. at the option of the holder, at their principal amount with accrued interest. Initial annual interest rate will be \_\_\_\_\_%, and thereafter annual interest rate will be adjusted on \_\_\_\_\_ and \_\_\_\_\_ to a rate not less than \_\_\_\_\_% of the effective annual interest rate on the U.S. Treasury obligations with \_\_\_\_\_-year maturities as of the [insert date 15 days prior to maturity date] prior to such [insert maturity date].

I-5

FLOATING RATE PROVISIONS:

Initial annual interest rate will be [insert applicable interest provisions]

TIME OF DELIVERY:

[Time and date], 19\_\_\_\_\_

CLOSING LOCATION:

[Brobeck, Phleger & Harrison, 550 S. Hope Street, Los Angeles, California 90071.]

DELAYED DELIVERY:

[None] [Underwriters' commission shall be \_\_\_\_\_% of the principal amount of Securities for which Delayed Delivery Contracts have been entered into. Such commission shall be payable to the order of

\_\_\_\_\_.]

NAMES AND ADDRESSES OF REPRESENTATIVES:

DESIGNATED REPRESENTATIVES:

ADDRESS FOR NOTICES, ETC.:

[OTHER TERMS]\*

-----  
\*A Description of particular tax, accounting or other unusual features of the Securities should be set forth, or referenced to an attached and accompanying description, if necessary to the issuer's understanding of the transaction contemplated. Such a description might appropriately be in the form in which such features will be designated in the Prospectus Supplement for the offering.

I-6

SCHEDULE III  
TO  
UNDERWRITING AGREEMENT

WARRANTS

PART A

DESCRIPTION OF WARRANTS

NUMBER OF WARRANTS:

EACH WARRANT [IS] [WILL BE] EXERCISABLE FOR \$ \_\_\_\_\_ AGGREGATE PRINCIPAL AMOUNT OF [TITLE OF THE WARRANT SECURITIES]

EXERCISE PERIOD:

EXERCISE PRICE:

DETACHABILITY:

LISTING:

TITLE OF WARRANT AGREEMENT:

WARRANT AGENT:

PRICE TO PUBLIC:

UNDERWRITERS DISCOUNT:

PURCHASE PRICE BY UNDERWRITERS:

SPECIFIED FUNDS FOR PAYMENT OF PURCHASE PRICE:

[New York] Clearing House funds [or immediately available federal funds if agreed to by the Representatives.]

FORM OF PAYMENT:

TIME OF DELIVERY:

[Time and date], 19\_\_

CLOSING LOCATION:

[Brobeck, Phleger & Harrison, 550 South Hope Street, Los Angeles, California 90071]

DELAYED DELIVERY:

[None] [Underwriters' commission shall be of the purchase price of the Warrants for which Delayed Delivery Contracts have been entered into. Such commission shall be payable to the order of \_\_\_\_\_.]

I-7

NAMES AND ADDRESSES OF REPRESENTATIVES:

DESIGNATED REPRESENTATIVES:

ADDRESS FOR NOTICES, ETC.:

[OTHER TERMS]\*\*:

PART B

DESCRIPTION OF WARRANT SECURITIES

TITLE OF WARRANT SECURITIES:

AGGREGATE PRINCIPAL AMOUNT:

\$ \_\_\_\_\_

GUARANTEE:

Payment of Principal, Interest and Premium, if any, is guaranteed by the Guarantor

INDENTURE:

[Indenture dated as of \_\_\_\_\_, 1994, among the Company, the Guarantor and Chemical Trust Company of California, Trustee]

[Indenture, dated \_\_\_\_\_, 199\_\_, between the Company, the Guarantor and \_\_\_\_\_, as Trustee]

RANKING AS SENIOR OR SUBORDINATED:

CONVERSION OR EXCHANGE:

MATURITY:

INTEREST RATE:

[ %] [Floating Rate] [Zero Coupon] [Indexed] [Amortizing]

INTEREST PAYMENT DATES:

[months and dates]

REDEMPTION PROVISIONS:

[No provisions for redemption]

-----  
\*\*A Description of particular tax, accounting or other unusual features of the Securities should be set forth, or referenced to an attached and accompanying description, if necessary to the issuer's understanding of the transaction contemplated. Such a description might appropriately be in the form in which such features will be designated in the Prospectus Supplement for the offering.

[The Warrant Securities may be redeemed, otherwise than through the sinking fund, in whole or in part at the option of the Company, in the amount of \$ \_\_\_\_\_ or an integral multiple thereof, \_\_\_\_\_] [on or after \_\_\_\_\_ at the following redemption prices (expressed in percentage of principal amount). If [redeemed on or before \_\_\_\_\_, \_\_\_\_\_%, and

if] redeemed during the 12-month period beginning

YEAR	REDEMPTION PRICE
----	-----

and thereafter at 100% of their principal amount, together in each case with accrued interest to the redemption date.]

[on any interest payment date falling on or after \_\_\_\_\_, \_\_\_\_\_, at the election of the Company, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.] [Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

#### SINKING FUND PROVISIONS:

[No sinking fund provisions]

[The Warrant Securities are entitled to the benefit of a sinking fund to retire \$ \_\_\_\_\_ principal amount of Warrant Securities on \_\_\_\_\_ in each of the years \_\_\_\_\_ through \_\_\_\_\_ at 100% of their principal amount plus accrued interest], [together with [cumulative] [non-cumulative] redemptions at the option of the Company to retire an additional \$ \_\_\_\_\_ principal amount of Warrant Securities in the years \_\_\_\_\_ through \_\_\_\_\_ at 100% of their principal amount plus accrued interest.]

#### REPAYMENT PROVISIONS:

Securities are repayable on \_\_\_\_\_, [insert date and years], at the option of the holder, at their principal amount with accrued interest. Initial annual interest rate will be \_\_\_\_\_%, and thereafter annual interest rate will be adjusted on \_\_\_\_\_ and \_\_\_\_\_ to a rate not less than \_\_\_\_\_% of the effective annual interest rate on U.S. Treasury obligations with \_\_\_\_\_-year maturities as of the [insert date 15 days prior to maturity date] prior to such [insert maturity date].]

#### FLOATING RATE PROVISIONS:

Initial annual interest rate will be [insert applicable interest provisions]

FORM OF COMFORT LETTERS

Pursuant to Section 7(d) of the Underwriting Agreement, the independent accountants shall furnish letters to the Representatives with respect to each of the Company and the Guarantor to the effect that:

(i) They are independent certified public accountants with respect to the Company and the Guarantor (as applicable) within the meaning of the Act and the applicable published rules and regulations thereunder;

(ii) In their opinion, the consolidated financial statements and any supplementary financial information and schedules audited by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related published rules and regulations thereunder;

(iii) In their opinion, the unaudited selected financial information with respect to the consolidated results of operations and financial position of the Guarantor for the five most recent fiscal years included or incorporated by reference in the Prospectus or in Item 6 of the Guarantor's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for the five such fiscal years which were included or incorporated by reference in the Guarantor's Annual Reports on Form 10-K for such fiscal years;

(iv) If applicable, in their opinion, the unaudited selected financial information with respect to the consolidated results of operations and financial position of the Company for the five most recent fiscal years included or incorporated by reference in the Prospectus or in Item 6 of the Company's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for the five such fiscal years which were included or incorporated by reference in the Company's Annual Reports on Form 10-K for such fiscal years;

(v) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim consolidated financial statements of the Company and the Guarantor as consolidated with their respective subsidiaries, inspection of the minute books of the Company, the Guarantor and their respective significant subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company, the Guarantor and their respective significant subsidiaries responsible for financial and accounting

matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited condensed consolidated earnings statement, consolidated balance sheet and consolidated cash flows statement included or incorporated by reference in the Guarantor's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related published rules and regulations thereunder or that any material modification should be made to them in order for them to be in conformity with generally accepted accounting principles;

II-1

(B) if applicable, the unaudited condensed consolidated earnings statement, consolidated balance sheet and consolidated cash flows statement included or incorporated by reference in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related published rules and regulations thereunder or that any material modification should be made to them in order for them to be in conformity with generally accepted accounting principles;

(C) any unaudited pro forma condensed consolidated financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the published rules and regulations thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements, except as disclosed and with which they concur;

(D) as of a specified date not more than five days prior to the Time of Delivery, there have been any changes in the outstanding capital stock (other than, in the case of the Guarantor, issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus, and upon grants or cancellations of restricted stock and issuances of capital stock pursuant to the Profit Sharing Plan and the Dividend Reinvestment Plan and Common Stock Purchase Plan) or any

increase in the consolidated long-term debt of the Company and the Guarantor and their respective subsidiaries (other than normal fluctuations in the outstanding amount of commercial paper classified as long-term in accordance with generally accepted accounting principles), or any increase in short-term notes payable in excess of 100%, or any decreases in consolidated net current assets or net assets or other items specified by the Representatives or any increases in any items specified by the Representatives, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(E) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in Clause (D) there were any decreases in consolidated total revenues, net earnings or, in the case of the Guarantor, net earnings per share or, if for a fiscal quarter, the ratio of earnings to fixed charges or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Representatives, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(i) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries

II-2

and other procedures referred to in paragraph (v) above, they have carried out certain specified procedures, not constituting an examination in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of the Company, the Guarantor and their respective subsidiaries, which appear in the Prospectus (including specified documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of, or, if approved by the Underwriters, schedules prepared by, the Company, the Guarantor and their respective subsidiaries and have found them to be in agreement.

ANNEX III  
TO  
STANDARD UNDERWRITING PROVISIONS

DELAYED DELIVERY CONTRACT

UNION OIL COMPANY OF CALIFORNIA  
UNOCAL CORPORATION

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_, 199\_\_

Ladies and Gentlemen:

The undersigned hereby agrees to purchase from Union Oil Company of California, a California corporation (the "Company"), and Unocal Corporation, a Delaware corporation (the "Guarantor"), and the Company and the Guarantor agree to sell to the undersigned,

[warrants to purchase] \$.....

principal amount of the Company's [Title of Securities] guaranteed as to payment of principal, interest and premium, if any, by the Guarantor (the "Securities"), offered by the Company's and the Guarantor's Prospectus dated \_\_\_\_\_, 1994, as amended or supplemented as of \_\_\_\_\_, 199\_\_, receipt of a copy of which is hereby acknowledged, at a purchase price of \_\_\_\_% of the principal amount thereof, plus accrued interest from the date from which interest accrues as set

forth below, and on the further terms and conditions set forth in this contract.

The undersigned will purchase the Securities from the Company and the Guarantor on \_\_\_\_\_, 199\_\_ (the "Delivery Date") and interest on the Securities so purchased will accrue from \_\_\_\_\_, 199\_\_.

[The undersigned will purchase the Securities from the Company and the Guarantor on the delivery date or dates and on the principal amount or amounts set forth below:

<TABLE>  
<CAPTION>

DELIVERY DATE	PRINCIPAL AMOUNT	DATE FROM WHICH INTEREST ACCRUES
-----	-----	-----
<S>	<C>	<C>
_____, 199_	\$	_____, 199_
_____, 199_	\$	_____, 199_

</TABLE>

III-1

Each such date on which Securities are to be purchased hereunder is hereinafter referred to as a "Delivery Date".]

Payment for the Securities which the undersigned has agreed to purchase on [the][each] Delivery Date shall be made to the Company or its order by either certified or official bank check in \_\_\_\_\_ Clearing House funds at the office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ or by wire transfer of immediately available funds, at the option of the undersigned, to a bank account specified by the Company, on [the][such] Delivery Date upon delivery to the undersigned of the Securities then to be purchased by the undersigned in definitive fully registered form and in such denominations and registered in such names as the undersigned may designate by written or telegraphic communication addressed to the Company not less than five full business days prior to [the][such] Delivery Date.

The obligation of the undersigned to take delivery of and make payment for Securities on [the][each] Delivery Date shall be subject to the condition that the purchase of Securities to be made by the undersigned shall not on [the][such] Delivery Date be prohibited under the laws of the jurisdiction to which the undersigned is subject. The obligation of the undersigned to take delivery of and make payment for Securities shall not be affected by the failure of any purchaser to take delivery of and payment for Securities pursuant to other contracts similar to this contract.

[The undersigned understands that Underwriters (the "Underwriters") are also purchasing Securities from the Company and the Guarantor, but that the obligations of the undersigned hereunder are not contingent on such purchases.] Promptly after completion of the sale to the Underwriters the Company and the Guarantor will mail or deliver to the undersigned at its address set forth below notice to such effect, accompanied by a copy of the Opinion of Counsel for the Company and the Guarantor delivered to the Underwriters in connection therewith.

The undersigned represents and warrants that, as of the date of this contract, the undersigned is not prohibited from purchasing the Securities hereby agreed to be purchased by it under the laws of the jurisdiction to which the undersigned is subject.

This contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other.

This contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. This contract shall be governed by and construed in accordance with the laws of the State of New York.

It is understood that the acceptance by the Company and the Guarantor of any Delayed Delivery Contract (including this contract) is in the Company's and the Guarantor's sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this contract is acceptable to the Company and the Guarantor, it is requested that the Company and the Guarantor sign the form of acceptance below and mail or deliver one of the counterparts hereof to the undersigned at its

III-2

address set forth below. This will become a binding contract among the Company, the Guarantor and the undersigned when such counterpart is so mailed or delivered by the Company and the Guarantor.

Yours very truly,

-----

By:

-----

(Signature)

-----  
(Name and Title)

-----  
(Address)

Accepted: \_\_\_\_\_, 199\_\_

Union Oil Company of California

By:

-----  
Name:  
Title:

Unocal Corporation

By:

-----  
Name:  
Title:

III-3

UNOCAL CORPORATION

PREFERRED STOCK

and

WARRANTS TO PURCHASE PREFERRED STOCK

STANDARD UNDERWRITING PROVISIONS

JULY 1994

INTRODUCTION

A. From time to time Unocal Corporation, a Delaware corporation ("Unocal"), proposes (i) to enter into one or more Underwriting Agreements (each an "Underwriting Agreement") in the form of Annex I (including Schedule I and, as applicable, Schedules II and III to Annex I) to these Standard Underwriting Provisions, which Underwriting Agreements will incorporate therein by reference some or all of the provisions set out below under "Standard Provisions," with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, (ii) to issue and sell to the firms named in Schedule I to the applicable Underwriting Agreement (such firms constituting the "Underwriters" with respect to such Underwriting Agreement and the securities specified therein) certain series of Unocal preferred stock specified in Schedule II to such Underwriting Agreement (the "Preferred Stock") and certain warrants specified in Schedule III to such Underwriting Agreement (the "Warrants") to purchase Preferred Stock (the "Warrant Securities") to be issued pursuant to the provisions of a Warrant Agreement (the "Warrant Agreement") (the Preferred Stock and Warrants to be issued and sold are hereinafter referred to as the "Securities"), less the number of Securities covered by Delayed Delivery Contracts, if any, as provided in Section 3 below under "Standard Provisions" and as may be specified in Schedule II (with respect to Preferred Stock) or Schedule III (with respect to Warrants) to such Underwriting Agreement (with respect to such Underwriting Agreement, any Securities to be covered by Delayed Delivery Contracts being herein sometimes referred to as "Contract Securities" and the Securities to be

purchased by the Underwriters (after giving effect to the deduction, if any, for Contract Securities) being herein sometimes referred to as "Underwriters' Securities").

B. The terms, rights, preferences and privileges of any particular issuance of Securities shall be as specified in the Underwriting Agreement and/or the Warrant Agreement relating thereto and in Unocal's Certificate of Incorporation, as amended (the "Certificate of Incorporation"), and the Certificate or Certificates of Designation relating to such Preferred Stock or Warrant Securities.

C. Particular sales of Securities may be made from time to time to the Underwriters of such Securities, for whom the firms designated as representatives of the Underwriters of such Securities in Schedule I to the Underwriting Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to Underwriters who act without any firm being designated as their representative.

D. These Standard Underwriting Provisions shall not be construed as an obligation of Unocal to sell any Securities. The obligation of Unocal to issue and sell any Securities shall be evidenced by the Underwriting Agreement with respect to the Securities specified therein. The expression "this Underwriting

Agreement" is used below under "Standard Provisions" so that when an Underwriting Agreement incorporates therein a provision using such expression, such expression will, without modification, be referring to that specific Underwriting Agreement. Each Underwriting Agreement shall specify the initial public offering price of the Securities, the purchase price to the Underwriters of the Securities, the names of the Underwriters of the Securities, the names of the Representatives of such Underwriters, whether any of the Securities shall be covered by Delayed Delivery Contracts (as defined in Section 3 hereof) and the commission payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of the Securities and payment therefor and (to the extent not set forth in the registration statement and prospectus with respect thereto) the terms of the Securities, and with respect to Securities that are Warrants, the terms of the Warrant Securities. Each Underwriting Agreement where the Securities consist of Preferred Stock shall specify the aggregate number of shares of Preferred Stock to be purchased by all of the Underwriters, and the number of shares of Preferred Stock to be purchased by each Underwriter. Each Underwriting Agreement where the Securities consist of Warrants shall specify the aggregate number of Warrants to be purchased by all of the Underwriters, and the number of Warrants to be purchased by each Underwriter.

#### STANDARD PROVISIONS

1. Terms used but not defined below have the meaning given such terms above under "Introduction."

2. Unocal represents and warrants to, and agrees with, each of the Underwriters that:

a. Two registration statements (Nos. 33-38505; 33-38505-01 and Nos. 33-\_\_\_\_\_ and 33-\_\_\_\_\_-01) in respect of the Securities, as well as other securities which may be issuable from time to time by Unocal and by its wholly owned subsidiary, Union Oil Company of California ("Union Oil") (collectively with the Securities, the "Registered Securities"), have been filed with the Securities and Exchange Commission (the "Commission") in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to such registration statements, but including all documents incorporated by reference in the prospectus contained therein, to the Representatives for each of the other Underwriters and such registration statements in such form have been declared effective by the Commission and to the knowledge of Unocal no stop order suspending the effectiveness of such registration statements has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (the various parts of such registration statements, including all exhibits thereto but excluding Form T-1, each as amended at the time such part became effective, being hereinafter collectively called the "Registration Statements"; references herein to the "applicable Registration Statement" shall be deemed to refer to both Registration Statements so long as Registered Securities remain issuable under Registration Statement Nos. 33-38505 and 33-38505-01 and only to Registration Statement Nos. 33-\_\_\_\_\_ and 33-\_\_\_\_\_-01 thereafter; the term "Basic Prospectus" means the prospectus included in the applicable Registration Statement; the term "Prospectus" means the Basic Prospectus together with the prospectus supplement (other than a preliminary prospectus supplement) specifically relating to the Securities as filed with, or transmitted for filing with, the Commission pursuant to Rule 424; the term "preliminary prospectus" means a preliminary prospectus supplement specifically relating to the Securities together with the Basic Prospectus; the terms "Registration Statement," "Basic Prospectus," "Prospectus" and "preliminary prospectus" shall include, in each case, the material, if any, incorporated by reference therein);

b. The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance

upon and in conformity with information furnished in writing to Unocal by an Underwriter through the Representatives expressly for use in the Prospectus;

c. Each Registration Statement and the Prospectus conform in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each Registration Statement and any amendment thereto, and as of the date of the Prospectus as to the Prospectus, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to Unocal by an Underwriter through the Representatives expressly for use in the Prospectus;

d. Since the respective dates as of which information is given in the applicable Registration Statement and the Prospectus, there has not been any material change in the capital stock or consolidated long-term debt of Unocal or any material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of Unocal and its subsidiaries taken as a whole, otherwise than as set forth or contemplated in the Prospectus;

e. Unocal has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

f. Unocal has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of Unocal have been duly and validly authorized and issued and are fully paid and non-assessable (except for a DE MINIMIS number of shares), and Unocal is the registered and beneficial owner of all of the outstanding shares of capital stock of Union Oil;

g. The Securities have been duly authorized, and,

(i) if any of the Securities are Preferred Stock, when such Preferred Stock is issued, delivered and paid for pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Preferred Stock, pursuant to Delayed Delivery Contracts, such Securities will have been validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation, including the applicable Certificate of Designations substantially in the form incorporated by reference in or included as an exhibit to the applicable Registration Statement; to the extent that the Preferred Stock is convertible into shares of Common Stock of Unocal, a sufficient number of shares of Common Stock have been reserved for issuance upon such conversion; and the Preferred Stock and the Certificate of Designations conform in all material respects to the descriptions thereof in the Prospectus;

(ii) if any of the Securities are Warrants, when such Warrants are countersigned and issued by the Warrant Agent pursuant to the related Warrant Agreement, delivered and paid for pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Warrants, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, issued and delivered and will constitute valid and legally binding obligations of Unocal, entitled to the benefits provided by the Warrant Agreement, which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Warrant Agreement has been duly authorized and, at the Time of Delivery (as defined in Section 4 hereof) the Warrant Agreement (assuming the due authorization, execution and delivery thereof by the Warrant Agent) will constitute a valid and legally binding instrument of

3.

Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Warrant Securities have been duly authorized and reserved for issuance and, upon issuance and delivery thereof against payment upon exercise of the Warrants pursuant to the related Warrant Agreement, will be validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation, including the applicable Certificate of Designations; to the extent the Warrant Securities are convertible into shares of Common Stock of Unocal, a sufficient number of shares of Common Stock have been reserved for issuance upon such conversion; and the Warrants, the related Warrant Securities and the Warrant Agreement conform in all material respects to the descriptions thereof in the Prospectus;

h. There are no holders of securities of Unocal who, by reason of the filing of either Registration Statement under the Act or the execution by Unocal of this Underwriting Agreement, have the right to request or demand that Unocal register under the Act any securities held by them;

i. In the event any of the Securities are to be purchased pursuant to Delayed Delivery Contracts, each of such Delayed Delivery Contracts has been duly authorized by Unocal and, when executed and delivered by Unocal and the purchaser named therein, will constitute a valid and legally binding agreement of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Delayed Delivery Contracts will conform in all material respects to the description thereof in the Prospectus;

j. The issue and sale of the Securities and the compliance by Unocal with all of the provisions of the Securities, including in the case of

issue and sale of Warrants, the Warrant Agreement and the related Warrant Securities, each of the Delayed Delivery Contracts, if any, this Underwriting Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which Unocal is a party or by which Unocal is bound or to which any of the property or assets of Unocal is subject, nor will such action result in any violation of the provisions of Unocal's Certificate of Incorporation, as amended, or By-Laws, as amended, or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over Unocal or any of its properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body in the United States is required for the issue and sale of the Securities (or in the case of Securities that are Warrants, the issue and sale of the related Warrant Securities) or the consummation by Unocal of the other transactions contemplated by this Underwriting Agreement or, in the case of Securities that are Warrants, the Warrant Agreement, or any Delayed Delivery Contract, except such as have been, or will have been prior to the Time of Delivery, obtained under the Act and such consents, approvals, authorizations, registrations or qualifications as may be required by any stock exchange on which any of the Securities may be listed and under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters; and

k. Other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which Unocal or any of its subsidiaries is a party or of which any property of Unocal or any of its subsidiaries is subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of Unocal and its subsidiaries, and, to the best of Unocal's knowledge and other than as set forth and contemplated in the Prospectus, no such proceeding is threatened or contemplated by governmental authorities or threatened by others.

3. Upon the execution of this Underwriting Agreement and authorization by the Representatives of the release of the Underwriters' Securities, the several Underwriters propose to offer the

4.

Underwriters' Securities for sale upon the terms and conditions set forth in the Prospectus, as amended or supplemented.

Unocal may specify in Schedule II (with respect to Preferred Stock) and in Schedule III (with respect to Warrants) hereto that the Underwriters are authorized to solicit offers to purchase Securities from Unocal pursuant to delayed delivery contracts (herein "Delayed Delivery Contracts"), substantially in the form of Annex III attached hereto but with such changes therein as the Representatives and Unocal may authorize or approve. If so specified, the Underwriters will endeavor to make such arrangements, and as compensation

therefor Unocal will pay to the Representatives, for the accounts of the Underwriters, at the Time of Delivery, such commission, if any, as may be set forth in such Underwriting Agreement. Delayed Delivery Contracts, if any, are to be with investors of the types described in the Prospectus and subject to other conditions therein set forth. The Underwriters will not have any responsibility in respect of the validity or performance of any Delayed Delivery Contracts.

The number of Contract Securities to be deducted from the number of Securities to be purchased by each Underwriter as set forth in Schedule I hereto shall be, in each case, the number of Contract Securities which Unocal has been advised by the Representatives has been attributed to such Underwriter, provided that, if Unocal has not been so advised, the amount of Contract Securities to be so deducted shall be, in each case, that proportion of Contract Securities which the number of Securities to be purchased by such Underwriter under this Underwriting Agreement bears to the total number of the Securities. The number of Underwriters' Securities to be purchased by all the Underwriters pursuant to this Underwriting Agreement shall be the total of Securities set forth in Schedule I to such Underwriting Agreement less the number of Contract Securities. Unocal will deliver to the Representatives not later than 3:30 p.m., New York time, on the third business day preceding the Time of Delivery specified in this Underwriting Agreement (or such other time and date as the Representatives and Unocal may agree upon in writing) a written notice setting forth the number of Contract Securities.

4. If in definitive form, Underwriters' Securities to be purchased by each Underwriter pursuant to this Underwriting Agreement, in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to Unocal, shall be delivered by or on behalf of Unocal to the Representatives for the account of such Underwriter; and if in global form, Underwriters' Securities to be purchased by each Underwriter pursuant to this Underwriting Agreement shall be delivered to The Depository Trust Company for credit to the specified account of such Underwriters. Such delivery in each case shall be made against payment by such Underwriter or on its behalf of the purchase price therefor by electronic funds transfer, certified or official bank check or checks (or such other method of payment that may be specified in the Underwriting Agreement), payable to the order of Unocal in the funds specified in this Underwriting Agreement, all at the place and time and date specified in this Underwriting Agreement or at such other place and time and date as the Representatives and Unocal may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Securities.

Concurrently with the delivery of and payment for the Underwriters' Securities, Unocal will deliver to the Representatives for the accounts of the Underwriters a check payable to the order of, or an electronic funds transfer to the account of, the party designated in this Underwriting Agreement in the amount of any compensation payable by Unocal to the Underwriters in respect of any Delayed Delivery Contracts as provided in Section 3 hereof and in this Underwriting Agreement.

5. Unocal agrees with each of the Underwriters:

a. To make no further amendment or supplement to the Registration Statements or the Prospectus after the date of this Underwriting Agreement and prior to the Time of Delivery which shall be disapproved by the Representatives promptly after reasonable notice thereof, except that Unocal shall be permitted to make further amendments or supplements to the Registration Statements or the Prospectus by incorporation by reference of any proxy statements, Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K and Current Reports on Form 8-K without the approval of the Representatives, provided that Unocal

5.

shall (i) deliver a copy of each such report or proxy statement (together with all exhibits thereto) to each Representative promptly with such report or proxy statement being filed with the Commission; and (ii) if the date of the filing of such a report or proxy statement with the Commission will be the same day as the Time of Delivery, then Unocal shall to the extent practicable notify each Representative at least one business day (i.e. any day which is not a Saturday or Sunday and which in New York City is not a day on which banking institutions are generally authorized or obligated by law to close) prior to filing such a report or proxy statement with the Commission; to advise the Representatives promptly of any amendment or supplement to any Registration Statement or the Prospectus after such Time of Delivery and furnish the Representatives with copies thereof and to file promptly all reports and any definitive proxy or information statements required to be filed by Unocal with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as delivery of a prospectus is required in connection with the offering or sale of the Securities, and during such same period to advise the Representatives, promptly after either of them receives notice thereof, of the time when any amendment to any Registration Statement has been filed or become effective or any supplement to the Prospectus or any amended Prospectus has been filed or transmitted for filing, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Securities (or if the Securities consist of Warrants, of the related Warrant Securities), of the suspension of the qualification of the Securities (or if the Securities consists of Warrants, of the related Warrant Securities) for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of any Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order relating to the Securities (or if the Securities consist of Warrants, of the related Warrant Securities) or suspension of any such qualification, to use promptly its best efforts to obtain its withdrawal;

b. Promptly from time to time to take such action as the Representatives may reasonably request to qualify the Securities (and, if the Securities consist of Warrants, the related Warrant Securities) for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales

and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Securities, provided that in connection therewith Unocal shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

c. To furnish the Underwriters with copies of the Prospectus in such quantities as the Representatives may from time to time reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Securities (and, if the Securities consist of Warrants, the related Warrant Securities) and if at such time any event shall have occurred as a result of which the Prospectus would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

d. To make generally available to its security holders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement and of the post-effective amendment thereto hereinafter referred to, a consolidated earnings statement of Unocal and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including at the option of Unocal, Rule 158); and

e. During the period beginning from the date of this Underwriting Agreement and continuing to and including the earlier of (i) the termination of trading restrictions for the Securities, as notified to Unocal by the Representatives, and (ii) the Time of Delivery, not to offer, sell, contract to sell or

6.

otherwise dispose, or announce the proposed issuance or sale, of any capital stock (or warrants therefor), of Unocal without the prior oral consent of the Representatives, which consent shall be promptly confirmed in writing.

6. Unocal covenants and agrees with the several Underwriters that Unocal will pay or cause to be paid the following: (i) the fees, disbursements and expenses of Unocal's counsel and accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing and filing of any Registration Statement, any preliminary prospectus and the Prospectus and amendments and supplements thereto and the

mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, the Standard Underwriting Provisions, July 1994, this Underwriting Agreement, the Certificate of Designations, any Warrants, any Warrant Agreements, any Delayed Delivery Contracts, any Blue Sky and Legal Investment Memoranda and any other documents in connection with the offering, purchase, sale and delivery of the Securities (and if the Securities consist of Warrants, the related Warrant Securities); (iii) all expenses in connection with the qualification of the Securities (and if the Securities consist of Warrants, the related Warrant Securities) for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and legal investment surveys; (iv) any fees charged by securities rating services for rating the Securities (and, if the Securities consist of Warrants, the related Warrant Securities); (v) any filing fees incident to any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities (and, if the Securities consist of Warrants, the related Warrant Securities); (vi) the cost of preparing the Securities (and if the Securities consist of Warrants, the related Warrant Securities); (vii) if the Securities consist of Warrants, the fees and expenses of any Warrant Agent and the fees and disbursements of counsel for any Warrant Agent; (viii) the costs and fees incurred in connection with the listing of any Securities on any securities exchange; and (ix) all other costs and expenses incident to the performance of its obligations hereunder and under any Delayed Delivery Contracts which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, Section 8 and Section 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Securities by them, and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of Unocal herein are, at and as of the Time of Delivery, true and correct, the condition that Unocal have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

a. No stop order suspending the effectiveness of any Registration Statement shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

b. Brobeck, Phleger & Harrison, counsel for the Underwriters, shall have furnished to the Representatives such opinion or opinions, dated the Time of Delivery, with respect to the incorporation of Unocal, the filing of the Certificate of Designations, the Securities, the Warrant Securities, the Warrant Agreement, the Delayed Delivery Contracts, if any, the applicable Registration Statement, the Prospectus and other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such

matters;

c. The General Counsel of Unocal, or his designee, subject to the approval by the Representatives of such designee, shall have furnished to the Representatives his written opinion, dated the Time of Delivery, in form and substance satisfactory to the Representatives, to the effect that:

(i) Unocal has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power

7.

and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

(ii) Unocal has an authorized capitalization as set forth in the Prospectus, all of the issued shares of capital stock of Union Oil and of Unocal have been duly and validly authorized and issued and are fully paid and nonassessable (except such counsel may take exception for a DE MINIMIS number of shares), and Unocal is the registered and beneficial owner of all of the outstanding shares of capital stock of Union Oil;

(iii) To the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which Unocal or any of its subsidiaries is a party or of which any property of Unocal or any of its subsidiaries is the subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of Unocal and its subsidiaries; and, to the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, no such proceeding is threatened or contemplated by governmental authorities or threatened by others;

(iv) This Underwriting Agreement has been duly authorized, executed and delivered by Unocal;

(v) In the event any of the Securities are to be purchased pursuant to Delayed Delivery Contracts, each of such Delayed Delivery Contracts has been duly authorized, executed and delivered by Unocal and, assuming each such Delayed Delivery Contract has been duly executed and delivered by the purchaser named therein, constitutes a valid and legally binding agreement of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Delayed Delivery Contracts conform in all material respects to the description thereof in the Prospectus;

(vi) The Securities that are Preferred Stock have been duly authorized (and the applicable Certificate of Designations duly filed with the Secretary of State of Delaware) and are validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation, including the applicable Certificate of Designations; the Contract Securities that are Preferred Stock, if any, when evidenced by certificates duly countersigned by the transfer agent and registrar and issued, delivered and paid for in accordance with Delayed Delivery Contracts, if any, will be validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation, including the applicable Certificate of Designations; to the extent the Preferred Stock is convertible into shares of Common Stock of Unocal, a sufficient number of shares of Common Stock have been reserved for issuance upon such conversion; and the Preferred Stock and the Certificate of Designations conform in all material respects to the descriptions thereof in the Prospectus;

(vii) The issue and sale of the Securities and the compliance by Unocal with all of the provisions of the Securities, in the case of the issue and sale of Warrants, the Warrant Agreement and the related Warrant Securities, each of the Delayed Delivery Contracts, if any, and this Underwriting Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a

8.

breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel to which Unocal is a party or by which Unocal is bound or to which any of the property or assets of Unocal are subject, nor will such action result in any violation of the provisions of Unocal's Certificate of Incorporation, as amended, or the By-Laws, as amended, of Unocal or any statute or any order, rule or regulation known to such counsel of any governmental agency or body having jurisdiction over Unocal or any of its properties, except that such counsel may state that the opinion set forth in the preceding clause is limited to those statutes, orders, rules and regulations currently in effect which, in such counsel's experience, are normally applicable to transactions of the type contemplated by this Agreement and that such counsel expresses no opinion as to the securities or Blue Sky laws of the various jurisdictions in which the Securities are to be offered;

(viii) No consent, approval, authorization, order, registration or qualification of or with any such United States court or governmental agency or body is required for the issue and sale of the Securities (or, in the case of Securities that are Warrants, the issue and sale of the related Warrant Securities) or the consummation by Unocal of the other transactions contemplated by this Underwriting

Agreement or, in the case of Securities that are Preferred Stock, the relevant Certificate of Designations or, in the case of the Securities that are Warrants, the Warrant Agreement, or any of such Delayed Delivery Contracts, except such as have been obtained under the Act and such consents, approvals, authorizations, registrations or qualifications as may be required by any stock exchange on which any of the Securities may be listed and under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters;

(ix) The Securities that are Warrants have been duly authorized, countersigned and issued by the Warrant Agent pursuant to the Warrant Agreement and, when delivered against payment therefor pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Warrants, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, issued and delivered and will constitute valid and legally binding obligations of Unocal entitled to the benefits provided by the Warrant Agreement (assuming the due authorization, execution and delivery thereof by the Warrant Agent), which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Warrant Agreement has been duly authorized, executed and delivered by Unocal and (assuming the due authorization, execution and delivery thereof by the Warrant Agent) at the Time of Delivery the Warrant Agreement will constitute a valid and legally binding instrument of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Warrant Securities have been duly authorized and reserved for issuance and, when evidenced by certificates duly countersigned by the transfer agent and registrar and issued, evidenced and paid for upon exercise of the Warrants pursuant to the related Warrant Agreement, will be validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation, including the applicable Certificate of Designations; to the extent the Warrant Securities are convertible into shares of Common Stock of Unocal, such shares of Common Stock have been reserved for issuance upon such conversion, and the Warrants, the related Warrant Securities and the Warrant Agreement conform in all material respects to the descriptions thereof in the Prospectus;

9.

(x) To the best of such counsel's knowledge after reasonable inquiry, there are no holders of securities of Unocal who, by reason of the filing of either of the Registration Statements under the Act or the execution by Unocal of this Underwriting Agreement, have the right to request or demand that Unocal register under the Act any securities held by them;

(xi) The documents incorporated by reference in the Prospectus (other than the financial statements, the related schedules and financial exhibits, and other financial and statistical information included therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, in the case of a registration statement which became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; and

(xii) Each Registration Statement and the Prospectus (other than the financial statements, the related schedules and financial exhibits, and other financial and statistical information included therein, as to which such counsel need express no opinion), complies as to form in all material respects with the requirements of the Act and the rules and regulations thereunder; such counsel has no reason to believe that, as of the effective date of the applicable Registration Statement, either the applicable Registration Statement or the Basic Prospectus contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of the Time of Delivery, either the applicable Registration Statement or the Prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading; PROVIDED, such counsel need express no opinion with respect to any statement contained in or omitted from any Registration Statement or the Prospectus in reliance upon or in conformity with written information furnished to Unocal by any Underwriter, expressly for use in any Registration Statement or Prospectus; and such counsel does not know of any contracts or other documents of a character required to be filed as an exhibit to the applicable Registration Statement or required to be incorporated by reference into the Prospectus or required to be described in the applicable Registration Statement or the Prospectus, which are not filed or incorporated by reference or described as required;

d. At the Time of Delivery, the independent accountants of Unocal who have audited the consolidated financial statements of Unocal and its subsidiaries included or incorporated by reference in the applicable Registration Statement shall have furnished to the Representatives a letter

dated as of the Time of Delivery with respect to Unocal to the effect set forth in Annex II to these Standard Underwriting Provisions and as to such other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives;

e. (i) Neither Unocal nor any of its subsidiaries shall have sustained since the date of the latest audited consolidated financial statements included or incorporated

10.

by reference in the Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and

(ii) since the respective dates as of which information is given in the Prospectus, there shall not have been any change in the capital stock or consolidated long-term debt of Unocal or any change, or development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of Unocal and its subsidiaries, otherwise than as set forth or contemplated in the Prospectus, the effect of which, in any such case described in Clause (i) or (ii), is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Prospectus;

f. Subsequent to the date of this Underwriting Agreement there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities; or (iii) any outbreak or escalation of hostilities or other calamity or crisis on or after the date of such Underwriting Agreement, if the effect of any such event specified in this Clause (iii) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Underwriters' Securities on the terms and in the manner contemplated in the Prospectus;

g. Unocal shall have furnished or caused to be furnished to the Representatives at the Time of Delivery certificates of officers of Unocal satisfactory to the Representatives as to the accuracy of the representations and warranties of Unocal herein at and as of such Time of Delivery, as to the performance by Unocal of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (e) of this Section, and as to such other matters as the Representatives may reasonably request; and

h. There has been no notice pursuant to Section 5(a) above of an intention to amend or supplement, nor has there been any such amendment or supplement to, the applicable Registration Statement or the Prospectus by incorporation by reference pursuant to Section 5(a) above between the date of this Underwriting Agreement and the Time of Delivery, inclusive. If Unocal notifies any Representative of the impending filing of any amendment or supplement to the Registration Statement or the Prospectus by incorporation by reference pursuant to Section 5(a) above, then each Representative so notified shall use such information, until such information has been filed with the Commission, solely for the purpose of determining whether or not to consummate the purchase of the Securities pursuant to this Underwriting Agreement.

8. a. Unocal will indemnify and hold harmless each Underwriter against any losses, claims, damages, or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim; provided, however, that Unocal shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the

11.

Securities, or any such amendment or supplement in reliance upon and in conformity with written information furnished to Unocal by any Underwriter through the Representatives expressly for use in the Prospectus.

b. Each Underwriter will indemnify and hold harmless Unocal against any losses, claims, damages or liabilities to which Unocal may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, any Registration Statement, the Prospectus or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent that such untrue statement or alleged untrue statement or omission or alleged omission was made in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the Securities, or any such amendment or

supplement thereto in reliance upon and in conformity with written information furnished to Unocal by such Underwriter through the Representatives expressly for use therein; and will reimburse Unocal for any legal or other expenses reasonably incurred by Unocal in connection with investigating or defending any such action or claim.

c. Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

d. If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by Unocal, on the one hand, and the Underwriters, on the other, from the offering of the Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of Unocal, on the one hand, and the Underwriters, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by Unocal, on the one hand, and such Underwriters, on the other, shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by Unocal bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by Unocal, on the one hand, or

such Underwriters, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Unocal and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity

12.

for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to the Securities and not joint.

e. The obligations of Unocal under this Section 8 shall be in addition to any liability which Unocal may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of Unocal and to each person, if any, who controls Unocal within the meaning of the Act.

9. a. If any Underwriter shall default in its obligation to purchase the Underwriters' Securities which it has agreed to purchase under this Underwriting Agreement relating to such Securities, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Underwriters' Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Underwriters' Securities, then Unocal shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Underwriters' Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify Unocal that they have so arranged for the purchase of such Underwriters' Securities, or Unocal notifies the Representatives that it has so arranged for the purchase of such Underwriters' Securities, the Representatives or Unocal shall have the right to

postpone the Time of Delivery for such Underwriters' Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the applicable Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and Unocal agree to file promptly any amendments or supplements to the applicable Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Underwriting Agreement.

b. If, after giving effect to any arrangements for the purchase of the Underwriters' Securities of a defaulting Underwriter or Underwriters by the Representatives or Unocal as provided in subsection (a) above, the aggregate number of such Underwriters' Securities which remains unpurchased does not exceed one-eleventh of the aggregate number of the Securities, then Unocal shall have the right to require each non-defaulting Underwriter to purchase the number of Underwriters' Securities which such Underwriter agreed to purchase under this Underwriting Agreement and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Securities which such Underwriter agreed to purchase under this Underwriting Agreement) of the Underwriters' Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

c. If, after giving effect to any arrangements for the purchase of the Underwriters' Securities of a defaulting Underwriter or Underwriters by the Representatives or Unocal as provided in subsection (a) above, the aggregate number of Underwriters' Securities which remains unpurchased exceeds one-eleventh of the aggregate number of the Securities, as referred to in subsection (b) above, or if

13.

Unocal shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Underwriters' Securities of a defaulting Underwriter or Underwriters, then this Underwriting Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter, Unocal, except for the expenses to be borne by Unocal and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of Unocal and the several Underwriters, as set forth in this Underwriting Agreement or made by or on behalf of them, respectively, pursuant to this Underwriting Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or Unocal, or any officer or director or controlling person of

Unocal and shall survive delivery of and payment for the Securities.

11. If this Underwriting Agreement shall be terminated pursuant to Section 9 hereof, Unocal shall not then be under any liability to any Underwriter with respect to the Securities except as provided in Section 6 and Section 8 hereof; but, if for any other reason, Underwriters' Securities are not delivered by or on behalf of Unocal as provided herein, Unocal will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements or counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Securities, but Unocal shall then be under no further liability to any Underwriter with respect to such Securities except as provided in Section 6 and Section 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in Schedule II hereto.

All statements, requests, notices and agreements hereunder shall be in writing or by facsimile, telex, telegram or other similar electronic communication if promptly confirmed in writing, and if the Underwriters shall be sufficient in all respects if delivered or sent by registered mail to the address of the Representatives as set forth in Schedule II and Schedule III hereto; and if to Unocal shall be sufficient in all respects if delivered or sent by registered mail to the address of Unocal set forth in the applicable Registration Statement, Attention: Corporate Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by registered mail to such Underwriter at its address set forth either in its Underwriters' Questionnaire, or facsimile constituting such Questionnaire, which address will be supplied to Unocal by the Representatives upon request.

13. This Underwriting Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters and Unocal and, to the extent provided in Section 8 and Section 10 hereof, the officers and directors of Unocal and each person who controls Unocal, or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Underwriting Agreement. No purchaser of any of the Securities from an Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. Time shall be of the essence in this Underwriting Agreement.

15. This Underwriting Agreement shall be governed by and construed in accordance with the laws of the State of New York.

16. This Agreement may be (i) executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together

constitute one and the same instrument and (ii) evidenced by an exchange of facsimile communications or any other rapid transmission device designed to produce a written record of

14.

communications transmitted. The obligations of the Underwriters under this Underwriting Agreement shall be several and not joint.

15.

ANNEX I  
TO  
STANDARD UNDERWRITING PROVISIONS

UNDERWRITING AGREEMENT

- - - - -  
- - - - -  
- - - - -  
  
- - - - -  
- - - - -  
- - - - -

As Representatives of the several  
Underwriters named in Schedule I  
hereto

[Date]

Ladies and Gentlemen:

Unocal Corporation ("Unocal") proposes, subject to the terms and conditions stated herein and in Section 1 through 16 and Annexes II and III of the Standard Underwriting Provisions, July 1994 (the "Standard Provisions"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the securities (the "Securities") specified in Schedule II hereto (with respect to Preferred Stock) and Schedule III hereto (with respect to Warrants). Each of the provisions of the Standard Provisions is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Underwriting Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Underwriting Agreement, except that each representation and warranty with respect to the Prospectus in Section 2 of the Standard Provisions shall be deemed to be a representation and warranty as of \_\_\_\_\_, 1994 in relation to the Basic Prospectus (as therein defined), and also a representation and warranty as of the date of this Underwriting Agreement

in relation to the Prospectus (as therein defined). Each reference to the Representatives herein and in the provisions of the Standard Provisions so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Standard Provisions are used herein as therein defined. The Representatives designated to act on behalf of each of the Underwriters pursuant to Section 12 of the Standard Provisions and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto (with respect to Preferred Stock) and Schedule III hereto (with respect to Warrants).

An amendment to the applicable Registration Statement, or a supplement to the Basic Prospectus, as the case may be, relating to the Securities, in the form heretofore delivered to you, has been or is now proposed to be transmitted for filing with the Commission.

Subject to the terms and conditions set forth herein and in the Standard Provisions incorporated herein by reference, Unocal agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from Unocal at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto (with respect to Preferred Stock) and Schedule III hereto (with respect to Warrants), the number of Securities set forth opposite the name of such Underwriter in Schedule I hereto, less the number of Securities covered by Delayed Delivery Contracts, if any, as may be specified respectively in such Schedule II (with respect to Preferred Stock) and Schedule III (with respect to Warrants).

I-1

If the foregoing is in accordance with your understanding, please sign and return to us two counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Standard Provisions incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and Unocal. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to Unocal for examination, upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

UNOCAL CORPORATION

By:

-----

Name:

Title:

Accepted as of the date hereof:

[Name of Representative]

By:

-----

Authorized Signature

Name:

Title:

[Name of Representative]

By:

-----

Authorized Signature

Name:

Title:

On behalf of each of the Underwriters

I-2

<TABLE>  
<CAPTION>

SCHEDULE I  
TO  
UNDERWRITING AGREEMENT

Underwriters	Number of Securities that are Preferred Stock to be Purchased	Number of Securities that are Warrants to be Purchased
-----	-----	-----
<S>	<C>	<C>

[Names of Underwriters]. . . . .

	-----	-----
Total. . . . .	-----	-----
	-----	-----

</TABLE>

SCHEDULE II  
 TO  
 UNDERWRITING AGREEMENT  
 PREFERRED STOCK

Title of Securities:

Number of Firm Securities:

Maximum Number of Optional Securities:

Dividend Rate:

Dividend Payment Dates:

Dividend Rights: [Non]-cumulative, [deferred]

Voting Rights:

Redemption Provisions:

Liquidation Rights:

Preemptive, Exchange or Conversion Rights:

Sinking Fund:

[Other Terms]

Price to Public:

Underwriters' Discount:

Purchase Price by Underwriters:

Time of Delivery:

[Time and date], 19\_\_\_\_

Closing Location:

[Brobeck, Phleger & Harrison, 550 South Hope Street, Los Angeles, California 90071.]

Delayed Delivery:

[None] [Underwriters' commission shall be \$\_\_\_\_\_ per share of Securities for which Delayed Delivery Contracts have been entered into. Such commission shall be payable to the order of \_\_\_\_\_.]

I-4

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

SCHEDULE III  
TO  
UNDERWRITING AGREEMENT

WARRANTS

PART A

DESCRIPTION OF WARRANTS

Number of Firm Warrants:

Number of Optional Warrants:

Each warrant [is] [will be] exercisable for \_\_\_ shares of [title] Preferred Stock

Exercise Period:

Exercise Price:

Detachability:

Listing:

Title of Warrant Agreement:

Warrant Agent:

Price to Public:

Underwriters Discount:

Purchase Price by Underwriters:

Specified funds for payment of purchase price:

[New York] Clearing House funds [or immediately available federal funds if agreed to by the Representatives.]

Form of Payment:

Time of Delivery:

[Time and date], 19\_\_

Closing Location:

[Brobeck, Phleger & Harrison, 550 South Hope Street, Los Angeles, California 90071.]

I-6

Delayed Delivery:

[None] [Underwriters' commission shall be of the purchase price of the Warrants for which Delayed Delivery Contracts have been entered into. Such commission shall be payable to the order of \_\_\_\_\_.]

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

[Other Terms]:

## PART B

### DESCRIPTION OF WARRANT SECURITIES

Title of Warrant Securities:

Dividend Rate:

Dividend Payment Dates:

Dividend Rights: [Non]-cumulative, [deferred]

Voting Rights:

Redemption Provisions:

Liquidation Rights:

Preemptive, Exchange or Conversion Rights:

Sinking Fund:

[Other Terms]

I-7

ANNEX II  
TO  
STANDARD UNDERWRITING PROVISIONS

FORM OF COMFORT LETTER

Pursuant to Section 7(d) of the Underwriting Agreement, the independent accountants shall furnish letters to the Representatives with respect to Unocal to the effect that:

- (i) They are independent certified public accountants with respect to Unocal within the meaning of the Act and the applicable published rules and regulations thereunder;
- (ii) In their opinion, the consolidated financial statements and any supplementary financial information and schedules audited by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related published rules and regulations thereunder;
- (iii) In their opinion, the unaudited selected financial information with respect to the consolidated results of operations and financial position of Unocal for the five most recent fiscal years included or incorporated by reference in the Prospectus or in Item 6 of Unocal's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for the five such fiscal years which were included or incorporated by reference in Unocal's Annual Reports on Form 10-K for such fiscal years;
- (iv) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim consolidated financial statements of Unocal as consolidated with its subsidiaries, inspection of the minute books of Unocal and its significant subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of Unocal and its significant subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited condensed consolidated earnings statement, consolidated balance sheet and consolidated cash flows statement included or incorporated by reference in Unocal's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all

material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related published rules and regulations thereunder or that any material modification should be made to them in order for them to be in conformity with generally accepted accounting principles;

(B) any unaudited pro forma condensed consolidated financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the published rules and regulations thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements, except as disclosed and with which they concur;

II-1

(C) as of a specified date not more than five days prior to the Time of Delivery, there have been any changes in the outstanding capital stock (other than issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares, and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus, and upon grants or cancellation of restricted stock and issuances of capital stock pursuant to the Profit Sharing Plan and the Dividend Reinvestment and Common Stock Purchase Plan) or any increase in the consolidated long-term debt of Unocal and its subsidiaries (other than normal fluctuations in the outstanding amount of commercial paper classified as long-term in accordance with generally accepted accounting principles), or any increase in short-term notes payable in excess of 100%, or any decreases in consolidated net current assets or net assets or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(D) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in Clause (C) there were any decreases in consolidated total revenues, net earnings or net earnings per share or, if for a fiscal quarter, the ratio of earnings to fixed charges or

other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Representatives, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(v) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraph (iv) above, they have carried out certain specified procedures, not constituting an examination in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of Unocal and its subsidiaries, which appear in the Prospectus (including specified documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of, or, if approved by the Underwriters, schedules prepared by, Unocal and its subsidiaries and have found them to be in agreement.

II-2

ANNEX III  
TO  
STANDARD UNDERWRITING PROVISIONS

DELAYED DELIVERY CONTRACT

UNOCAL CORPORATION

- - - - -  
- - - - -  
- - - - -  
- - - - -  
  
- - - - -  
- - - - -  
- - - - -  
- - - - -

\_\_\_\_\_, 199\_\_

Ladies and Gentlemen:

The undersigned hereby agrees to purchase from Unocal Corporation, a Delaware corporation ("Unocal"), and Unocal agrees to sell to the undersigned,

[warrants to purchase] ..... [shares]

of Unocal's [Title of Securities], (the "Securities"), offered by Unocal's Prospectus dated \_\_\_\_\_, 1994, as amended or supplemented as of \_\_\_\_\_, 199\_\_, receipt of a copy of which is hereby acknowledged, at a purchase price of \$\_\_\_\_ per share, [plus accrued dividends, if any,] and on the further terms and conditions set forth in this contract.

[The undersigned will purchase the Securities from Unocal on \_\_\_\_\_, 199\_\_ (the "Delivery Date").]

[The undersigned will purchase the Securities from Unocal on the delivery date or dates and in the amounts set forth below:

DELIVERY DATE	NUMBER OF SHARES
-----	-----
_____	_____
_____	_____

Each such date on which Securities are to be purchased hereunder is hereinafter referred to as a "Delivery Date".]

Payment for the Securities which the undersigned has agreed to purchase on [the][each] Delivery Date shall be made to Unocal or its order by either certified or official bank check in \_\_\_\_\_ Clearing House funds at the office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ or by wire transfer of immediately available funds, at the option of the undersigned, to a bank account specified by Unocal, on [the][such] Delivery Date upon delivery to the undersigned of the Securities then to be purchased by the undersigned in definitive fully registered form and in such denominations and registered in such names as the undersigned may designate by written or telegraphic communication addressed to Unocal not less than five full business days prior to [the][such] Delivery Date.

The obligation of the undersigned to take delivery of and make payment for Securities on [the][each] Delivery Date shall be subject to the condition that the purchase of Securities to be made by the undersigned shall not on [the][such] Delivery Date be prohibited under the laws of the jurisdiction to which the undersigned is subject. The obligation of the undersigned to take delivery of and make payment for Securities shall not be affected by the failure

of any purchaser to take delivery of and payment for Securities pursuant to other contracts similar to this contract.

[The undersigned understands that Underwriters (the "Underwriters") are also purchasing Securities from Unocal, but that the obligations of the undersigned hereunder are not contingent on such purchases.] Promptly after completion of the sale to the Underwriters Unocal will mail or deliver to the undersigned at its address set forth below notice to such effect, accompanied by a copy of the Opinion of Counsel for Unocal delivered to the Underwriters in connection therewith.

The undersigned represents and warrants that, as of the date of this contract, the undersigned is not prohibited from purchasing the Securities hereby agreed to be purchased by it under the laws of the jurisdiction to which the undersigned is subject.

This contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other.

This contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. This contract shall be governed by and construed in accordance with the laws of the State of New York.

It is understood that the acceptance by Unocal of any Delayed Delivery Contract (including this contract) is in Unocal's sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this contract is acceptable to Unocal, it is requested that

III-2

Unocal sign the form of acceptance below and mail or deliver one of the counterparts hereof to the undersigned at its address set forth below. This will become a binding contract between Unocal and the undersigned when such counterpart is so mailed or delivered by Unocal.

Yours very truly,

-----

By:

-----

(Signature)

-----  
(Name and Title)  
-----

(Address)

Accepted: \_\_\_\_\_, 199\_\_

Unocal Corporation

By: \_\_\_\_\_

Name:

Title:

III-3

## COMMON STOCK

AND

WARRANTS TO PURCHASE COMMON STOCK

STANDARD UNDERWRITING PROVISIONS

JULY 1994

## INTRODUCTION

A. From time to time Unocal Corporation, a Delaware corporation ("Unocal"), proposes (i) to enter into one or more Underwriting Agreements (each an "Underwriting Agreement") in the form of Annex I (including Schedule I and, as applicable, Schedules II and III to Annex I) to these Standard Underwriting Provisions, which Underwriting Agreements will incorporate therein by reference some or all of the provisions set out below under "Standard Provisions," with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, (ii) to issue and sell to the firms named in Schedule I to the applicable Underwriting Agreement (such firms constituting the "Underwriters" with respect to such Underwriting Agreement and the securities specified therein) Unocal common stock on such terms specified in Schedule II to such Underwriting Agreement (the "Common Stock") and certain warrants specified in Schedule III to such Underwriting Agreement (the "Warrants") to purchase Common Stock (the "Warrant Securities") to be issued pursuant to the provisions of a Warrant Agreement (the "Warrant Agreement") (the Common Stock and Warrants to be issued and sold are hereinafter referred to as the "Securities"), less the number of Securities covered by Delayed Delivery Contracts, if any, as provided in Section 3 below under "Standard Provisions" and as may be specified in Schedule II (with respect to Common Stock) or Schedule III (with respect to Warrants) to such Underwriting Agreement (with respect to such Underwriting Agreement, any Securities to be covered by Delayed Delivery Contracts being herein sometimes referred to as "Contract Securities" and the Securities to be purchased by the Underwriters (after giving effect to the deduction, if any, for Contract Securities) being herein sometimes referred to as "Underwriters' Securities").

B. The terms, rights, preferences and privileges of any particular issuance of Securities shall be as specified in the Underwriting Agreement and/or the Warrant Agreement relating thereto and in Unocal's Certificate of Incorporation, as amended (the "Certificate of Incorporation").

C. Particular sales of Securities may be made from time to time to the Underwriters of such Securities, for whom the firms designated as representatives of the Underwriters of such Securities in Schedule I to the

Underwriting Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to Underwriters who act without any firm being designated as their representative.

D. These Standard Underwriting Provisions shall not be construed as an obligation of Unocal to sell any Securities. The obligation of Unocal to issue and sell any Securities shall be evidenced by the Underwriting Agreement with respect to the Securities specified therein. The expression "this Underwriting Agreement" is used below under "Standard Provisions" so that when an Underwriting Agreement incorporates therein a provision using such expression, such expression will, without modification, be

referring to that specific Underwriting Agreement. Each Underwriting Agreement shall specify the initial public offering price of the Securities, the purchase price to the Underwriters of the Securities, the names of the Underwriters of the Securities, the names of the Representatives of such Underwriters, whether any of the Securities shall be covered by Delayed Delivery Contracts (as defined in Section 3 hereof) and the commission payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of the Securities and payment therefor and (to the extent not set forth in the registration statement and prospectus with respect thereto) the terms of the Securities, and with respect to Securities that are Warrants, the terms of the Warrant Securities. Each Underwriting Agreement where the Securities consist of Common Stock shall specify the aggregate number of shares of Common Stock to be purchased by all of the Underwriters, and the number of shares of Common Stock to be purchased by each Underwriter. Each Underwriting Agreement where the Securities consist of Warrants shall specify the aggregate number of Warrants to be purchased by all of the Underwriters, and the number of Warrants to be purchased by each Underwriter.

#### STANDARD PROVISIONS

1. Terms used but not defined below have the meaning given such terms above under "Introduction."

2. Unocal represents and warrants to, and agrees with, each of the Underwriters that:

a. Two registration statements (Nos. 33-38505; 33-38505-01 and Nos. 33-\_\_\_\_\_ and 33-\_\_\_\_-01) in respect of the Securities, as well as other securities which may be issuable from time to time by Unocal and by its wholly owned subsidiary, Union Oil Company of California ("Union Oil") (collectively with the Securities, the "Registered Securities"), have been filed with the Securities and Exchange Commission (the "Commission") in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to such registration statements, but including all documents incorporated by reference in the prospectus contained therein, to the Representatives for each of the other Underwriters and such registration statements in such form have been declared effective by the Commission and to the knowledge of Unocal no stop order suspending the effectiveness of such registration statements has been

issued and no proceeding for that purpose has been initiated or threatened by the Commission; (the various parts of such registration statements, including all exhibits thereto but excluding Form T-1, each as amended at the time such part became effective, being hereinafter collectively called the "Registration Statements"; references herein to the "applicable Registration Statement" shall be deemed to refer to both Registration Statements so long as Registered Securities remain issuable under Registration Statement Nos. 33-38505 and 33-38505-01 and only to Registration Statement Nos. 33-\_\_\_\_\_ and 33-\_\_\_\_\_-01 thereafter; the term "Basic Prospectus" means the prospectus included in the applicable Registration Statement; the term "Prospectus" means the Basic Prospectus together with the prospectus supplement (other than a preliminary prospectus supplement) specifically relating to the Securities as filed with, or transmitted for filing with, the Commission pursuant to Rule 424; the term "preliminary prospectus" means a preliminary prospectus supplement specifically relating to the Offered Securities together with the Basis Prospectus; the terms "Registration Statement," "Basic Prospectus," "Prospectus" and "preliminary prospectus" shall include, in each case, the material, if any, incorporated by reference therein);

b. The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not

2.

misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to Unocal by an Underwriter through the Representatives expressly for use in the Prospectus;

c. Each Registration Statement and the Prospectus conform in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each Registration Statement and any amendment thereto and as of the date of the Prospectus as to the Prospectus, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to Unocal by an Underwriter through the Representatives

expressly for use in the Prospectus;

d. Since the respective dates as of which information is given in the applicable Registration Statement and the Prospectus, there has not been any material change in the capital stock or consolidated long-term debt of Unocal or any material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of Unocal and its subsidiaries taken as a whole, otherwise than as set forth or contemplated in the Prospectus;

e. Unocal has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

f. Unocal has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of Unocal have been duly and validly authorized and issued and are fully paid and non-assessable (except for a DE MINIMIS number of shares), and Unocal is the registered and beneficial owner of all of the outstanding shares of capital stock of Union Oil;

g. The Securities have been duly authorized, and,

(i) if any of the Securities are Common Stock, when such Common Stock is issued, delivered and paid for pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Common Stock, pursuant to Delayed Delivery Contracts, such Securities will have been validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation; and the Common Stock conforms in all material respects to the description thereof in the Prospectus;

(ii) if any of the Securities are Warrants, when such Warrants are countersigned and issued by the Warrant Agent pursuant to the related Warrant Agreement, delivered and paid for pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Warrants, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, issued and delivered and will constitute valid and legally binding obligations of Unocal, entitled to the benefits provided by the Warrant Agreement, which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Warrant Agreement has been duly authorized and, at the Time of Delivery (as defined in Section 4 hereof) the Warrant Agreement (assuming the due authorization, execution and delivery thereof by the Warrant Agent) will constitute a valid and legally binding instrument of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Warrant Securities have been duly authorized and reserved for

issuance and, upon issuance and delivery thereof against payment upon exercise of the Warrants pursuant to the related Warrant Agreement, will be validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation; and the Warrants, the related Warrant Securities and the Warrant Agreement conform in all material respects to the descriptions thereof in the Prospectus;

h. There are no holders of securities of Unocal who, by reason of the filing of either Registration Statement under the Act or the execution by Unocal of this Underwriting Agreement, have the right to request or demand that Unocal register under the Act any securities held by them;

i. In the event any of the Securities are to be purchased pursuant to Delayed Delivery Contracts, each of such Delayed Delivery Contracts has been duly authorized by Unocal and, when executed and delivered by Unocal and the purchaser named therein, will constitute a valid and legally binding agreement of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Delayed Delivery Contracts will conform in all material respects to the description thereof in the Prospectus;

j. The issue and sale of the Securities and the compliance by Unocal with all of the provisions of the Securities, including in the case of issue and sale of Warrants, the Warrant Agreement and the related Warrant Securities, each of the Delayed Delivery Contracts, if any, this Underwriting Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which Unocal is a party or by which Unocal is bound or to which any of the property or assets of Unocal is subject, nor will such action result in any violation of the provisions of Unocal's Certificate of Incorporation, as amended, or the By-Laws, as amended, or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over Unocal or any of its properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body in the United States is required for the issue and sale of the Securities (or in the case of Securities that are Warrants, the issue and sale of the related Warrant Securities) or the consummation by Unocal of the other transactions contemplated by this Underwriting Agreement or, in the case of Securities that are Warrants, the Warrant Agreement, or any Delayed Delivery Contract, except such as have been, or will have been prior to the Time of Delivery, obtained under the Act and such consents, approvals, authorizations, registrations or qualifications as may be required by any stock exchange on which any of the Securities may be listed and under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters; and

k. Other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which Unocal or any of its subsidiaries is a party or of which any property of Unocal or any of its subsidiaries is subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of Unocal and its subsidiaries, and, to the best of Unocal's knowledge and other than as set forth and contemplated in the Prospectus, no such proceeding is threatened or contemplated by governmental authorities or threatened by others.

3. Upon the execution of this Underwriting Agreement and authorization by the Representatives of the release of the Underwriters' Securities, the several Underwriters propose to offer the Underwriters' Securities for sale upon the terms and conditions set forth in the Prospectus, as amended or supplemented.

Unocal may specify in Schedule II (with respect to Common Stock) and in Schedule III (with respect to Warrants) hereto that the Underwriters are authorized to solicit offers to purchase Securities

4.

from Unocal pursuant to delayed delivery contracts (herein "Delayed Delivery Contracts"), substantially in the form of Annex III attached hereto but with such changes therein as the Representatives and Unocal may authorize or approve. If so specified, the Underwriters will endeavor to make such arrangements, and as compensation therefor Unocal will pay to the Representatives, for the accounts of the Underwriters, at the Time of Delivery, such commission, if any, as may be set forth in such Underwriting Agreement. Delayed Delivery Contracts, if any, are to be with investors of the types described in the Prospectus and subject to other conditions therein set forth. The Underwriters will not have any responsibility in respect of the validity or performance of any Delayed Delivery Contracts.

The number of Contract Securities to be deducted from the number of Securities to be purchased by each Underwriter as set forth in Schedule I hereto shall be, in each case, the number of Contract Securities which Unocal has been advised by the Representatives has been attributed to such Underwriter, provided that, if Unocal has not been so advised, the amount of Contract Securities to be so deducted shall be, in each case, that proportion of Contract Securities which the number of Securities to be purchased by such Underwriter under this Underwriting Agreement bears to the total number of the Securities. The number of Underwriters' Securities to be purchased by all the Underwriters pursuant to this Underwriting Agreement shall be the total of Securities set forth in Schedule I to such Underwriting Agreement less the number of Contract Securities. Unocal will deliver to the Representatives not later than 3:30 p.m., New York time, on the third business day preceding the Time of Delivery specified in this Underwriting Agreement (or such other time and date as the Representatives and Unocal may agree upon in writing) a written notice setting forth the number of Contract Securities.

4. If in definitive form, Underwriters' Securities to be purchased by

each Underwriter pursuant to this Underwriting Agreement, in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to Unocal, shall be delivered by or on behalf of Unocal to the Representatives for the account of such Underwriter; and if in global form, Underwriters' Securities to be purchased by each Underwriter pursuant to this Underwriting Agreement shall be delivered to The Depository Trust Company for credit to the specified account of such Underwriters. Such delivery in each case shall be made against payment by such Underwriter or on its behalf of the purchase price therefor by electronic funds transfer, certified or official bank check or checks (or such other method of payment that may be specified in the Underwriting Agreement), payable to the order of Unocal in the funds specified in this Underwriting Agreement, all at the place and time and date specified in this Underwriting Agreement or at such other place and time and date as the Representatives and Unocal may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Securities.

Concurrently with the delivery of and payment for the Underwriters' Securities, Unocal will deliver to the Representatives for the accounts of the Underwriters a check payable to the order of, or an electronic funds transfer to the account of, the party designated in this Underwriting Agreement in the amount of any compensation payable by Unocal to the Underwriters in respect of any Delayed Delivery Contracts as provided in Section 3 hereof and in this Underwriting Agreement.

5. Unocal agrees with each of the Underwriters:

a. To make no further amendment or supplement to the Registration Statements or the Prospectus, after the date of this Underwriting Agreement and prior to the Time of Delivery which shall be disapproved by the Representatives promptly after reasonable notice thereof, except that Unocal shall be permitted to make further amendments or supplements to the Registration Statements or the Prospectus by incorporation by reference of any proxy statements, Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K and Current Reports on Form 8-K without the approval of the Representatives, provided that Unocal shall (i) deliver a copy of each such report or proxy statement (together with all exhibits thereto) to each Representative promptly with such report or proxy statement being filed with the Commission; and (ii) if the date of the filing of such a report or proxy statement with the Commission will be the same day as the Time of Delivery, then Unocal shall to the extent practicable notify each Representative at least one business day (i.e. any day which is not a Saturday or Sunday and which in

5.

New York City is not a day on which banking institutions are generally authorized or obligated by law to close) prior to filing such a report or proxy statement with the Commission; to advise the Representatives promptly of any amendment or supplement to any Registration Statement or the Prospectus after such Time of Delivery and furnish the Representatives with copies thereof and to file promptly all reports and any definitive proxy or information statements

required to be filed by Unocal with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as delivery of a prospectus is required in connection with the offering or sale of the Securities, and during such same period to advise the Representatives, promptly after either of them receives notice thereof, of the time when any amendment to any Registration Statement has been filed or become effective or any supplement to the Prospectus or any amended Prospectus has been filed or transmitted for filing, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Securities (or if the Securities consist of Warrants, of the related Warrant Securities), of the suspension of the qualification of the Securities (or if the Securities consists of Warrants, of the related Warrant Securities) for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of any Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order relating to the Securities (or if the Securities consist of Warrants, of the related Warrant Securities) or suspension of any such qualification, to use promptly its best efforts to obtain its withdrawal;

b. Promptly from time to time to take such action as the Representatives may reasonably request to qualify the Securities (and, if the Securities consist of Warrants, the related Warrant Securities) for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Securities, provided that in connection therewith Unocal shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

c. To furnish the Underwriters with copies of the Prospectus in such quantities as the Representatives may from time to time reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Securities (and, if the Securities consist of Warrants, the related Warrant Securities) and if at such time any event shall have occurred as a result of which the Prospectus would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

d. To make generally available to its security holders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement and of the post-effective amendment thereto hereinafter referred to, a consolidated earnings statement of Unocal and

its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including at the option of Unocal, Rule 158); and

e. During the period beginning from the date of this Underwriting Agreement and continuing to and including the earlier of (i) the termination of trading restrictions for the Securities, as notified to Unocal by the Representatives, and (ii) the Time of Delivery, not to offer, sell, contract to sell or otherwise dispose, or announce the proposed issuance or sale, of any capital stock (or warrants therefor), of Unocal without the prior oral consent of the Representatives, which consent shall be promptly confirmed in writing.

6.

6. Unocal covenants and agrees with the several Underwriters that Unocal will pay or cause to be paid the following: (i) the fees, disbursements and expenses of Unocal's counsel and accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing and filing of any Registration Statement, any preliminary prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, the Standard Underwriting Provisions, July 1994, this Underwriting Agreement, any Warrants, any Warrant Agreements, any Delayed Delivery Contracts, any Blue Sky and Legal Investment Memoranda and any other documents in connection with the offering, purchase, sale and delivery of the Securities (and if the Securities consist of Warrants, the related Warrant Securities); (iii) all expenses in connection with the qualification of the Securities (and if the Securities consist of Warrants, the related Warrant Securities) for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and legal investment surveys; (iv) any fees charged by securities rating services for rating the Securities (and, if the Securities consist of Warrants, the related Warrant Securities); (v) any filing fees incident to any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities (and, if the Securities consist of Warrants, the related Warrant Securities); (vi) the cost of preparing the Securities (and if the Securities consist of Warrants, the related Warrant Securities); (vii) if the Securities consist of Warrants, the fees and expenses of any Warrant Agent and the fees and disbursements of counsel for any Warrant Agent; (viii) the costs and fees incurred in connection with the listing of any Securities on any securities exchange; and (ix) all other costs and expenses incident to the performance of its obligations hereunder and under any Delayed Delivery Contracts which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, Section 8 and Section 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Securities by them, and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters shall be subject, in the

discretion of the Representatives, to the condition that all representations and warranties and other statements of Unocal herein are, at and as of the Time of Delivery, true and correct, the condition that Unocal have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

a. No stop order suspending the effectiveness of any Registration Statement shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

b. Brobeck, Phleger & Harrison, counsel for the Underwriters, shall have furnished to the Representatives such opinion or opinions, dated the Time of Delivery, with respect to the incorporation of Unocal, the Securities, the Warrant Securities, the Warrant Agreement, the Delayed Delivery Contracts, if any, the applicable Registration Statement, the Prospectus, and other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

c. The General Counsel of Unocal, or his designee, subject to the approval by the Representatives of such designee, shall have furnished to the Representatives his written opinion, dated the Time of Delivery, in form and substance satisfactory to the Representatives, to the effect that:

(i) Unocal has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

7.

(ii) Unocal has an authorized capitalization as set forth in the Prospectus, all of the issued shares of capital stock of Union Oil and of Unocal have been duly and validly authorized and issued and are fully paid and nonassessable (except such counsel may take exception for a DE MINIMIS number of shares), and Unocal is the registered and beneficial owner of all of the outstanding shares of capital stock of Union Oil;

(iii) To the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which Unocal or any of its subsidiaries is a party or of which any property of Unocal or any of its subsidiaries is the subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of Unocal and its subsidiaries; and, to the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, no such proceeding is threatened or

contemplated by governmental authorities or threatened by others;

(iv) This Underwriting Agreement has been duly authorized, executed and delivered by Unocal;

(v) In the event any of the Securities are to be purchased pursuant to Delayed Delivery Contracts, each of such Delayed Delivery Contracts has been duly authorized, executed and delivered by Unocal and, assuming each such Delayed Delivery Contract has been duly executed and delivered by the purchaser named therein, constitutes a valid and legally binding agreement of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Delayed Delivery Contracts conform in all material respects to the description thereof in the Prospectus;

(vi) The Securities that are Common Stock have been duly authorized and are validly issued, fully paid and nonassessable and have the rights set forth in Unocal's Certificate of Incorporation; the Contract Securities that are Common Stock, if any, when evidenced by certificates duly countersigned by the transfer agent and registrar and issued, delivered and paid for in accordance with Delayed Delivery Contracts, if any, will be validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation; and the Common Stock conforms in all material respects to the description thereof in the Prospectus;

(vii) The issue and sale of the Securities and the compliance by Unocal with all of the provisions of the Securities, in the case of the issue and sale of Warrants, the Warrant Agreement and the related Warrant Securities, each of the Delayed Delivery Contracts, if any, and this Underwriting Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel to which Unocal is a party or by which Unocal is bound or to which any of the property or assets of Unocal are subject, nor will such action result in any violation of the provisions of Unocal's Certificate of Incorporation, as amended, or the By-Laws, as amended, of Unocal or any statute or any order, rule or regulation known to such counsel of any

8.

governmental agency or body having jurisdiction over Unocal or any of its properties, except that such counsel may state that the opinion set forth in the preceding clause is limited to those statutes, orders, rules and regulations currently in effect which, in such counsel's experience, are normally applicable to transactions of the

type contemplated by this Agreement and that such counsel expresses no opinion as to the securities or Blue Sky laws of the various jurisdictions in which the Securities are to be offered;

(viii) No consent, approval, authorization, order, registration or qualification of or with any such United States court or governmental agency or body is required for the issue and sale of the Securities (or, in the case of Securities that are Warrants, the issue and sale of the related Warrant Securities) or the consummation by Unocal of the other transactions contemplated by this Underwriting Agreement or, in the case of the Securities that are Warrants, the Warrant Agreement, or any of such Delayed Delivery Contracts, except such as have been obtained under the Act and such consents, approvals, authorizations, registrations or qualifications as may be required by any stock exchange on which any of the Securities may be listed and under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters;

(ix) The Securities that are Warrants have been duly authorized, countersigned and issued by the Warrant Agent pursuant to the Warrant Agreement and, when delivered against payment therefor pursuant to this Underwriting Agreement and, in the case of any Contract Securities that are Warrants, pursuant to Delayed Delivery Contracts, such Securities will have been duly executed, issued and delivered and will constitute valid and legally binding obligations of Unocal entitled to the benefits provided by the Warrant Agreement (assuming the due authorization, execution and delivery thereof by the Warrant Agent), which will be substantially in the form filed as an exhibit to the applicable Registration Statement; the Warrant Agreement has been duly authorized, executed and delivered by Unocal and (assuming the due authorization, execution and delivery thereof by the Warrant Agent) at the Time of Delivery the Warrant Agreement will constitute a valid and legally binding instrument of Unocal, enforceable against Unocal in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Warrant Securities have been duly authorized and reserved for issuance and, when evidenced by certificates duly countersigned by the transfer agent and registrar and issued, delivered and paid for upon exercise of the Warrants pursuant to the related Warrant Agreement, will be validly issued, fully paid and nonassessable and will have the rights set forth in Unocal's Certificate of Incorporation; and the Warrants, the related Warrant Securities and the Warrant Agreement conform in all material respects to the descriptions thereof in the Prospectus;

(x) To the best of such counsel's knowledge after reasonable inquiry, there are no holders of securities of Unocal who, by reason of the filing of either of the Registration Statements under the Act or the execution by Unocal of this Underwriting Agreement, have the right to request or demand that Unocal register under the Act any securities held by them;

(xi) The documents incorporated by reference in the Prospectus, (other than the financial statements, the related schedules and financial exhibits and other financial and statistical information included therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission,

9.

as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, in the case of a registration statement which became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; and

(xii) Each Registration Statement and the Prospectus, (other than the financial statements, the related schedules and financial exhibits and other financial and statistical information included therein, as to which such counsel need express no opinion), complies as to form in all material respects with the requirements of the Act and the rules and regulations thereunder; such counsel has no reason to believe that, as of the effective date of the applicable Registration Statement, either the applicable Registration Statement or the Basic Prospectus contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of the Time of Delivery, either the applicable Registration Statement or the Prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading; PROVIDED, such counsel need express no opinion with respect to any statement contained in or omitted from any Registration Statement or the Prospectus, in reliance upon or in conformity with written information furnished to Unocal by any Underwriter, expressly for use in any Registration Statement or Prospectus; and such counsel does not know of any contracts or other documents of a character required to be filed as an exhibit to the applicable Registration Statement or required to be incorporated by reference into the Prospectus or required to be described in the applicable Registration Statement or the Prospectus, which are not filed or incorporated by reference or described as required;

d. At the Time of Delivery, the independent accountants of Unocal who have audited the consolidated financial statements of Unocal and its subsidiaries included or incorporated by reference in the applicable Registration Statement shall have furnished to the Representatives a letter dated as of the Time of Delivery with respect to Unocal to the effect set forth in Annex II to these Standard Underwriting Provisions and as to such other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives;

e. (i) Neither Unocal nor any of its subsidiaries shall have sustained since the date of the latest audited consolidated financial statements included or incorporated by reference in the Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and

(ii) since the respective dates as of which information is given in the Prospectus, there shall not have been any change in the capital stock or consolidated long-term debt of Unocal or any change, or development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of Unocal and its subsidiaries,

10.

otherwise than as set forth or contemplated in the Prospectus, the effect of which, in any such case described in Clause (i) or (ii), is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Prospectus;

f. Subsequent to the date of this Underwriting Agreement there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities; or (iii) any outbreak or escalation of hostilities or other calamity or crisis on or after the date of such Underwriting Agreement, if the effect of any such event specified in this Clause (iii) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Underwriters' Securities on the terms and in the manner contemplated in the Prospectus;

g. Unocal shall have furnished or caused to be furnished to the Representatives at the Time of Delivery certificates of officers of Unocal satisfactory to the Representatives as to the accuracy of the representations and warranties of Unocal herein at and as of such Time of Delivery, as to the performance by Unocal of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a)

and (e) of this Section, and as to such other matters as the Representatives may reasonably request; and

h. There has been no notice pursuant to Section 5(a) above of an intention to amend or supplement, nor has there been any such amendment or supplement to, the applicable Registration Statement or the Prospectus by incorporation by reference pursuant to Section 5(a) above between the date of this Underwriting Agreement and the Time of Delivery, inclusive. If Unocal notifies any Representative of the impending filing of any amendment or supplement to the Registration Statement or the Prospectus by incorporation by reference pursuant to Section 5(a) above, then each Representative so notified shall use such information, until such information has been filed with the Commission, solely for the purpose of determining whether or not to consummate the purchase of the Securities pursuant to this Underwriting Agreement.

8. a. Unocal will indemnify and hold harmless each Underwriter against any losses, claims, damages, or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, any Registration Statement, the Prospectus or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim; provided, however, that Unocal shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any Registration Statement, the Prospectus or any other prospectus relating to the Securities, or any such amendment or supplement in reliance upon and in conformity with written information furnished to Unocal by any Underwriter through the Representatives expressly for use in the Prospectus.

b. Each Underwriter will indemnify and hold harmless Unocal against any losses, claims, damages or liabilities to which Unocal may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, any Registration Statement, the Prospectus, or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to

state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent that such untrue statement or alleged untrue statement or omission or alleged omission was made in any preliminary prospectus, any Registration Statement, the Prospectus,

or any other prospectus relating to the Securities, or any such amendment or supplement thereto in reliance upon and in conformity with written information furnished to Unocal by such Underwriter through the Representatives expressly for use therein; and will reimburse Unocal for any legal or other expenses reasonably incurred by Unocal in connection with investigating or defending any such action or claim.

c. Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

d. If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by Unocal, on the one hand, and the Underwriters, on the other, from the offering of the Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of Unocal, on the one hand, and the Underwriters, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by Unocal, on the one hand, and such Underwriters, on the other, shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by Unocal bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by Unocal, on the one

hand, or such Underwriters, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Unocal and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or

12.

omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to the Securities and not joint.

e. The obligations of Unocal under this Section 8 shall be in addition to any liability which Unocal may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of Unocal and to each person, if any, who controls Unocal within the meaning of the Act.

9. a. If any Underwriter shall default in its obligation to purchase the Underwriters' Securities which it has agreed to purchase under this Underwriting Agreement relating to such Securities, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Underwriters' Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Underwriters' Securities, then Unocal shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Underwriters' Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify Unocal that they have so arranged for the purchase of such Underwriters' Securities, or Unocal notifies the Representatives that it has so arranged for the purchase of such Underwriters' Securities, the Representatives or Unocal shall have the right to

postpone the Time of Delivery for such Underwriters' Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the applicable Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and Unocal agree to file promptly any amendments or supplements to the applicable Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Underwriting Agreement.

b. If, after giving effect to any arrangements for the purchase of the Underwriters' Securities of a defaulting Underwriter or Underwriters by the Representatives or Unocal as provided in subsection (a) above, the aggregate number of such Underwriters' Securities which remains unpurchased does not exceed one-eleventh of the aggregate number of the Securities, then Unocal shall have the right to require each non-defaulting Underwriter to purchase the number of Underwriters' Securities which such Underwriter agreed to purchase under this Underwriting Agreement and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Securities which such Underwriter agreed to purchase under this Underwriting Agreement) of the Underwriters' Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

c. If, after giving effect to any arrangements for the purchase of the Underwriters' Securities of a defaulting Underwriter or Underwriters by the Representatives or Unocal as provided in subsection (a) above, the aggregate number of Underwriters' Securities which remains unpurchased exceeds one-eleventh of the aggregate number of the Securities, as referred to in subsection (b) above, or if Unocal shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Underwriters' Securities of a defaulting Underwriter or Underwriters, then this Underwriting Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter, Unocal, except for the expenses to be borne by Unocal and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

13.

10. The respective indemnities, agreements, representations, warranties and other statements of Unocal and the several Underwriters, as set forth in this Underwriting Agreement or made by or on behalf of them, respectively, pursuant to this Underwriting Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or Unocal, or any officer or director or controlling person of Unocal and shall survive delivery of and payment for the Securities.

11. If this Underwriting Agreement shall be terminated pursuant to

Section 9 hereof, Unocal shall not then be under any liability to any Underwriter with respect to the Securities except as provided in Section 6 and Section 8 hereof; but, if for any other reason, Underwriters' Securities are not delivered by or on behalf of Unocal as provided herein, Unocal will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements or counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Securities, but Unocal shall then be under no further liability to any Underwriter with respect to such Securities except as provided in Section 6 and Section 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in Schedule II hereto.

All statements, requests, notices and agreements hereunder shall be in writing or by facsimile, telex, telegram or other similar electronic communication if promptly confirmed in writing, and if the Underwriters shall be sufficient in all respects if delivered or sent by registered mail to the address of the Representatives as set forth in Schedule II and Schedule III hereto; and if to Unocal shall be sufficient in all respects if delivered or sent by registered mail to the address of Unocal set forth in the applicable Registration Statement, Attention: Corporate Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by registered mail to such Underwriter at its address set forth either in its Underwriters' Questionnaire, or facsimile constituting such Questionnaire, which address will be supplied to Unocal by the Representatives upon request.

13. This Underwriting Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters and Unocal and, to the extent provided in Section 8 and Section 10 hereof, the officers and directors of Unocal and each person who controls Unocal, or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Underwriting Agreement. No purchaser of any of the Securities from an Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. Time shall be of the essence in this Underwriting Agreement.

15. This Underwriting Agreement shall be governed by and construed in accordance with the laws of the State of New York.

16. This Agreement may be (i) executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument and (ii) evidenced by an exchange of facsimile communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Underwriting Agreement shall be several and not joint.

ANNEX I  
TO  
STANDARD UNDERWRITING PROVISIONS

UNDERWRITING AGREEMENT

- - - - -  
- - - - -  
- - - - -  
- - - - -  
- - - - -  
- - - - -

As Representatives of the several  
Underwriters named in Schedule I  
hereto

[Date]

Ladies and Gentlemen:

Unocal Corporation ("Unocal") proposes, subject to the terms and conditions stated herein and in Section 1 through 16 and Annexes II and III of the Standard Underwriting Provisions, July 1994 (the "Standard Provisions"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the securities (the "Securities") specified in Schedule II hereto (with respect to Common Stock) and Schedule III hereto (with respect to Warrants). Each of the provisions of the Standard Provisions is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Underwriting Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Underwriting Agreement, except that each representation and warranty with respect to the Prospectus in Section 2 of the Standard Provisions shall be deemed to be a representation and warranty as of \_\_\_\_\_, 1994 in relation to the Basic Prospectus (as therein defined), and also a representation and warranty as of the date of this Underwriting Agreement in relation to the Prospectus (as therein defined). Each reference to the Representatives herein and in the provisions of the Standard Provisions so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Standard Provisions are used herein as therein defined. The Representatives designated to act on behalf of each of the

Underwriters pursuant to Section 12 of the Standard Provisions and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto (with respect to Common Stock) and Schedule III hereto (with respect to Warrants).

An amendment to the applicable Registration Statement, or a supplement to the Basic Prospectus, as the case may be, relating to the Securities, in the form heretofore delivered to you, has been or is now proposed to be transmitted for filing with the Commission.

Subject to the terms and conditions set forth herein and in the Standard Provisions incorporated herein by reference, Unocal agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from Unocal at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto (with respect to Common Stock) and Schedule III hereto (with respect to Warrants), the number of Securities set forth opposite the name of such Underwriter in Schedule I hereto, less the number of Securities covered by Delayed Delivery Contracts, if any, as may be specified respectively in such Schedule II (with respect to Common Stock) and Schedule III (with respect to Warrants).

I-1

If the foregoing is in accordance with your understanding, please sign and return to us two counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Standard Provisions incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and Unocal. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to Unocal for examination, upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

UNOCAL CORPORATION

By:

-----

Name:

Title:

Accepted as of the date hereof:

[Name of Representative]

By:

-----

Authorized Signature

Name:

Title:

[Name of Representative]

By:

-----

Authorized Signature

Name:

Title:

On behalf of each of the Underwriters

I-2

SCHEDULE I  
TO  
UNDERWRITING AGREEMENT

<TABLE>  
<CAPTION>

Underwriters -----	Number of Securities that are Common Stock to be Purchased -----	Number of Securities that are Warrants to be Purchased -----
<S> [Names of Underwriters] . . . . .	<C>	<C>
Total . . . . .	=====	=====

</TABLE>

I-3

SCHEDULE II

TO  
UNDERWRITING AGREEMENT

COMMON STOCK

NUMBER OF FIRM SECURITIES:

MAXIMUM NUMBER OF OPTIONAL SECURITIES:

PRICE TO PUBLIC:

UNDERWRITERS' DISCOUNT:

PURCHASE PRICE BY UNDERWRITERS:

TIME OF DELIVERY:

[Time and date], 19\_\_\_\_\_

CLOSING LOCATION:

[Brobeck, Phleger & Harrison, 550 South Hope Street, Los Angeles,  
California 90071.]

DELAYED DELIVERY:

[None] [Underwriters' commission shall be \$\_\_\_\_\_ per share of  
Securities for which Delayed Delivery Contracts have been entered into. Such  
commission shall be payable to the order of \_\_\_\_\_.]

NAMES AND ADDRESSES OF REPRESENTATIVES:

DESIGNATED REPRESENTATIVES:

ADDRESS FOR NOTICES, ETC.:

[OTHER TERMS]

I-4

SCHEDULE III  
TO  
UNDERWRITING AGREEMENT

WARRANTS

DESCRIPTION OF WARRANTS

NUMBER OF FIRM WARRANTS:

NUMBER OF OPTIONAL WARRANTS:

EACH WARRANT [IS] [WILL BE] EXERCISABLE FOR \_\_\_\_\_ SHARES OF COMMON STOCK.

EXERCISE PERIOD:

EXERCISE PRICE:

DETACHABILITY:

LISTING:

TITLE OF WARRANT AGREEMENT:

WARRANT AGENT:

PRICE TO PUBLIC:

UNDERWRITERS DISCOUNT:

PURCHASE PRICE BY UNDERWRITERS:

SPECIFIED FUNDS FOR PAYMENT OF PURCHASE PRICE:

[New York] Clearing House funds [or immediately available federal funds if agreed to by the Representatives.]

FORM OF PAYMENT:

TIME OF DELIVERY:

[Time and date], 19\_\_

CLOSING LOCATION:

[Brobeck, Phleger & Harrison, 550 South Hope Street, Los Angeles, California 90071.]

DELAYED DELIVERY:

[None] [Underwriters' commission shall be of the purchase price of the Warrants for which Delayed Delivery Contracts have been entered into. Such commission shall be payable to the order of \_\_\_\_\_.]

NAMES AND ADDRESSES OF REPRESENTATIVES:

DESIGNATED REPRESENTATIVES:

ADDRESS FOR NOTICES, ETC.:

[OTHER TERMS]:

I-6

ANNEX II  
TO  
STANDARD UNDERWRITING PROVISIONS

FORM OF COMFORT LETTER

Pursuant to Section 7(d) of the Underwriting Agreement, the independent accountants shall furnish letters to the Representatives with respect to Unocal to the effect that:

(i) They are independent certified public accountants with respect to Unocal within the meaning of the Act and the applicable published rules and regulations thereunder;

(ii) In their opinion, the consolidated financial statements and any supplementary financial information and schedules audited by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related published rules and regulations thereunder;

(iii) In their opinion, the unaudited selected financial information with respect to the consolidated results of operations and financial position of Unocal for the five most recent fiscal years included or incorporated by reference in the Prospectus or in Item 6 of Unocal's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for the five such fiscal years which were included or incorporated by reference in Unocal's Annual Reports on Form 10-K for such fiscal years;

(iv) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim consolidated financial statements of Unocal as consolidated with its subsidiaries, inspection of the minute books of Unocal and its significant subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of Unocal and its significant subsidiaries responsible for financial and accounting matters and such other

inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited condensed consolidated earnings statement, consolidated balance sheet and consolidated cash flows statement included or incorporated by reference in Unocal's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related published rules and regulations thereunder or that any material modification should be made to them in order for them to be in conformity with generally accepted accounting principles;

(B) any unaudited pro forma condensed consolidated financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the published rules and regulations thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements, except as disclosed and with which they concur;

II-1

(C) as of a specified date not more than five days prior to the Time of Delivery, there have been any changes in the outstanding capital stock (other than issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares, and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus, and upon grants or cancellations of restricted stock and issuances of capital stock pursuant to the Profit Sharing Plan and the Dividend Reinvestment and Common Stock Purchase Plan) or any increase in the consolidated long-term debt of Unocal and its subsidiaries (other than normal fluctuations in the outstanding amount of commercial paper classified as long-term in accordance with generally accepted accounting principles), or any increase in short-term notes payable in excess of 100%, or any decreases in consolidated net current assets or net assets or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or

which are described in such letter; and

(D) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in Clause (C) there were any decreases in consolidated total revenues, net earnings or net earnings per share or, if for a fiscal quarter, the ratio of earnings to fixed charges or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Representatives, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(v) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraph (iv) above, they have carried out certain specified procedures, not constituting an examination in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of Unocal and its subsidiaries, which appear in the Prospectus (including specified documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of, or, if approved by the Underwriters, schedules prepared by, Unocal and its subsidiaries and have found them to be in agreement.

II-2

ANNEX III  
TO  
STANDARD UNDERWRITING PROVISIONS

DELAYED DELIVERY CONTRACT

UNOCAL CORPORATION

---

---

---

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_, 199\_\_

Ladies and Gentlemen:

The undersigned hereby agrees to purchase from Unocal Corporation, a Delaware corporation ("Unocal"), and Unocal agrees to sell to the undersigned,

[warrants to purchase] ----- [shares]

of Unocal's Common Stock (the "Securities"), offered by Unocal's Prospectus dated \_\_\_\_\_, 1994 as amended or supplemented, receipt of a copy of which is hereby acknowledged, at a purchase price of \$\_\_\_\_\_ per share, and on the further terms and conditions set forth in this contract.

[The undersigned will purchase the Securities from Unocal on \_\_\_\_\_, 199\_\_ (the "Delivery Date").]

[The undersigned will purchase the Securities from Unocal on the delivery date or dates and in the amounts set forth below:

DELIVERY DATE	NUMBER OF SHARES
_____	_____
_____	_____

Each such date on which Securities are to be purchased hereunder is hereinafter referred to as a "Delivery Date".]

Payment for the Securities which the undersigned has agreed to purchase on [the][each] Delivery Date shall be made to Unocal or its order by either certified or official bank check in \_\_\_\_\_

\_\_\_\_ Clearing House funds at the office of \_\_\_\_\_,

\_\_\_\_\_, \_\_\_\_\_ or by wire transfer of immediately available funds, at the option of the undersigned, to a bank account specified by Unocal, on [the][such] Delivery Date upon delivery to the undersigned of the Securities then to be purchased by the undersigned in definitive fully registered form and in such denominations and registered in such names as the undersigned may designate by written or telegraphic communication addressed to Unocal not less than five full business days prior to [the][such] Delivery Date.

The obligation of the undersigned to take delivery of and make payment for Securities on [the][each] Delivery Date shall be subject to the condition that the purchase of Securities to be made by the undersigned shall not on [the][such] Delivery Date be prohibited under the laws of the jurisdiction to which the undersigned is subject. The obligation of the undersigned to take delivery of and make payment for Securities shall not be affected by the failure of any purchaser to take delivery of and payment for Securities pursuant to other contracts similar to this contract.

[The undersigned understands that Underwriters (the "Underwriters") are also purchasing Securities from Unocal, but that the obligations of the undersigned hereunder are not contingent on such purchases.] Promptly after completion of the sale to the Underwriters Unocal will mail or deliver to the undersigned at its address set forth below notice to such effect, accompanied by a copy of the Opinion of Counsel for Unocal delivered to the Underwriters in connection therewith.

The undersigned represents and warrants that, as of the date of this contract, the undersigned is not prohibited from purchasing the Securities hereby agreed to be purchased by it under the laws of the jurisdiction to which the undersigned is subject.

This contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other.

This contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. This contract shall be governed by and construed in accordance with the laws of the State of New York.

It is understood that the acceptance by Unocal of any Delayed Delivery Contract (including this contract) is in Unocal's sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this contract is acceptable to Unocal, it is requested that

III-2

Unocal sign the form of acceptance below and mail or deliver one of the counterparts hereof to the undersigned at its address set forth below. This

will become a binding contract between Unocal and the undersigned when such counterpart is so mailed or delivered by Unocal.

Yours very truly,

-----

By:

-----

(Signature)

-----

(Name and Title)

-----

(Address)

Accepted: \_\_\_\_\_, 199\_\_

Unocal Corporation

By:

-----

Name:

Title:

III-3

UNION OIL COMPANY OF CALIFORNIA

MEDIUM-TERM NOTES, SERIES C

PAYMENT OF PRINCIPAL, INTEREST AND PREMIUM, IF ANY,  
GUARANTEED BY

UNOCAL CORPORATION

FORM OF AGENCY AGREEMENT

\_\_\_\_\_, 1994

CS First Boston Corporation  
Park Avenue Plaza  
New York, New York 10055

Salomon Brothers Inc  
Seven World Trade Center  
New York, New York 10048

UBS Securities Inc.  
299 Park Avenue  
New York, New York 10171

Ladies and Gentlemen:

1. INTRODUCTION. Union Oil Company of California, a California corporation (the "Issuer"), and Unocal Corporation, a Delaware corporation (the "Guarantor"), each confirms its agreement with each of you (individually, an "Agent" and collectively, the "Agents") with respect to the issue and sale from time to time by the Issuer of its Medium-Term Notes, Series C, registered under the registration statements referred to in Section 2(a) hereof (any such medium-term notes, other than any to be sold pursuant to any agreement that may be entered into between the Issuer, the Guarantor and any of the Agents for them to act as a placement agent (a "placement agency agreement"), are hereinafter referred to as the "Debt Securities"), guaranteed (any such guarantees being hereinafter referred to as the "Guarantees") as to payment of principal, interest and premium, if any, by the Guarantor (the Debt Securities and the Guarantees related thereto being hereinafter collectively referred to as the "Securities"). The Securities may be sold pursuant to Section 3 of this Agreement in an aggregate amount not to exceed the amount of Registered

Securities (as defined in Section 2(a) hereof), reduced by the aggregate amount of any other Registered Securities sold otherwise than pursuant to Section 3 of this Agreement. The Securities will be issued under an indenture, dated as of \_\_\_\_\_, 1994 (the "Indenture"), among the Issuer, the Guarantor and Chemical Trust Company of California, as trustee (the "Trustee"), which incorporates the Standard Multiple-Series Indenture Provisions, January 1991, of the Issuer and the Guarantor dated as of January 2, 1991.

The Securities shall have the prices, maturity ranges, interest rates, redemption provisions and other terms set forth in the Prospectus referred to in Section 2(a) hereof, as it may be supplemented from time

1.

to time. The Securities will be issued, and the terms thereof established, from time to time by the Issuer and the Guarantor in accordance with the Indenture and the Procedures (as defined in Section 3(d) hereof).

2. REPRESENTATIONS AND WARRANTIES OF THE ISSUER AND THE GUARANTOR. The Issuer and the Guarantor, jointly and severally, represent and warrant to, and agree with, each Agent as follows:

(a) The Issuer and the Guarantor have filed with the Securities and Exchange Commission (the "Commission") two registration statements on Form S-3 (Registration Nos. 33-38505; 33-38505-01 and 33-\_\_\_\_\_; 33-\_\_\_\_\_-01), including a prospectus relating to debt securities of the Issuer and guarantees of the Guarantor together with equity securities of the Guarantor (the "Registered Securities"), which registration statements have become effective. The Issuer and the Guarantor have filed with the Commission Post-effective Amendment No. 1 to Registration Statement Nos. 33-38505; 33-38505-01 and such amendment has become effective. Each such registration statement, including the exhibits thereto (other than the Form T-1), as amended as of the Closing Date (as defined in Section 3(e) hereof), is hereinafter referred to as a "Registration Statement." References herein to the "applicable Registration Statement" shall be deemed to refer to both Registration Statements so long as Registered Securities remain issuable under Registration Statement Nos. 33-38505; 33-38505-01 and only to Registration Statement Nos. 33-\_\_\_\_\_; 33-\_\_\_\_\_-01 thereafter. The prospectus included in each Registration Statement, as amended or supplemented as of the Closing Date (other than by a supplement relating solely to the offering of Registered Securities other than the Securities), including all material incorporated by reference therein, is hereinafter referred to as the "Prospectus." Any reference in this Agreement to amending or supplementing the Prospectus shall be deemed to include the filing of materials incorporated by reference in the Prospectus after the Closing Date and any reference in this Agreement to any amendment or supplement to the Prospectus shall be deemed to include any such materials incorporated by reference in the Prospectus after the Closing Date.

(b) On the effective date of Post-effective Amendment No. 1 to

Registration Statement Nos. 33-38505; 33-38505-01 relating to the Registered Securities and on the effective date of Registration Statement Nos. 33-\_\_\_\_\_; 33-\_\_\_\_\_-01 relating to the Registered Securities, each such Registration Statement conformed in all material respects to the requirements of the Securities Act of 1933, as amended (the "Act"), the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations of the Commission pursuant to the Act (the "Rules and Regulations") and did not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and on the Closing Date, each Registration Statement and the Prospectus, and at each of the times of acceptance and of delivery referred to in Section 6(a) hereof and at each of the times of amendment or supplementing referred to in Section 6(b) hereof (the Closing Date and each such time being herein sometimes referred to as a "Representation Date"), each Registration Statement and the Prospectus, as then amended or supplemented, will conform in all material respects to the requirements of the Act, the Trust Indenture Act and the Rules and Regulations, and none of such documents will include any untrue statement of a material fact or will omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, except that the foregoing does not apply to statements in or omissions from any of such documents based upon written information furnished to the Issuer or the Guarantor by any Agent specifically for use therein.

3. APPOINTMENT AS AGENT; AGREEMENT OF AGENT; SOLICITATIONS AS AGENT.

(a) Subject to the terms and conditions stated herein, the Issuer and the Guarantor each hereby appoints each of the Agents as an agent of the Issuer and the Guarantor for the purpose of soliciting or receiving offers to purchase the Securities from the Issuer and the Guarantor by others. So long as this Agreement shall remain in effect with respect to any Agent, neither the Issuer nor the Guarantor shall, without the consent of each such Agent, solicit or accept offers to purchase Securities otherwise than through one of the Agents (except as contemplated by Section 11 hereof); PROVIDED, HOWEVER, that, subject to all of the terms and

2.

conditions of this Agreement and any agreement contemplated by Section 11 hereof, the foregoing shall not be construed to prevent the Issuer or the Guarantor from selling at any time any Registered Securities pursuant to any placement agency agreement or in a firm commitment underwriting pursuant to an underwriting agreement that does not provide for a continuous offering of such Registered Securities; PROVIDED, FURTHER, that the Issuer and the Guarantor may from time to time accept unsolicited offers to purchase Securities from the Issuer and the Guarantor or to sell Securities as an agent of the Issuer and the Guarantor if (i) the Securities are purchased or sold in accordance with the terms of separate purchase or agency agreements to be entered into between each such unsolicited offeror and the Issuer and the Guarantor, each of which agreements will be for a single transaction and contain business terms

substantially similar to those contained in this Agreement (including the same discount or commission payment to an agent as is contained in Exhibit A attached hereto, unless in connection with a purchase as principal pursuant to Section 11 a lower discount or commission is agreed to by such agent, the Issuer and the Guarantor), and (ii) there is delivered in connection therewith a pricing supplement to the Prospectus (a "Pricing Supplement") stating that the Agents are not participating in, and are in no way responsible for, any aspect of such unsolicited transaction, and (iii) the Issuer gives notice to the Agents of its acceptance of such an unsolicited offer to purchase Securities or sell Securities as an agent pursuant to this paragraph.

(b) On the basis of the representations and warranties contained herein, but subject to the terms and conditions herein set forth, each Agent agrees, as agent of the Issuer and the Guarantor, to use reasonable efforts when requested by the Issuer to solicit offers to purchase the Securities upon the terms and conditions set forth in the Prospectus, as from time to time amended or supplemented.

Upon receipt of notice from the Issuer as contemplated by Section 4(b) hereof, each Agent shall suspend its solicitation of offers to purchase Securities until such time as the Issuer shall have furnished it with an amendment or supplement to each Registration Statement or the Prospectus, as the case may be, contemplated by Section 4(b) and shall have advised each such Agent that such solicitation may be resumed.

The Issuer reserves the right, in its sole discretion, to suspend solicitation of offers to purchase the Securities commencing at any time for any period of time or permanently. If the Issuer has notified each Agent to suspend solicitation of offers to purchase Securities for any reason, then such Agent will use its best efforts to suspend such solicitation as soon as practicable after receiving notice from the Issuer thereof, but in any event, within one business day after receiving such notice. Any suspension in solicitation described above shall continue until such time as the Issuer has advised the Agents that such solicitation may be resumed. For the purpose of the second preceding sentence, "business day" shall mean any day which is not a Saturday or Sunday and which in New York City is not a day on which banking institutions are generally authorized or obligated by law to close.

The Agents are authorized to solicit offers to purchase Securities in book-entry or fully registered form and only in minimum aggregate denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. Unless otherwise agreed to by the Issuer and an Agent and specified in a supplement to the Prospectus, Securities (i) shall be purchased at a purchase price equal to 100% of the principal amount thereof, and (ii) if purchased by an Agent as principal, pursuant to a Purchase Agreement or otherwise, as contemplated by Section 11 hereof, may be resold at varying prices from time to time or, if set forth in the applicable Purchase Agreement, at a fixed public offering price. In connection with any resale of Securities purchased as principal, an Agent may use a selling or dealer group and may reallocate to any broker or dealer any portion of the discount or commission payable with respect thereto. Each Agent shall communicate to the Issuer, orally or in writing, each

reasonable offer to purchase Securities received by it as agent. The Issuer shall have the sole right to accept offers for itself and the Guarantor to purchase the Securities and may reject any such offer, in whole or in part. Each Agent shall have the right, in its discretion reasonably exercised, without notice to the Issuer or

3.

the Guarantor, to reject any offer to purchase Securities received by it, in whole or in part, and any such rejection shall not be deemed a breach of its agreement contained herein.

No Security which the Issuer has agreed to sell pursuant to this Agreement shall be deemed to have been purchased and paid for, or sold by the Issuer, until such Security shall have been delivered to the purchaser thereof or to The Depository Trust Company for the account of the purchaser thereof against payment by such purchaser.

(c) At the time of delivery of, and payment for, any Securities sold by the Issuer as a result of a solicitation made by, or offer to purchase received by, an Agent, the Issuer and the Guarantor agree to pay such Agent a commission in accordance with the schedule set forth in Exhibit A hereto.

(d) Administrative procedures respecting the sale of Securities (the "Procedures") shall be agreed upon from time to time by the Agents, the Issuer and the Guarantor. The initial Procedures, which are set forth in Exhibit B hereto, shall remain in effect until changed by agreement among the Issuer, the Guarantor and the Agents. Each Agent, the Issuer and the Guarantor agree to perform the respective duties and obligations specifically provided to be performed by each of them herein and in the Procedures. The Issuer will furnish to the Trustee and any authenticating agent a copy of the Procedures which are from time to time in effect.

(e) The documents required to be delivered by Section 5 hereof shall be delivered at the office of Brobeck, Phleger & Harrison, 550 South Hope Street, Los Angeles, California not later than 10:00 A.M., Los Angeles time, on the date of this Agreement or at such later time as may be mutually agreed to by the Issuer, the Guarantor and the Agents, which in no event shall be later than the time at which the Agents commence solicitation of offers to purchase Securities hereunder, such time and date being herein called the "Closing Date."

4. CERTAIN AGREEMENTS OF THE ISSUER AND THE GUARANTOR. The Issuer agrees with the Agents that has furnished or it will furnish to Brobeck, Phleger & Harrison, counsel for the Agents, one signed copy of each Registration Statement, including all exhibits, in the form in which it became effective and of all amendments thereto and that, in connection with each offering of Securities:

(a) The Issuer will advise each Agent promptly of any proposal

to amend or supplement any Registration Statement or the Prospectus (other than by a Pricing Supplement relating to the Securities or an amendment or supplement relating solely to the offering of Registered Securities other than the Securities) and will afford the Agents a reasonable opportunity to comment on any such proposed amendment or supplement, except that with respect to amendments or supplements to any Registration Statement or the Prospectus by incorporation by reference of any Proxy Statements, Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K and Current Reports on Form 8-K, the Issuer or the Guarantor shall (i) to the extent practicable, notify each Agent either to suspend solicitation of offers to purchase Securities pursuant to Section 3(b) above or of the filing of such a report or proxy statement with the Commission at least one business day (as defined in Section 3(b) above) prior to filing such a report or proxy statement with the Commission; and (ii) deliver a copy of each such report or proxy statement (together with exhibits thereto) to each Agent on the same business day that such report or proxy statement is filed with the Commission; and the Issuer will also advise each Agent of the filing of any amendment or supplement (other than a Pricing Supplement relating to the Securities or an amendment or supplement relating solely to the offering of Registered Securities other than the Securities) and of the institution by the Commission of any stop order proceedings in respect of any Registration Statement or of any part thereof and will use its best efforts to prevent the issuance of any such stop order and to obtain as soon as possible its lifting, if issued. If the Issuer notifies any Agent of the impending filing of any amendment or supplement to the Registration Statement or the Prospectus by incorporation by reference pursuant to this Section 4(a), then such Agent so notified shall use such information, until such information has

4.

been filed with the Commission, solely for the purpose of determining whether or not to suspend solicitations of offers to purchase Securities pursuant to this Agreement. If the Issuer is not accepting offers to purchase the Securities and does not anticipate accepting offers to purchase the Securities prior to the filing of the Issuer's or the Guarantor's next succeeding Quarterly Report on Form 10-Q or next Annual Report on Form 10-K, as the case may be, then no such advice or notification shall be required until the Issuer determines to solicit offers to purchase the Securities.

(b) If, at any time when a prospectus relating to the Securities is required to be delivered under the Act, any event occurs as a result of which the Prospectus, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or if it is necessary at any time to amend the Prospectus to comply with the Act, the Issuer will promptly notify each Agent to suspend solicitation of offers to purchase Securities; and if the Issuer shall decide to amend or supplement the applicable Registration Statement or the Prospectus, it will promptly advise each Agent by telephone (with confirmation in writing) and will promptly prepare and file with

the Commission an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Notwithstanding the foregoing, if, at the time of any notification to suspend solicitations, any Agent shall own any of the Securities with the intention of reselling them, or the Issuer has accepted an offer to purchase Securities but the related settlement has not occurred, the Issuer and the Guarantor, subject to the provisions of subsection (a) of this Section, will promptly prepare and file with the Commission an amendment or supplement that will correct such statement or omission or an amendment that will effect such compliance.

(c) The Issuer and the Guarantor, during the period when a prospectus relating to the Securities is required to be delivered under the Act, will file promptly all documents required to be filed by it with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"). In addition, during the period described in the immediately preceding sentence, on the date on which the Guarantor makes any announcement to the general public concerning earnings or concerning any other event which is required to be described, or which the Issuer or the Guarantor proposes to describe, in a document filed pursuant to the Exchange Act, the Issuer or the Guarantor will furnish the information contained in such announcement to each Agent, confirmed in writing and, subject to the provisions of subsections (a) and (b) of this Section, will cause the Prospectus to be amended or supplemented to reflect the information contained in such announcement. The Issuer or the Guarantor also will furnish each Agent with copies of all other material press releases or announcements to the general public as soon as practicable after such press releases or announcements are made to the public. The Issuer or the Guarantor will promptly notify each Agent of any downgrading in the rating of the Securities or any other debt securities of the Issuer or the Guarantor, or any proposal to downgrade the rating of the Securities or any other debt securities of the Issuer or the Guarantor, by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act), as soon as the Issuer and the Guarantor learn of such downgrading or proposal to downgrade.

(d) As soon as practicable after the date of each acceptance by the Issuer of an offer to purchase Securities hereunder, but in any event not later than (A) the 45th day after the end of the fourth fiscal quarter following the fiscal quarter that includes the date of such acceptance or (B) if such fourth fiscal quarter is the last quarter of the Issuer's or the Guarantor's fiscal year, the 90th day after the end of such fourth fiscal quarter, the Guarantor will make generally available to its security holders a consolidated earnings statement of the Guarantor and its subsidiaries covering a period of at least the 12 prior months which will satisfy the provisions of Section 11(a) of the Act and the Rules and Regulations thereunder (including, at the option of the Guarantor, Rule 158).

(e) The Issuer will furnish to each Agent copies of each Registration Statement, including all exhibits, the Prospectus and all amendments and supplements to such documents (other than Pricing

Supplements relating to Securities not sold or purchased by any such Agent and amendments or supplements relating solely to the offering of Registered Securities other than the Securities), in each case as soon as available and in such quantities as are reasonably requested.

(f) The Issuer will arrange for the qualification of the Securities for sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Agents designate and will continue such qualifications in effect so long as required for the distribution.

(g) So long as any Securities are outstanding, the Guarantor will furnish to the Agents, (i) as soon as practicable after the end of each fiscal year, a copy of the Guarantor's annual report to stockholders for such year, (ii) as soon as available, a copy of each report or definitive proxy statement of the Guarantor filed with the Commission under the Exchange Act or mailed to stockholders, and (iii) from time to time, such other information concerning the Issuer and the Guarantor as the Agents may reasonably request.

(h) The Issuer and the Guarantor, jointly and severally, covenant and agree with the Agents to pay all expenses incident to the performance of their respective obligations under this Agreement and to reimburse each Agent for any expenses (including fees and disbursements of counsel) incurred by it in connection with qualification of the Securities for sale and determination of their eligibility for investment under the laws of such jurisdictions as such Agent may designate and the printing of memoranda relating thereto, for any fees charged by investment rating agencies for the rating of the Securities, for expenses incurred in distributing the Prospectus and all supplements thereto, any preliminary prospectuses and any preliminary prospectus supplements to each Agent and for the reasonable fees and disbursements of counsel to the Agents.

5. CONDITIONS OF OBLIGATIONS. The obligation of each Agent, as agent of the Issuer and the Guarantor, under this Agreement at any time to use its reasonable efforts to solicit offers to purchase the Securities is subject to the accuracy, on the date hereof, on each Representation Date and on the date of each such solicitation, of the representations and warranties of the Issuer and the Guarantor herein, to the accuracy, on each such date, of the statements of the Issuer's and the Guarantor's officers made pursuant to the provisions hereof, to the performance, on or prior to each such date, by the Issuer and the Guarantor of their obligations hereunder, and to each of the following additional conditions precedent:

(a) No stop order suspending the effectiveness of any Registration Statement or of any part thereof shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Issuer, the Guarantor or any Agent, shall be contemplated by the Commission.

(b) None of the Registration Statements nor the Prospectus, as amended or supplemented, as of any Representation Date or date of such solicitation, as the case may be, shall contain any untrue statement of fact which, in the reasonable opinion of any Agent, is material or omits to state a fact which, in the reasonable opinion of any Agent, is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(c) There shall not have occurred (i) any change, or any development involving a prospective change, in or affecting particularly the business or properties of the Issuer, the Guarantor or any of their respective subsidiaries, other than as set forth or contemplated in the Prospectus, as amended or supplemented, which, in the reasonable judgment of such Agent, materially impairs the investment quality of the Securities; (ii) any downgrading in the rating of the Issuer's or the Guarantor's debt securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act); (iii) any suspension or limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Issuer or the Guarantor on any exchange or in the over-the-counter market; (iv) any banking moratorium declared by Federal or New York authorities; or (v) any outbreak or escalation of major hostilities in which the United States is

6.

involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in the judgment of such Agent, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical or inadvisable to proceed with solicitations of offers to purchase, or sales of, Securities.

(d) At the Closing Date, the Agents shall have received an opinion, dated the Closing Date, of the General Counsel of the Issuer and the Guarantor or his designee, subject to the approval by the Agents of such designee, to the effect that:

(i) Each of the Issuer and Guarantor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus; and each of the Issuer and the Guarantor is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which it respectively owns or leases substantial properties or in which the conduct of its respective business requires such qualification, except in those jurisdictions in which the failure to so qualify would not have a material adverse effect on the business or operations of the Issuer or the Guarantor;

(ii) All of the issued shares of capital stock of the Issuer and the Guarantor have been duly and validly authorized and issued and are fully paid and nonassessable (except such counsel may take exception for a DE MINIMIS number of shares), and the Guarantor is the registered and beneficial owner of all of the outstanding shares of capital stock of the Issuer;

(iii) To the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, there is no legal or governmental proceeding pending to which the Issuer, the Guarantor or any of their respective subsidiaries is a party or of which any property of the Issuer, the Guarantor or any of their respective subsidiaries is the subject, which is likely (to the extent not covered by insurance) to have a material adverse effect on the consolidated financial position of the Issuer and its subsidiaries or of the Guarantor and its subsidiaries; and, to the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, no such proceeding is threatened or contemplated by governmental authorities or threatened by others;

(iv) This Agreement has been duly authorized, executed and delivered by the Issuer and the Guarantor;

(v) The Securities have been duly authorized, and when the terms of any Securities of any such series have been established in accordance with the Indenture and such Securities have been executed, authenticated, issued and delivered against payment therefor in accordance with the Indenture and this Agreement, such Securities will constitute valid and legally binding obligations of the Issuer and the Guarantor, enforceable against the Issuer and the Guarantor in accordance with their terms, subject, as to enforcement, to (a) bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights, (b) general equity principles, (c) requirements that a claim with respect to any Securities denominated in other than United States dollars (or a judgment denominated in other than United States dollars in respect of such a claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law, and (d) governmental authority to limit, delay or prohibit the making of payments outside the United States or in a foreign currency, composite currency or currency unit; except that such counsel may decline to express an opinion on the validity and legally binding nature of the obligations of the Issuer and Guarantor with respect to any Securities that may be indexed or linked to any foreign currency, composite currency, currency unit, commodity price, financial or non-financial index or other factors; the Securities and the Indenture conform in all material respects to the descriptions thereof in the Prospectus; the forms and the terms of such Securities endorsed thereon have been established by or pursuant

7.

to Board Resolutions in each case of the Issuer or the Guarantor, as appropriate, in conformity with the provisions of the Indenture;

(vi) The Indenture has been duly authorized, executed and delivered by the Issuer and the Guarantor and (assuming the due authorization, execution and delivery thereof by the Trustee) constitutes a valid and legally binding instrument of the Issuer and the Guarantor, enforceable against the Issuer and the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture has been duly qualified under the Trust Indenture Act;

(vii) The execution, delivery and performance of the Indenture and this Agreement, the issuance and sale of the Securities, compliance with the terms and provisions of the foregoing and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach of any of the terms or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel to which the Issuer or the Guarantor is a party or by which the Issuer or the Guarantor is bound or to which any of the property or assets of the Issuer or the Guarantor is subject, nor will such action result in any violation of the provisions of the Guarantor's Certificate of Incorporation, as amended, or the Issuer's Restated Articles of Incorporation, as amended, or the bylaws of the Issuer or the Guarantor or any statute or any order, rule or regulation known to such counsel of any court or governmental agency or body having jurisdiction over the Issuer or the Guarantor or any of their respective properties, except that such counsel may state that the opinion set forth in the preceding clause is limited to those statutes, orders, rules or regulations currently in effect which, in such counsel's experience, are normally applicable to transactions of the type contemplated by this Agreement and that such counsel expresses no opinion as to the securities or Blue Sky laws of the various jurisdictions in which the Securities are to be offered; the Issuer and the Guarantor each has full power and authority to authorize, issue and sell the Securities as contemplated by this Agreement;

(viii) No consent, approval, authorization, order, registration or qualification of or filing with any United States court or governmental agency or body having jurisdiction over the Issuer, the Guarantor, any of their respective subsidiaries or any of their respective properties is required for the issue and sale of the Securities by the Issuer and the Guarantor or the consummation by the Issuer or the Guarantor of the other transactions contemplated by this Agreement or the Indenture, except such as have been obtained and made under the Act and the Trust Indenture Act and such consents, approvals, authorizations registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the issuance and distribution of the Securities under this Agreement;

(ix) The documents incorporated by reference in the Prospectus (other than the financial statements, the related schedules and financial exhibits and other financial and statistical information included therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to

form in all material respects with the requirements of the Act, the Rules and Regulations, the Exchange Act and the rules and regulations thereunder, as applicable; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, in the case of a registration statement which became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; and

(x) Each Registration Statement has become effective under the Act, and, to the best of the knowledge of such counsel, no stop order suspending the effectiveness of any Registration

8.

Statement or of any part thereof has been issued and no proceedings for that purpose have been instituted or are pending or contemplated under the Act; each Registration Statement, as of its effective date, each Registration Statement and the Prospectus, as of the Closing Date, and any amendment or supplement thereto, as of its date (other than the financial statements, related schedules and financial exhibits and other financial and statistical information included therein, as to which such counsel need express no opinion), complied as to form in all material respects with the requirements of the Act, the Trust Indenture Act and the Rules and Regulations; such counsel has no reason to believe that any such registration statement, as of its effective date, any Registration Statement or the Prospectus, as of the Closing Date, or any such amendment or supplement, as of its date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading; the descriptions in each Registration Statement and the Prospectus of statutes, legal and governmental proceedings and contracts and other documents are accurate and fairly present the information required to be shown; provided, such counsel need express no opinion with respect to any statement contained in or omitted from any Registration Statement or the Prospectus in reliance upon or in conformity with written information furnished to the Issuer or the Guarantor by any Agent, expressly for use in any Registration Statement or Prospectus; and

(xi) Such counsel does not know of any contracts or other documents of a character required to be filed as an exhibit to any Registration Statement or required to be incorporated by reference into the Prospectus or required to be described in any Registration Statement or the Prospectus which are not filed or incorporated by reference or described as required; and

(xii) Confirming the accuracy of the statements set forth in the Prospectus, as amended or supplemented, under the caption "United States Tax

Considerations" as of such Closing Date.

(e) At the Closing Date, the Agents shall have received a certificate, dated the Closing Date, of the Chief Financial Officer, the Treasurer or any Assistant Treasurer and the Secretary or any Assistant Secretary of the Issuer and the Guarantor, respectively, in which such officers, to the best of their knowledge after reasonable investigation, shall state that (i) the representations and warranties of the Issuer and the Guarantor in this Agreement are true and correct, (ii) the Issuer and the Guarantor each has complied with all agreements and satisfied all conditions on its respective part to be performed or satisfied hereunder at or prior to the Closing Date, (iii) no stop order suspending the effectiveness of any Registration Statement or of any part thereof has been issued and no proceedings for that purpose have been instituted or are contemplated by the Commission, (iv) subsequent to the date of the most recent financial statements incorporated by reference in the Prospectus there has been no material adverse change in the financial position or results of operations of the Issuer, the Guarantor and their respective subsidiaries, except as set forth in or contemplated by the Prospectus or as described in such certificate; and (v) the documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act, the Rules and Regulations, the Exchange Act and the rules and regulations thereunder, as applicable; and such officers have no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, in the case of a registration statement which became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading.

(f) At the Closing Date, the Agents shall have received letters, dated the Closing Date, of Coopers & Lybrand or any successor, stating in effect that:

9.

(i) They are independent certified public accountants with respect to the Issuer and the Guarantor within the meaning of the Act and the applicable published Rules and Regulations thereunder;

(ii) In their opinion, the consolidated financial statements and any supplementary financial information and schedules audited by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act, the related Rules and Regulations thereunder, the Exchange Act and the related rules and regulations thereunder,

as applicable;

(iii) In their opinion, the unaudited selected financial information with respect to the consolidated results of operations and financial position of the Guarantor for the five most recent fiscal years included or incorporated by reference in the Prospectus or in Item 6 of the Guarantor's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for the five such fiscal years which were included or incorporated by reference in the Guarantor's Annual Reports on Form 10-K for such fiscal years;

(iv) If applicable, in their opinion, the unaudited selected financial information with respect to the consolidated results of operations and financial position of the Issuer for the five most recent fiscal years included or incorporated by reference in the Prospectus or in Item 6 of the Issuer's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for the five such fiscal years which were included or incorporated by reference in the Issuer's Annual Reports on Form 10-K for such fiscal years;

(v) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim consolidated financial statements of the Issuer and the Guarantor as consolidated with their respective subsidiaries, inspection of the minute books of the Issuer, the Guarantor and their respective significant subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Issuer, the Guarantor and their respective significant subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited condensed consolidated earnings statement, consolidated balance sheet and consolidated cash flows statement included or incorporated by reference in the Guarantor's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related published rules and regulations thereunder or that any material modification should be made to them in order for them to be in conformity with generally accepted accounting principles;

(B) if applicable, the unaudited condensed consolidated earnings statement, consolidated balance sheet and consolidated cash flows statement included or incorporated by reference in the Issuer's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related

published rules and regulations thereunder or that any material modification should be made to them in order for them to be in conformity with generally accepted accounting principles;

(C) any unaudited pro forma condensed consolidated financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material

10.

respects with the applicable accounting requirements of the Act and the published Rules and Regulations thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements, except as disclosed and with which they concur;

(D) as of a specified date not more than five days prior to the Closing Date, there have been any changes in the outstanding capital stock (other than, in the case of the Guarantor, issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares, and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus, and upon grants or cancellations of restricted stock and issuances of capital stock pursuant to the Profit Sharing Plan, Dividend Reinvestment and Stock Purchase Plan) or any increase in the consolidated long-term debt of the Issuer and the Guarantor and their respective subsidiaries (other than normal fluctuations in the outstanding amount of commercial paper classified as long-term in accordance with generally accepted accounting principles), or any increase in short-term notes payable in excess of 100%, or any decreases in consolidated net current assets or net assets or other items specified by the Agents, or any increases in any items specified by the Agents, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(E) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in Clause (D) there were any decreases in consolidated total revenues, net earnings or, in the case of the Guarantor, net earnings or net earnings per share or, if for a fiscal quarter, the ratio of earnings to fixed charges or other items specified by the Agents, or any increases in any items specified by the Agents, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Agents, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(vi) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the

limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraph (v) above, they have carried out certain specified procedures, not constituting an examination in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Agents which are derived from the general accounting records of the Issuer, the Guarantor and their respective subsidiaries, which appear in the Prospectus (including specified documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Agents, and have compared certain of such amounts, percentages and financial information with the accounting records of, or if approved by the Agents, schedules prepared by, the Issuer, the Guarantor and their respective subsidiaries and have found them to be in agreement.

All financial statements, schedules, financial exhibits and other financial information included in material incorporated by reference into the Prospectus shall be deemed included in the Prospectus for purposes of this subsection.

(g) The Agents shall have received from Brobeck, Phleger & Harrison, counsel for the Agents, such opinion or opinions, dated the Closing Date, with respect to the incorporation of the Issuer and Guarantor, the validity of the Securities, the applicable Registration Statement, the Prospectus and other related matters as they may require, and the Issuer and the Guarantor shall have furnished to such counsel such documents as they reasonably request for the purpose of enabling them to pass upon such matters.

The Issuer and the Guarantor will furnish the Agents with such conformed copies of such opinions, certificates, letters and documents as they reasonably request.

11.

6. ADDITIONAL COVENANTS OF THE ISSUER AND THE GUARANTOR. The Issuer and the Guarantor agree, jointly and severally, that:

(a) Each acceptance by the Issuer of an offer for the purchase of Securities shall be deemed to be an affirmation that its and the Guarantor's respective representations and warranties contained in this Agreement are true and correct at the time of such acceptance and a covenant that such representations and warranties will be true and correct at the settlement date for the sale of the Securities relating to such acceptance, as though made at and as of each such time, it being understood that such representations and warranties shall relate to the applicable Registration Statement and the Prospectus, as amended or supplemented, at each such time. Each such acceptance by the Issuer of an offer for the purchase of Securities shall be deemed to constitute an additional representation, warranty and agreement by the Issuer and the Guarantor that, as of the settlement date for the sale of such Securities, after giving effect to the issuance of such Securities, any other

Securities to be issued on or prior to such settlement date and any other Registered Securities to be issued and sold by the Issuer and/or the Guarantor on or prior to such settlement date, the aggregate amount of Registered Securities (including any Securities) which have been issued and sold by the Issuer and the Guarantor will not exceed the amount of Registered Securities registered pursuant to the applicable Registration Statement.

(b) Each time that each Registration Statement or the Prospectus shall be amended or supplemented, the Issuer and the Guarantor shall, concurrently with such amendment or supplement, furnish the Agents with a certificate, dated the date of delivery thereof, of the Chief Financial Officer, the Treasurer or any Assistant Treasurer and the Secretary or any Assistant Secretary of the Issuer and the Guarantor, respectively, in form satisfactory to the Agents, to the effect that the statements contained in the certificate covering the matters set forth in Section 5(e) hereof which was last furnished to the Agents are true and correct at the time of such amendment or supplement, as though made at and as of such time (except that such statements shall be deemed to relate to the applicable Registration Statement and the Prospectus, as amended or supplemented at such time, and except that the statements contained in the certificate covering the matters set forth in clause (ii) of Section 5(e) shall be deemed to relate to the time of delivery of such certificate) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in Section 5(e), modified as necessary to relate to the applicable Registration Statement and the Prospectus, as amended or supplemented at the time of delivery of such certificate, and, in the case of the matters set forth in clause (ii) of Section 5(e), to the time of delivery of such certificate; PROVIDED, HOWEVER, that such requirement shall only apply to amendments or supplements by Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K, unless specifically requested in writing by any of the Agents. If the Issuer is not accepting offers to purchase the Securities at the time of a Representation Date and does not anticipate accepting offers to purchase the Securities prior to the filing of either the Issuer's or the Guarantor's next succeeding Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, then no such certificate covering such periods shall be required until the Issuer determines to solicit offers to purchase the Securities. Once the Issuer has made such determination, such a certificate must be delivered prior to the settlement of the first purchase of any Securities after such withdrawal from the market.

(c) The Issuer shall, as soon as practicable after each Representation Date referred to in Section 6(b), furnish the Agents with a written opinion or opinions, dated as of the date of such Representation Date, of counsel for the Issuer and the Guarantor, in form satisfactory to the Agents, to the effect set forth in Section 5(d) hereof, but modified, as necessary, to relate to the applicable Registration Statement and the Prospectus, as amended or supplemented at such Representation Date; PROVIDED, HOWEVER, that in lieu of such opinion or opinions, counsel may furnish the Agents with a letter or letters to the effect that the Agents may rely on a prior opinion delivered under Section 5(d) or this Section 6(c) to the same extent as if it were dated as of the date of such letter (except that statements in such prior opinion shall be deemed to relate to the applicable Registration Statement and the

Prospectus, as amended or supplemented at such Representation Date); PROVIDED further, that such opinion or opinions shall only be required for amendments or supplements by Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K, unless specifically

12.

requested in writing by any of the Agents. If the Issuer is not accepting offers to purchase the Securities at the time of a Representation Date and does not anticipate accepting offers to purchase the Securities prior to the filing of either the Issuer's or the Guarantor's next succeeding Quarterly Report on Form 10-Q or the Annual Report on Form 10-K, as the case may be, then no opinions or letters covering such periods shall be required until the Issuer determines to solicit offers to purchase the Securities. Once the Issuer has made such determination, an opinion or letter must be delivered prior to the settlement of the first purchase of any Securities after such withdrawal from the market.

(d) The Issuer shall cause Coopers & Lybrand or its successor, as soon as practicable, after each Representation Date referred to in Section 6(b) on which each Registration Statement or the Prospectus shall be amended or supplemented to include additional financial information, to furnish the Agents with a letter or letters, addressed to the Issuer and the Agents and to the Guarantor and the Agents and, in each case, dated as of such Representation Date, in form and substance satisfactory to the Agents, to the effect set forth in Section 5(f) hereof but modified to relate to the applicable Registration Statement and the Prospectus, as amended or supplemented, at such Representation Date, with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Issuer and the Guarantor; PROVIDED, HOWEVER, that, except as otherwise requested by the Agents, such letters shall be required only for amendments or supplements by Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K, unless specifically requested in writing by any of the Agents; PROVIDED, FURTHER, that if the applicable Registration Statement or the Prospectus is amended or supplemented solely to include financial information as of and for a fiscal quarter, Coopers & Lybrand or its successor may limit the scope of such letter to the unaudited financial statements included in such amendment or supplement unless there is contained therein any other accounting, financial or statistical information that, in the reasonable judgment of the Agents, should be covered by such letter, in which event such letter shall also cover such other information and procedures as shall be agreed upon by the Agents. If the Issuer is not accepting offers to purchase the Securities at the time of a Representation Date and does not anticipate accepting offers to purchase the Securities prior to the filing of either the Issuer's or the Guarantor's next succeeding Quarterly Report on Form 10-Q or the next Annual Report on Form 10-K, as the case may be, then no comfort letters covering such periods shall be required until the Issuer determines to solicit offers to purchase the Securities. Once the Issuer has made such determination, a comfort letter or letters shall be required prior to the settlement of the first purchase of any Securities after such withdrawal

from the market and shall cover the periods from the later of the date of the balance sheet covered by the last available comfort letter or the most recently reported audited financial information in the Annual Report on Form 10-K up to the date not more than five days prior to the date of such letter.

(e) On each settlement date for the sale of Securities, the Issuer and the Guarantor shall, if in the reasonable judgment of the counsel for the Agents a written opinion of counsel for the Issuer and the Guarantor is necessary or advisable in connection with such settlement, furnish the Agent selling or purchasing such Securities with a written opinion of counsel, dated as of the date of delivery thereof, in form satisfactory to such Agent, to the effect set forth in clauses (i), (v) and (vi) of Section 5(d) hereof, but modified, as necessary, to relate to the Prospectus, as amended or supplemented at such settlement date, and except that such opinion shall state that the Securities being sold by the Issuer and the Guarantor on such settlement date, when delivered against payment therefor as provided in the Indenture and this Agreement (and assuming the due authentication, issuance and delivery of the Indenture by the Trustee), will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Issuer and the Guarantor, enforceable against the Issuer and the Guarantor in accordance with their terms, subject only to the exceptions as to enforcement set forth in clause (v) of Section 5(d) hereof, and will conform to the description thereof contained in the Prospectus, as amended or supplemented at such settlement date.

(f) The Issuer and Guarantor, jointly and severally, agree that any obligation of a person who has agreed to purchase Securities to make payment for and take delivery of such Securities shall be subject to (i) the accuracy, on the related settlement date fixed pursuant to the Procedures, of the Issuer's

13.

and the Guarantor's representation and warranty deemed to be made to the Agents pursuant to the last sentence of subsection (a) of this Section 6, and (ii) the satisfaction, on such settlement date, of each of the following conditions:

(i) No stop order suspending the effectiveness of any Registration Statement or of any part thereof shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Issuer, the Guarantor or any Agent, shall be contemplated by the Commission;

(ii) None of the Registration Statements nor the Prospectus, as amended or supplemented as of any Representation Date or such settlement date, as the case may be, shall contain an untrue statement of material fact or shall omit to state a material fact which is required to be stated therein or is necessary to make the statements therein not misleading; and

(iii) There shall not have occurred (i) any change, or any development involving a prospective change, in or affecting particularly the

business or properties of the Issuer, the Guarantor or any of their respective subsidiaries which materially impairs the investment quality of the Securities; (ii) any downgrading in the rating of the Issuer's or the Guarantor's debt securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act); (iii) any suspension or limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Issuer or the Guarantor on any exchange or in the over-the-counter market; (iv) any banking moratorium declared by Federal or New York authorities; or (v) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical or inadvisable to proceed with the sale and delivery of the Securities on the terms and in the manner contemplated in the Prospectus, as amended and supplemented.

#### 7. INDEMNIFICATION AND CONTRIBUTION.

(a) The Issuer and the Guarantor, jointly and severally, will indemnify and hold harmless each Agent against any losses, claims, damages or liabilities, joint or several, to which such Agent may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, the Prospectus, or any amendment or supplement thereto, or any related preliminary prospectus or preliminary prospectus supplement, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Agent for any legal or other expenses reasonably incurred by such Agent in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; PROVIDED, HOWEVER, that the Issuer and the Guarantor will not be liable to such Agent in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Issuer and the Guarantor by such Agent specifically for use therein.

(b) Each Agent will indemnify and hold harmless the Issuer and the Guarantor against any losses, claims, damages or liabilities to which the Issuer or the Guarantor may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in either Registration Statement, the Prospectus or any amendment or supplement thereto, or any related preliminary prospectus or preliminary prospectus supplement, or arise out of or are based upon the omission or the alleged

omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Issuer or the Guarantor by such Agent specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by the Issuer or the Guarantor in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred PROVIDED, HOWEVER, that such Agent will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of the offer or sale of Securities occurring after such Agent has notified the Issuer orally (confirmed in writing) that such information should no longer be used therein and such Agent does not thereafter deliver a Prospectus containing such information.

(c) Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under subsection (a) or (b) above, notify the indemnifying party of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party and who shall not be counsel to any other indemnified party who may have interests conflicting with those of such indemnified party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation.

(d) If the indemnification provided for in this Section 7 is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Guarantor on the one hand and any Agent on the other from the offering pursuant to this Agreement of the Securities which are the subject of the action or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuer and the Guarantor on the one hand and any Agent on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable

considerations. The relative benefits received by the Issuer and the Guarantor on the one hand and any Agent on the other shall be deemed to be in the same proportions as the total net proceeds from the offering pursuant to this Agreement of the Securities which are the subject of the action (before deducting expenses) received by the Issuer and the Guarantor bear to the total commissions received by such Agent from the offering of such Securities pursuant to this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer, the Guarantor or such Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Agent shall be required to contribute any amount in excess of the amount by which the total price at which the Securities which are the subject of the action and which were distributed to the public through it pursuant to this Agreement or upon resale of Securities purchased by it from the Issuer or the Guarantor exceeds the amount of any damages which

15.

such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of each Agent in this subsection (d) to contribute are several, in the same proportion which the amount of the Securities which are the subject of the action and which were distributed to the public through such Agent pursuant to this Agreement bears to the total amount of such Securities distributed to the public through all of the Agents pursuant to this Agreement, and not joint.

(e) The obligations of the Issuer and the Guarantor under this Section 7 shall be in addition to any liability which the Issuer or the Guarantor may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls each Agent within the meaning of the Act; and the obligations of each Agent under this Section 7 shall be in addition to any liability which each Agent may otherwise have and shall extend, upon the same terms and conditions, to each director of the Issuer and the Guarantor, to each officer of the Issuer and the Guarantor who has signed any Registration Statement and to each person, if any, who controls the Issuer or the Guarantor within the meaning of the Act.

8. STATUS OF EACH AGENT. In soliciting offers to purchase the Securities from the Issuer pursuant to this Agreement and in assuming its other

obligations hereunder (other than offers to purchase pursuant to Section 11), each Agent is acting individually and not jointly and is acting solely as agent for the Issuer and the Guarantor and not as principal. Each Agent will make reasonable efforts to assist the Issuer and the Guarantor in obtaining performance by each purchaser whose offer to purchase Securities from the Issuer has been solicited by such Agent and accepted by the Issuer, but such Agent shall have no liability to the Issuer or the Guarantor in the event any such purchase is not consummated. If the Issuer or the Guarantor shall default on any of their respective obligations to deliver Securities to a purchaser whose offer it has accepted, the Issuer and the Guarantor (i) shall hold the Agents harmless against any loss, claim or damage arising from or as a result of such default by the Issuer or the Guarantor, and (ii) in particular, shall pay to the Agents any commission to which they would be entitled in connection with such sale.

9. SURVIVAL OF CERTAIN REPRESENTATIONS AND OBLIGATIONS. The respective indemnities, agreements, representations, warranties and other statements of the Issuer and the Guarantor or their respective officers and of the Agents set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Agent, the Issuer, the Guarantor or any of their respective representatives, officers or directors or any controlling person and will survive delivery of any payment for the Securities. If this Agreement is terminated pursuant to Section 10 or for any other reason, the Issuer and the Guarantor shall remain jointly and severally responsible for the expenses to be paid or reimbursed by them pursuant to Section 4(h) and the obligations of the Issuer and the Guarantor under Sections 4(d) and 4(g) and the respective obligations of the Issuer, the Guarantor and the Agents pursuant to Section 7 shall remain in effect. In addition, if any such termination shall occur either (i) at a time when any Agent shall own any of the Securities with the intention of reselling them or (ii) after the Issuer and the Guarantor have accepted an offer to purchase Securities and prior to the related settlement, the obligations of the Issuer and the Guarantor under the last sentence of Section 4(b), under Sections 4(a), 4(c), 4(e), 4(f), 6(a), 6(e) and 6(f) and, in addition, in the case of a termination occurring as described in (ii) above, under Section 3(c) and under the last sentence of Section 8, shall also remain in effect.

10. TERMINATION. This Agreement may be terminated for any reason at any time by the Issuer and the Guarantor as to any Agent or by any Agent, insofar as this Agreement relates to such Agent, upon the giving of one day's written notice of such termination to the other parties hereto. Any settlement with respect to Securities placed by an Agent occurring after termination of this Agreement shall be made in accordance with the Procedures and each Agent agrees, if requested by the Issuer and the Guarantor, to take the steps therein provided to be taken by such Agent in connection with such settlement.

11. PURCHASES AS PRINCIPAL. From time to time any Agent may agree with the Issuer and the Guarantor to purchase Securities from the Issuer as principal, in which case such purchase shall be made in accordance with the terms of a separate agreement (a "Purchase Agreement") to be entered into among such Agent, the Issuer and the Guarantor in the form attached hereto as Exhibit C, or pursuant to such other agreement as the Agent, the Issuer and the Guarantor shall agree. A Purchase Agreement, to the extent set forth therein, may incorporate by reference specified provisions of this Agreement.

12. SALES OF SECURITIES DENOMINATED IN A CURRENCY OTHER THAN U.S. DOLLARS. If at any time the Issuer and any of the Agents shall determine to issue and sell Securities denominated in a currency other than U.S. dollars, which other currency may include a composite currency, the Issuer, the Guarantor and any such Agent shall execute and deliver to one another a Foreign Currency Amendment in the form attached hereto as EXHIBIT "D". The Foreign Currency Amendment shall establish, as appropriate, additions to and modifications of the terms of this Agreement, which additions and modifications shall apply to the sales, whether offered on an agency or principal basis, of Securities denominated in the currency covered thereby.

13. NOTICES. Except as otherwise provided herein, all notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to CS First Boston Corporation shall be directed to it at Park Avenue Plaza, New York, New York 10055, Attention: Irma Serrano; notices to Salomon Brothers Inc shall be directed to it at Seven World Trade Center, 31st Floor, New York, New York 10048, Attention: Medium Term Note Department; notices to UBS Securities Inc. shall be directed to it at 299 Park Avenue, New York, New York 10171, Attention: Richard Messina; and notices to the Issuer and the Guarantor shall be directed to them at 1201 West Fifth Street, Los Angeles, California 90017, Attention: Treasurer; or in the case of any party hereto, to such other address or person as such party shall specify to each other party by a notice given in accordance with the provisions of this Section 13. Any such notice shall take effect at the time of receipt.

14. SUCCESSORS. This Agreement will inure to the benefit of and be binding upon the parties hereto, their respective successors, the officers and directors and controlling persons referred to in Section 7 and, to the extent provided in Section 6(f), any person who has agreed to purchase Securities from the Issuer, and no other person will have any right or obligation hereunder.

15. GOVERNING LAW; COUNTERPARTS. This Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement may be executed in counterparts and the executed counterparts shall together constitute a single instrument.

If the foregoing correctly sets forth our agreement, please indicate your acceptance hereof in the space provided for that purpose below.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

By: \_\_\_\_\_

Name:  
Title:

UNOCAL CORPORATION

By: \_\_\_\_\_

Name:  
Title:

CONFIRMED AND ACCEPTED,  
as of the date first above written:

CS FIRST BOSTON CORPORATION

By: \_\_\_\_\_

Name:  
Title:

SALOMON BROTHERS INC

By: \_\_\_\_\_

Name:  
Title:

UBS SECURITIES INC.

By: \_\_\_\_\_

Name:  
Title:

## EXHIBIT A

The Issuer and the Guarantor agree to pay jointly an Agent a commission equal to the following percentage of the principal amount of Securities sold to purchasers solicited by such Agent:

<TABLE>  
<CAPTION>

Term(a) -----	Commission Rate (as a percentage of PRINCIPAL amount) (b) -----
<S>	<C>
9 months to less than 12 months	.125%
12 months to less than 18 months	.150
18 months to less than 24 months	.200
24 months to less than 30 months	.250
30 months to less than 3 years	.300
3 years to less than 4 years	.350
4 years to less than 5 years	.450
5 years to less than 7 years	.500
7 years to less than 10 years	.550
10 years to less than 20 years	.600
20 years to less than 30 years	.750
30 years to less than 40 years	.875
40 years or more	To be negotiated at the time of sale

<FN>

-----  
(a) With respect to any Security that is subject to redemption, repayment or purchase by the Issuer at the option of the holder thereof, the Term of such

Security shall be deemed to end on the earliest redemption, repayment or purchase date specified in such Security.

(b) With respect to any Security that is a "Original Issue Discount Note", as defined in the Prospectus Supplement, the commission payable with respect to the sale of such Security shall be based on the purchase price of such Security.

</TABLE>

A-1

## EXHIBIT B

### ADMINISTRATIVE PROCEDURES

The Medium-Term Notes, Series C, due nine months or more from their date of issue (the "Notes") are to be offered on a continuing basis by Union Oil Company of California (the "Issuer") and guaranteed as to payment of principal, interest, and premium, if any, by Unocal Corporation, a Delaware corporation (the "Guarantor"). CS First Boston Corporation, Salomon Brothers Inc and UBS Securities Inc., as agents (individually, an "Agent" and collectively, the "Agents"), have each agreed to use reasonable efforts to solicit offers to purchase the Notes. None of the Agents will be obligated to purchase Notes for its own account. The Notes are being sold pursuant to an Agency Agreement, dated \_\_\_\_\_, 1994 (the "Agency Agreement"), among the Issuer, the Guarantor and the Agents, and will be issued pursuant to an Indenture, dated as of \_\_\_\_\_, 1994 (the "Indenture"), among the Issuer, the Guarantor and Chemical Trust Company of California, as trustee (the "Trustee"), which incorporates the Standard Multiple-Series Indenture Provisions, January 1991, of the Issuer and the Guarantor dated as of January 2, 1991. The Notes will rank equally with all other unsecured and unsubordinated indebtedness of the Issuer and the Guarantor and will have been registered with the Securities and Exchange Commission (the "Commission").

The Notes will be represented by either book-entry notes delivered to The Depository Trust Company ("DTC") or its nominee and recorded in the book-entry system maintained by DTC ("Book-Entry Notes") or a certificate delivered to the Holder thereof or a Person designated by such Holder ("Certificated Notes"). Beneficial owners of Book-Entry Notes will not be entitled to receive a certificate representing such Notes.

Administrative and record-keeping responsibilities will be handled for the Issuer and the Guarantor by its Treasury Department. The Issuer and the Guarantor will advise the Agents in writing of those persons handling administrative responsibilities with whom the Agents are to communicate regarding offers to purchase Notes and the details of their delivery. Administrative procedures and certain terms of the offering are explained below: Part I indicating specific procedures for Certificated Notes; Part II indicating specific procedures for Book-Entry Notes; and Part III indicating procedures

applicable to all Notes. To the extent that the procedures set forth below conflict with the provisions of the Notes or the Indenture, the terms of the Notes or the Indenture shall control. Unless otherwise defined herein, terms defined in the Indenture (or any applicable Board Resolution referred to therein related to the Notes) shall be used herein as therein defined.

## PART I: ADMINISTRATIVE PROCEDURES FOR CERTIFICATED NOTES

### PRICE TO PUBLIC

Unless a discount or premium is agreed to and set forth in a Pricing Supplement, each Certificated Note will be issued at 100% of principal amount.

### REGISTRATION

Certificated Notes will be issued only in fully registered form.

### DENOMINATIONS

The denominations of the Certificated Notes will be \$1,000 and integral multiples of \$1,000 in excess thereof.

B-1

### ISSUE DATE

Each Certificated Note will be dated the date of its authentication. Each Certificated Note will also bear an original issue date (the "Issue Date") which, with respect to any such Note (or portion thereof), shall mean the date of its original issuance and shall be specified therein. The Issue Date shall remain the same for all Notes subsequently issued upon transfer, exchange or substitution of a Certificated Note, regardless of their dates of authentication.

### INTEREST PAYMENT

Each Certificated Note will bear interest from and including its Issue Date, or in the case of Certificated Notes issued upon transfer or exchange, from the most recent Interest Payment Date (as defined at "Calculation of and Payment Dates for Interest" in Part III below) to which interest has been paid to or provided for, but excluding the maturity date of such Note; PROVIDED, HOWEVER, that a Floating Rate Certificated Note (as defined in "Calculation of and Payment Dates for Interest" in Part III below) which has a rate of interest that is reset daily or weekly will bear interest from and including its Issue Date or the day following the most recent Regular Record Date (as defined at "Calculation of and Payment Dates for Interest" in Part III below) to which interest on such Note has been paid or provided for. Interest will be payable to the person in whose name the Certificated Note is registered at the close of business on the Regular Record Date next preceding the Interest Payment Date (as

defined below); PROVIDED, HOWEVER, that interest payable at any Redemption Date or at the Stated Maturity will be payable to the person to whom principal shall be payable.

For interest payments on Certificated Notes of \$10,000,000 or more in principal amount, the purchaser may elect at any time to have payment made in immediately available funds. Interest payments on Certificated Notes of less than \$10,000,000 in principal amount will be made in immediately available funds only if agreed to on a case-by-case basis by the Issuer and otherwise will be made by check mailed on the Interest Payment Date to the person entitled thereto as provided above (except that interest payments made at any Redemption Date or at the Stated Maturity will be made as described below under "Maturity"). Interest payments will not be made in immediately available funds unless written instructions have been presented to the Trustee (or any duly appointed Paying Agent) at least 15 days before the Regular Record Date. The Issuer or the Guarantor will provide the Trustee (or any such Paying Agent) with funds available for immediate use for such purpose.

On the fifth Business Day (as defined at "Business Day" in Part III below) immediately preceding each Interest Payment Date, the Trustee will furnish the Issuer and the Guarantor with the total amount of the interest payments to be made on such Interest Payment Date. The Trustee will provide monthly to the Issuer's and the Guarantor's Treasury Department a list of the principal and interest to be paid on Certificated Notes maturing in the next succeeding month. The Trustee will assume responsibility for withholding taxes on interest paid as required by law.

#### CONFIRMATION

For each accepted offer, the Presenting Agent (as defined under "Details for Settlement" in this Part I) will promptly issue a confirmation to the purchaser, with a separate confirmation promptly dispatched to the Issuer's Treasury Department, setting forth the Purchase Information (as defined under "Details for Settlement" in this Part I) and delivery and payment instructions; PROVIDED, HOWEVER, no confirmation shall be delivered to the purchaser prior to the delivery of the Prospectus referred to in Part III below.

B-2

#### DETERMINATION OF SETTLEMENT DATE

The receipt of immediately available funds by the Issuer in payment for a Certificated Note and the authentication and issuance of such Note shall, with respect to such Note, constitute "settlement." All offers accepted by the Issuer will be settled on the fifth Business Day next succeeding the date of acceptance unless otherwise agreed by any purchaser, the Trustee and the Issuer. The settlement date shall be specified upon receipt of an offer. Prior to 11:00 a.m., New York City time, on the settlement date, the Issuer will instruct the Trustee to authenticate and deliver the Certificated Notes no later than 2:15

p.m., New York City time, on that day.

#### DETAILS FOR SETTLEMENT

For each offer accepted by the Issuer, the Agent who presented such offer (the "Presenting Agent") shall communicate to the Issuer's Treasury Department by telephone, facsimile transmission or other acceptable means the following information (the "Purchase Information"):

1. Exact name in which the Certificated Note or Notes are to be registered ("registered owner").
2. Exact address of registered owner and, if different, the address for delivery, notices and payment of principal and interest.
3. Taxpayer identification number of registered owner.
4. Principal amount of each Certificated Note in authorized denominations to be delivered to registered owner.
5. The issue price, interest rate, with respect to the Fixed Rate Certificated Notes (as defined at "Calculation of and Payment Dates for Interest" in Part III below) and with respect to Floating Rate Certificated Notes, the Initial Interest Rate, the interest rate basis, the Spread or Spread Multiplier, the maximum or minimum interest rates, if any, the Index Maturity, the Interest Reset Date, Calculation Date, Interest Determination Date, and the Interest Payment Date (as such terms are defined in the Prospectus Supplement relating to the Notes, dated \_\_\_\_\_, 1994, attached hereto and hereinafter referred to as the "Prospectus Supplement") of each Certificated Note.
6. Stated Maturity of each Certificated Note.
7. Issue Date of each Certificated Note.
8. Earliest Redemption Date of each Certificated Note, if any.
9. Settlement date for each Certificated Note.
10. Presenting Agent's commission (to be paid in the form of a discount from the proceeds remitted to the Issuer upon settlement).
11. If a Note is an Original Issue Discount Security ("Original Issue Discount Note"), the yield to Maturity and the initial accrual period of original issue discount.

The Issue Date of, and the settlement date for, any Certificated Note will be the same. Before accepting any offer to purchase any Certificated Notes

to be settled in less than three days, the Issuer shall verify that the Trustee will have adequate time to prepare and authenticate such certified Notes.

After receiving the details for each offer from the Presenting Agent, the Issuer will, after recording the details and any necessary calculations, communicate the Purchase Information by facsimile transmission or other acceptable means, to the Trustee. Prior to preparing the Certificated Notes for delivery, the Trustee will confirm the Purchase Information by telephone with the Presenting Agent. The Trustee will assign to and enter on each Certificated Note a transaction number.

#### SETTLEMENT: NOTE DELIVERIES AND CASH PAYMENT

Upon the receipt of appropriate documentation and instructions from the Issuer and verification thereof, the Trustee will cause the Certificated Notes to be prepared, authenticated and delivered as provided below:

The Trustee will deliver the Certificated Notes to the Presenting Agent in accordance with facsimile instructions from the Issuer. On the same date as delivery of the Certificated Notes, the Presenting Agent will make payment in immediately available funds to the Issuer's depository account with the Trustee in an amount equal to the face amount of the Certificated Notes (or in the case of Original Issue Discount Certificated Notes, the Issue Price (as defined at "Original Issue Discount Notes and Zero Coupon Notes" in Part III below)) less the Presenting Agent's commission.

The Presenting Agent, as the Issuer's and the Guarantor's agent, will deliver the Certificated Notes to the purchaser thereof against payment by such purchaser in immediately available funds. Delivery of any Certificated Note will be made in compliance with "Delivery of Prospectus" in Part III below.

#### FAILURES

In the event that a purchaser shall fail to accept delivery of and make payment for a Certificated Note on the settlement date, the Presenting Agent will notify the Trustee and the Issuer, by telephone, confirmed in writing. If the Certificated Note has been delivered to the Presenting Agent, as the Issuer's and the Guarantor's agent, the Presenting Agent shall return such Certificated Note to the Trustee for cancellation. If funds have been advanced by the Presenting Agent for the purchase of such Certificated Note, the Issuer shall return the amount so advanced by the Presenting Agent in immediately available funds. Such payments will be made by the Issuer on the settlement date, if possible, and in any event not later than the Business Day following the settlement date. If such failure shall have occurred for any reason other than the failure of the Presenting Agent to provide the Purchase Information to the Issuer or to provide a confirmation to the purchaser, the Issuer will reimburse the Presenting Agent on an equitable basis for its loss of the use of funds during the period when they were credited to the account of the Issuer.

Immediately upon receipt of the Certificated Note in respect of which

the failure occurred, the Trustee will (or, if there is a Security Registrar, will cause the Security Registrar to) make appropriate entries to reflect the fact that the Certificated Note was never issued and will cancel the Certificated Note.

#### MATURITY

Upon presentation of each Certificated Note at any Redemption Date or at the Stated Maturity, the Trustee (or any duly appointed Paying Agent) will pay the principal amount thereof (and premium, if any), together with accrued interest due to such date. Such payment shall be made in immediately available funds, provided that the Certificated Note is presented to the Trustee (or any such Paying Agent) in time for the

B-4

Trustee (or such Paying Agent) to make payments in such funds in accordance with its normal procedures. The Issuer will provide the Trustee (and any such Paying Agent) with funds available for immediate use for such purpose. Certificated Notes presented at any Redemption Date or at the Stated Maturity will be cancelled by the Trustee as provided in the Indenture.

#### PART II: ADMINISTRATIVE PROCEDURES FOR BOOK-ENTRY NOTES

In connection with the qualification of the Book-Entry Notes for eligibility in the book-entry system maintained by DTC, the Trustee will perform the custodial, document control and administrative functions described below, in accordance with its obligations under a Letter of Representations (the "Letter") from the Issuer and the Trustee to DTC dated as of the date hereof, and a Medium-Term Note Certificate Agreement between Chemical Bank, as agent for the Trustee, and DTC dated as of December 2, 1988, and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement System ("SFDS").

#### ISSUANCE

All Book-Entry Notes having the same Issue Date, interest rate and Stated Maturity will be represented initially by a single depository note (the "Global Note") in fully registered form without coupons. Each Global Note will be dated and issued as of the date of its authentication by the Trustee. Each Global Note will bear an "Original Issue Date," which will be (i) with respect to an original Global Note (or any portion thereof), its Issue Date, and (ii) following a consolidation of Global Notes, the most recent Interest Payment Date to which interest has been paid or duly provided for on the predecessor Global Notes, regardless of the date of authentication of such subsequently issued Global Note. No Global Note will represent any Certificated Note.

#### IDENTIFICATION NUMBERS

The Issuer has arranged with the CUSIP Service Bureau of Standard & Poor's Corporation (the "CUSIP Service Bureau") for the reservation of a series of CUSIP numbers (including tranche numbers), such series consisting of approximately 870 CUSIP numbers and relating to Global Notes representing Book-Entry Notes. The Issuer has obtained from the CUSIP Service Bureau a written list of such reserved CUSIP numbers and has delivered it to the Trustee and DTC. The Trustee will assign CUSIP numbers serially to Global Notes as described below under Settlement Procedure "C" in "Details for Settlement" and "Settlement Procedures Timetable." DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that the Trustee has assigned to Global Notes. The Trustee will notify the Issuer at any time when fewer than 100 of the reserved CUSIP numbers remain unassigned to Global Notes; and the Issuer will reserve an additional 900 CUSIP numbers for assignment to Global Notes representing Book-Entry Notes. Upon obtaining such additional CUSIP numbers, the Issuer shall deliver a list of such additional CUSIP numbers to the Trustee and DTC.

## REGISTRATION

Each Global Note will be registered in the name of Cede & Co., as nominee for DTC, on the Security Register maintained under the Indenture. The beneficial owner of a Book-Entry Note (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Note, the "Participants") to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such Note in the account of such Participants. The ownership interest of such beneficial owner in such Note will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.

B-5

## TRANSFERS

Transfers of a Book-Entry Note will be accomplished by book entries made by DTC and, in turn, by Participants (and, in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such Note.

## EXCHANGES

The Trustee may deliver to DTC and the CUSIP Service Bureau at any time a written notice of consolidation (a copy of which shall be attached to the Global Note resulting from such consolidation) specifying (i) the CUSIP numbers of two or more outstanding Global Notes that represent Book-Entry Notes having the same interest rate and Stated Maturity, and for which interest has been paid to the same date, (ii) a date, occurring at least thirty days after such written notice is delivered and at least thirty days before the next Interest Payment Date for such Notes, on which such Global Notes shall be exchanged for a single

replacement Global Note and (iii) a new CUSIP number to be assigned to such replacement Global Note. Upon receipt of such a notice, DTC will send to its Participants (including the Trustee) a written reorganization notice to the effect that such exchange will occur on such date. Prior to the specified exchange date, the Trustee will deliver to the CUSIP Service Bureau a written notice setting forth such exchange date and the new CUSIP number and stating that, as of such exchange date, the CUSIP numbers of the Global Notes to be exchanged will no longer be valid. On the specified exchange date, the Trustee will exchange such Global Notes for a single Global Note bearing the new CUSIP number and a new Original Issue Date and the CUSIP numbers of the exchanged Global Notes will, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned.

#### DENOMINATION

The denominations of the Book-Entry Notes will be \$1,000 or any larger denomination which is an integral multiple of \$1,000. Global Notes will be denominated in principal amounts not in excess of \$150,000,000.

#### INTEREST

Each Book-Entry Note will bear interest from the most recent date to which interest has been paid or made available for payment on the Global Note representing such Book-Entry Note or, if no interest has been paid or made available for payment, from the Issue Date of the Global Note representing such Note, until the principal thereof is paid or made available for payment; PROVIDED, HOWEVER, that a Floating Rate Book-Entry Note which has a rate of interest that is reset daily or weekly will bear interest from and including its Issue Date or the day following the most recent Regular Record Date to which interest on such Note has been paid or provided for. Interest payable at the maturity of a Book-Entry Note will be payable to the Person to whom the principal of such Note is payable. Standard & Poor's Corporation will use the information received in the pending deposit message described below under Settlement Procedure "C" in "Details for Settlement" and "Settlement Procedures Timetable" to include the amount of any interest payable and certain other information regarding the related Global Note in the appropriate daily bond report published by Standard & Poor's Corporation.

#### PAYMENTS OF PRINCIPAL AND INTEREST

(a) PAYMENTS OF INTEREST ONLY. Promptly after each Regular Record Date, the Trustee will deliver to the Issuer and DTC a written notice specifying by CUSIP number the amount of interest to be paid on each Global Note on the following Interest Payment Date (other than an Interest Payment Date coinciding with Maturity) and the total of such amounts. The Issuer will confirm with the Trustee the amount payable on

each Global Note on such Interest Payment Date. DTC will confirm the amount payable on each Global Note on such Interest Payment Date by reference to the daily bond reports published by Standard & Poor's Corporation. The Issuer will pay to the Trustee the total amount of interest due on such Interest Payment Date (other than at Maturity), the Trustee will pay such amount to DTC at the times and in the manner set forth at (c) below under "Manner of Payment". If any Interest Payment Date for a Book-Entry Note is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue on such payment for the period from and after such Interest Payment Date.

(b) PAYMENTS AT MATURITY. Promptly after each Record Date for an issue of Notes, the Trustee will deliver to the Issuer and DTC a written list of principal and interest to be paid on each Global Note maturing in the following month. The Issuer, the Trustee and DTC will confirm the amounts of such principal and interest payments with respect to each such Global Note on or about the fifth Business Day preceding the Maturity of such Global Note. The Issuer will pay to the Trustee, as the paying agent, the principal amount of such Global Note, together with interest due at such Maturity. Upon surrender of a Global Note, the Trustee will pay such amounts to DTC as the times and in the manner set forth at (c) below under "Manner of Payment". If any Maturity of a Global Note representing Book-Entry Notes is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue on such payment for the period from and after such Maturity. Promptly after payment to DTC of the principal and interest due at the Maturity of such Global Note, the Trustee will cancel such Global Note in accordance with the terms of the Indenture.

(c) MANNER OF PAYMENT. The total amount of any principal and interest due on Global Notes on any Interest Payment Date or at Maturity shall be paid by the Issuer to the Trustee in funds available as practicable thereafter on such date. The Issuer will make such payment on such Global Notes by wire transfer to the Trustee. The Issuer will confirm instructions regarding payment to the Trustee. Prior to 10:00 a.m., New York time, on each maturity date or as soon as possible thereafter, following receipt of such funds from the Issuer, the Trustee will pay by separate wire transfer (using Fedwire message entry instructions in a form previously specified by DTC) to an account at the Federal Reserve Bank of New York previously specified by DTC, in funds available for immediate use by DTC, each payment of principal (together with interest thereon) due on Global Notes on any maturity date. On each Interest Payment Date, an interest payment shall be made to DTC in same day funds in accordance with existing arrangements between the Trustee and DTC. Thereafter, on each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the representative Participants in whose names the Book-Entry Notes represented by such Global Notes are recorded in the book-entry system maintained by DTC. NEITHER THE ISSUER NOR THE TRUSTEE SHALL HAVE ANY DIRECT RESPONSIBILITY OR LIABILITY FOR THE PAYMENT BY DTC TO SUCH PARTICIPANTS OF THE PRINCIPAL OF AND INTEREST AND PREMIUM, IF ANY, ON THE BOOK-ENTRY NOTES.

(d) WITHHOLDING TAXES. The amount of any taxes required under applicable law to be withheld from any interest payment on a Book-Entry Note will be determined and withheld by the Participant, indirect participant in DTC or other person responsible for forwarding payments and materials directly to the beneficial owner of such Note.

## SETTLEMENT

The receipt by the Issuer of immediately available funds in payment for a Book-Entry Note and the authentication and issuance of the Global Note or Global Notes representing such Note shall constitute "settlement" with respect to such Note. All orders accepted by the Issuer will be settled from one to five Business Days from the date of the sale pursuant to the timetable for settlement set forth below unless the Issuer and the purchaser agree to settlement on a later date.

B-7

## DETAILS FOR SETTLEMENT

Settlement Procedures with regard to each Book-Entry Note sold by the Issuer through an Agent shall be as follows:

A. For each offer accepted by the Issuer, the Presenting Agent shall communicate to the Issuer's Treasury Department by telephone, facsimile transmission or other acceptable means the following Purchase Information:

1. Principal amount of each Book-Entry Note in authorized denominations to be delivered to DTC.
2. The issue price, interest rate, with respect to the Fixed Rate Book-Entry Notes and with respect to Floating Rate Book-Entry Notes, the Initial Interest Rate, the interest rate basis, the Spread or Spread Multiplier, the maximum or minimum interest rates, if any, the Index Maturity, the Interest Reset Date, Calculation Date, Interest Determination Date, and the Interest Payment date (as such terms are defined in the Prospectus Supplement) of each Book-Entry Note.
3. Stated Maturity of each Book-Entry Note.
4. If an Original Issue Discount Note, the yield to Maturity and the initial accrual period of original issue discount.
5. Issue Date of each Book-Entry Note.
6. Earliest Redemption Date of each Book-Entry Note, if any.
7. Settlement Date for each Book-Entry Note.

8. Presenting Agent's commission (to be paid in the form of a discount from the proceeds remitted to the Issuer upon settlement).

9. If an Original Issue Discount Note the yield to Maturity and the initial accrual period of original issue discount.

B. The Issuer will advise the Trustee by facsimile transmission of the settlement information set forth in Settlement Procedure "A" above and the name of the Presenting Agent.

C. The Trustee will assign a CUSIP number to the Global Note representing such Book-Entry Note and will telephone the Issuer and advise the Issuer of such CUSIP number. The Trustee will enter a pending deposit message through DTC's Participant Terminal System, providing the following settlement information to DTC (which shall route such information to Standard & Poor's Corporation) and the Presenting Agent.

1. The applicable information set forth in Settlement Procedure "A".

2. Initial Interest Payment Date, if any, for such Note, number of days by which such date succeeds the Regular Record Date and the amount of interest payable on such Interest Payment Date per \$1,000 principal amount of Book-Entry Notes.

3. CUSIP number of the Global Note representing such Note.

B-8

4. Whether such Global Note will represent any other Book-Entry Note (to the extent known at such time).

5. Interest payment periods.

6. Numbers of the participant accounts maintained by DTC on behalf of the Trustee and the Agent.

D. The Issuer will deliver (or will have delivered) to the Trustee a Global Note representing such Note.

E. The Trustee will complete and authenticate the Global Note representing such Note.

F. DTC will credit such Note to the Trustee's participant account at DTC.

G. The Trustee will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Note to the Trustee's participant account and credit such Note to the Presenting Agent's

participant account and (ii) debit the Presenting Agent's settlement account and credit the Trustee's settlement account for an amount equal to the price of such Note less the Presenting Agent's commission. The entry of such a deliver order shall constitute a representation and warranty by the Trustee to DTC that (i) the Global Note representing such Note has been executed, delivered and authenticated and (ii) the Trustee is holding such Global Note pursuant to the Medium-Term Certificate Agreement between the Trustee and DTC.

H. The Presenting Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC (i) to debit such Note to the Presenting Agent's participant account and credit such Note to the participant accounts of the Participants with respect to such Note and (ii) to debit the settlement accounts of such Participants and credit the settlement account of the Presenting Agent for an amount equal to the price of such Note.

I. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "G" and "H" will be settled in accordance with SDFS operating procedures in effect on the settlement date.

J. The Trustee, upon confirming receipt of such funds, will wire transfer the amount transferred to the Trustee in accordance with Settlement Procedure "G" above, in funds available for immediate use, for the account of "Union Oil Company of California, Depository Account No. 144-0-15017, Credit Medium-Term Note Program, Series C," at Chemical Bank, 450 West 33rd Street, New York, New York 10001.

K. The Presenting Agent will confirm the purchase of such Note to the purchaser either by transmitting to the Participants with respect to such Note a confirmation order or orders through DTC's institutional delivery system or by mailing a written confirmation to such purchaser.

SETTLEMENT PROCEDURES TIMETABLE

For orders of Book-Entry Notes solicited by the Presenting Agent, and accepted by the Issuer for settlement on the first Business Day after the sale date, Settlement Procedures "A" through "K" set forth above shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

B-9

<TABLE>  
<CAPTION>

Settlement Procedure -----	Time ----
<S>	<C>
A	11:00 a.m. on the sale date

B	12:00 Noon on the sale date
C	2:00 p.m. on the sale date
D	3:00 p.m. on the day before settlement date
E	9:00 a.m. on settlement date
F	10:00 a.m. on settlement date
G-H	2:00 p.m. on settlement date
I	4:45 p.m. on settlement date
J-K	5:00 p.m. on settlement date

</TABLE>

If a sale is to be settled two Business Days after the sale date, Settlement Procedures "A", "B" and "C" shall be completed as soon as practicable but not later than 11:00 a.m., 12:00 Noon and 2:00 p.m., as the case may be, on the first Business Day after the sale date.

If a sale is to be settled more than two Business Days after the sale date, Settlement Procedures "A", "B" and "C" shall be completed as soon as practicable but no later than 11:00 a.m., 12 Noon and 2:00 p.m., as the case may be, on the second Business Day after the sale date. Settlement Procedure "I" is subject to extension in accordance with any extension of Fedwire closing deadlines and in the other events specified in the SDFS operating procedures in effect on the settlement date.

If settlement of a Book-Entry Note is rescheduled or canceled, the Issuer shall notify the Trustee, and upon receipt of such notice, the Trustee will deliver to DTC, through DTC's Participant Terminal System, a cancellation message to such effect by no later than 2:00 p.m., New York City time, on the Business Day immediately preceding the scheduled settlement date.

#### FAILURE TO SETTLE

If the Trustee has not entered an SDFS deliver order with respect to a Book-Entry Note pursuant to Settlement Procedure "G", then upon written request (which may be evidenced by facsimile transmission) of the Issuer, the Trustee shall deliver to DTC, through DTC's Participant Terminal System, as soon as practicable, but no later than 2:00 p.m. on any Business Day, a withdrawal message instructing DTC to debit such Note to the Trustee's participant account. DTC will process the withdrawal message, provided that the Trustee's participant account contains a principal amount of the Global Note representing such Note that is at least equal to the principal amount to be debited. If withdrawal messages are processed with respect to all the Book-Entry Notes represented by a

Global Note, the Trustee will mark such Global Note "canceled", make appropriate entries in the Trustee' records and send such canceled Global Note to the Issuer in accordance with the Indenture. The CUSIP member assigned to such Global Note shall, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. If withdrawal messages are processed with respect to one or more, but not all, of the Book-Entry Notes represented by a Global Note, the Trustee will exchange such Global Note for two Global Notes, one of which shall represent such Note or Notes and shall be canceled immediately after issuance and the other of which shall represent the remaining Book-Entry Notes previously represented by the surrendered Global Note and shall bear the CUSIP number of the surrendered Global Note.

B-10

If the purchase price for any Book-Entry Note is not timely paid to the Participants with respect to such Note by the beneficial purchaser thereof (or a person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participants and, in turn, the Presenting Agent may enter an SDFS deliver order through DTC's Participant Terminal System debiting such Note to the Presenting Agent's participant account and crediting such Note free to the participant account of the Trustee and shall notify the Trustee and the Issuer thereof. Thereafter, the Trustee, (i) will immediately transfer by Fedwire (immediately available funds) to the Presenting Agent an amount equal to the price of such Note which was previously sent by wire transfer to the account of the Issuer maintained at Chemical Bank in accordance with Settlement Procedure "J", and (ii) the Trustee will deliver the withdrawal message and take the related actions described in the preceding paragraph. Such debits and credits will be made on the settlement date, if possible, and in any event not later than 5:00 p.m. on the following Business Day. If such failure shall have occurred for any reason other than the failure of the Presenting Agent to provide the Purchase Information to the Issuer or to provide a confirmation to the Purchaser, the Issuer will reimburse the Presenting Agent on an equitable basis for its loss of the use of funds during the period when the funds were credited to the account of the Issuer.

Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry Note, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all, of the Book-Entry Notes to have been represented by a Global Note, the Trustee will provide, in accordance with Settlement Procedures "D" and "E," for the authentication and issuance of a Global Note representing the other Book-Entry Notes to have been represented by such Global Note and will make appropriate entries in its records.

PART III: ADMINISTRATIVE PROCEDURES APPLICABLE TO ALL NOTES

TRUSTEE NOT TO RISK FUNDS

Nothing herein shall be deemed to require the Trustee to risk or expend its own funds in connection with any payment made to the Issuer, or the Presenting Agent, or DTC, or any Noteholder, or any Participant, it being understood by all parties that payments made by the Trustee to the Issuer, or the Presenting Agent, or DTC, or any Noteholder, or any Participant shall be made only to the extent that funds are provided to the Trustee for such purpose.

#### ORIGINAL ISSUE DISCOUNT NOTES AND ZERO-COUPON NOTES

Notes may be issued as Original Issue Discount Notes (which may be Certificated Notes or Book-Entry Notes, as indicated), which term includes all Notes, including Zero-Coupon Notes, which provide that upon redemption or acceleration of the maturity thereof an amount less than the principal amount thereof shall become due and payable. In the event of redemption or acceleration of maturity of an Original Issue Discount Note, the amount payable on such Note, in lieu of the principal amount due at the Stated Maturity thereof, shall, unless the Note provides otherwise, be the Amortized Face Amount (as defined below) of such Note.

The "Amortized Face Amount" of an Original Issue Discount Note shall be the amount equal to (a) the Issue Price of the Note (as defined below) plus (b) that portion of the difference between the Issue Price and the principal amount of such Note that has been amortized at the Stated Yield (as defined below) of such Note (computed in accordance with generally accepted United States bond yield computation principles) at the date as of which the Amortized Face Amount is calculated, but in no event shall the Amortized Face Amount exceed the principal amount of such Note due at the Stated Maturity thereof. As used in the preceding sentence, the term "Issue Price" means the principal amount of such Original Issue Discount Note due at the Stated Maturity thereof less the Original Issue Discount of such Note stated in the legend on the face thereof,

B-11

and the "Stated Yield" of such Note means the yield-to-maturity stated in the legend on the face of such Note (or, if not so stated, the yield-to-maturity compounded semiannually and computed in accordance with generally accepted United States bond yield computation principles) for the period from the Issue Date of such Note as stated in the legend on the face of such Note, to the Stated Maturity thereof on the basis of its Issue Price and principal amount.

There will be no periodic payments of interest on Zero-Coupon Notes. References in these Administrative Procedures to interest payments and interest-related information do not apply to Zero-Coupon Notes.

#### MATURITIES

Each Note will mature on a date, selected by the purchaser and agreed to by the Issuer and Guarantor, which will be nine months or more from the Issue

Date. Each Floating Rate Note (as defined below) will mature on an Interest Payment Date (as defined below) for such Note.

#### ADVERTISING COSTS

The Issuer will determine in consultation with the Agents the amount of advertising that may be appropriate in offering the Notes. The Issuer shall pay for only the advertising expenses approved in advance by the Issuer.

#### BUSINESS DAY

"Business Day" means any day which is not a Saturday or Sunday and which in New York City (and, with respect to LIBOR Notes (as defined in the Prospectus Supplement) in London) is not a day on which banking institutions are generally authorized or obligated by law, regulation or executive order to close.

#### PROCEDURES FOR ESTABLISHING THE TERMS OF THE NOTES

The Issuer and the Agents will discuss from time to time the rates to be borne by the Notes that may be sold as a result of the solicitation of offers by the Agents. Once any Agent has recorded any indication of interest in Notes upon certain terms, and communicated with the Issuer, if the Issuer plans to accept an offer to purchase Notes upon such terms, it will prepare a Pricing Supplement, reflecting the terms of such Notes and, after approval from such Agent, will arrange to have such Pricing Supplement, filed with, or transmitted by means reasonably calculated to result in filing with, the Commission and will supply at least two copies of such Pricing Supplement and if requested by the Presenting Agent, additional copies of the Prospectus, as then amended or supplemented, to the Presenting Agent. No settlements with respect to Notes upon such terms may occur prior to such transmitting for filing and the Agents will not, prior to such transmitting for filing, mail confirmations to customers who have offered to purchase Notes upon such terms. After such transmitting for filing, sales, mailing of confirmations and settlements may occur with respect to Notes upon such terms, subject to the provisions of "Delivery of Prospectus" below.

If the Issuer decides to post rates and a decision has been reached to change interest rates, the Issuer will promptly notify each Agent. Each Agent will forthwith suspend solicitation of purchases. At that time, the Agents will recommend and the Issuer will establish rates to be so "posted". Following establishment of posted rates and prior to the filing or transmitting described in the preceding paragraph, the Agents may only record indications of interest in purchasing Notes at the posted rates. After such transmitting for filing, sales, mailing of confirmations and settlements may resume, subject to the provisions of "Delivery of Prospectus" below.

Outdated Pricing Supplements, and copies of the Prospectus to which they are attached (other than those retained for files), will be destroyed.

#### SUSPENSION OF SOLICITATION: AMENDMENT OR SUPPLEMENT

As provided in the Agency Agreement. The Issuer may suspend solicitation of purchases at any time for any reason and each Agent will use its best efforts to suspend solicitations as soon as practicable after notice (and in any event within one Business Day). Any suspension of solicitation shall continue until such time as the Issuer has advised the Agents that solicitation of purchases may be resumed.

If the Agents receive the notice from the Issuer contemplated by Section 4(b) of the Agency Agreement, they will promptly suspend solicitation and will only resume solicitation as provided in the Agency Agreement. If the Issuer decides to amend or supplement any Registration Statement (as defined in the Agency Agreement) or the Prospectus relating to the Notes, it will promptly advise each Agent and will furnish each Agent with the proposed amendment or supplement in accordance with the terms of the Agency Agreement. The Issuer will promptly file or transmit by means reasonably calculated to result in filing with the Commission such amendment or supplement, provide the Agents with copies of any such amendment or supplement, confirm to the Agents that such amendment or supplement has been filed with the Commission and advise the Agents that solicitation may be resumed.

Any such suspension shall not affect the Issuer's or the Guarantor's obligations under the Agency Agreement; and in the event that at the time the Issuer suspends solicitation of purchases there shall be any offers already accepted by the Issuer outstanding for settlement, the Issuer will have the sole responsibility for fulfilling such obligations. The Issuer will in addition promptly advise the Agents and the Trustee if such offers are not to be settled and if copies of the Prospectus as in effect at the time of the suspension may not be delivered in connection with the settlement of such offers.

#### ACCEPTANCE OF OFFERS

Each Agent will promptly advise the Issuer, orally or in writing, of each reasonable offer to purchase Notes received by it, other than those rejected by such Agent. Each Agent may, in its discretion reasonably exercised, without notice to the Issuer or the Guarantor, reject any offer received by it, in whole or in part. The Issuer will have the sole right to accept offers to purchase Notes on its behalf and on behalf of the Guarantor and may reject any such offer, in whole or in part. If the Issuer rejects an offer, the Issuer will promptly notify the Agent involved.

#### DELIVERY OF PROSPECTUS

A copy of the Prospectus, as most recently amended or supplemented with respect to the Notes (including the appropriate Pricing Supplement) on the date of delivery thereof (except as provided below), must be delivered to a

purchaser prior to or together with the earlier of the delivery of (i) the written confirmation provided for above and (ii) any Note purchased by such purchaser. Subject to the foregoing, it is anticipated that delivery to the purchaser of the Prospectus, as so amended or supplemented, confirmation and Notes will be made simultaneously at settlement. The Issuer shall ensure that the Presenting Agent receives copies of the Prospectus and each amendment or supplement thereto with respect to the Notes (including appropriate Pricing Supplements) in such quantities and within such time limits as will enable the Presenting Agent to deliver such confirmation or Note to a purchaser as contemplated by these procedures and in compliance with the first sentence of this paragraph. If, since the date of acceptance of a purchaser's offer, the Prospectus shall have been supplemented solely to reflect any sale of Registered Securities or Notes on terms different from those agreed to between the Issuer and such purchaser or a change in posted rates not applicable to such purchaser, such purchaser shall not receive the Prospectus, as supplemented by such new supplement, but shall receive the

B-13

Prospectus as supplemented to reflect the terms of the Notes being purchased by such purchaser and otherwise as most recently amended or supplemented on the date of delivery of the Prospectus.

#### AUTHENTICITY OF SIGNATURES

The Issuer and the Guarantor will cause the Trustee to furnish the Agents from time to time, upon written request, with the specimen signatures of each of the Trustee's officers, employees or agents who have been authorized by the Trustee to authenticate Notes, but the Agents will have no obligation or liability to the Issuer or the Guarantor or the Trustee in respect of the authenticity of the signature of any officer, employee or agent of the Issuer, the Guarantor, or the Trustee on any Note or Global Note.

#### CALCULATION OF AND PAYMENT DATES FOR INTEREST

Each Note will bear interest (i) in the case of Notes bearing interest at a Fixed Rate (the "Fixed Rate Notes", which may be either Fixed Rate Certificated Notes or Fixed Rate Book-Entry Notes, as indicated), at the annual rate stated on the face thereof, payable semiannually in arrears on January 31 and July 31 (each an "Interest Payment Date") with respect to such Fixed Rate Note and at any Redemption Date, Repayment Date or the Stated Maturity and (ii) in the case of Notes bearing interest at a rate or rates determined by reference to an interest rate formula (the "Floating Rate Notes," which may be either Floating Rate Certificated Notes or Floating Rate Book-Entry Notes, as indicated), at a rate determined pursuant to the formula stated on the face thereof, payable in arrears on such dates as are specified therein and in the related Pricing Supplement (each an "Interest Payment Date" with respect to such Floating Rate Note) and at any Redemption Date or the Stated Maturity. Interest (including payments for partial periods) will be calculated and paid on the

basis of a 360-day year of twelve 30-day months for any Fixed Rate Notes.

The "Regular Record Date" with respect to Floating Rate Notes shall be the date 15 calendar days prior to each Interest Payment Date, whether or not such date shall be a Business Day, and the Regular Record Dates with respect to the Fixed Rate Notes shall be the January 15 and July 15 next preceding the January 31 and July 31 Interest Payment Dates. The first payment of interest on any Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the Interest Payment Date following the next succeeding record date. With respect to Fixed Rate Notes, each payment of interest shall include interest accrued to but excluding the date of such payment. For special provisions relating to Floating Rate Notes, see the section entitled "Description of the Notes" in the Prospectus Supplement.

B-14

EXHIBIT C

PURCHASE AGREEMENT

\_\_\_\_\_, 199\_\_

Union Oil Company of California  
1201 West Fifth Street  
Los Angeles, CA 90017

Unocal Corporation  
1201 West Fifth Street  
Los Angeles, CA 90017

Attention: Treasurer

1. The undersigned agrees to purchase the following principal amount of the Securities described in the Agency Agreement dated \_\_\_\_\_, 1994 (the "Agency Agreement"):

Principal Amount \_\_\_\_\_  
Interest Rate or Formula \_\_\_\_\_ %  
Stated Maturity \_\_\_\_\_, \_\_\_\_\_  
Discount or Premium \_\_\_\_\_ % of Principal Amount  
Redemption Terms, if any \_\_\_\_\_  
Price to be paid \_\_\_\_\_  
to Issuer \$ \_\_\_\_\_  
Settlement Date \_\_\_\_\_, 199\_\_  
(Additional Terms)

2. Except as otherwise expressly provided herein, all terms used herein which are defined in the Agency Agreement shall have the same meanings as in the Agency Agreement. The terms Agent or Agents, as used in the Agency Agreement, shall be deemed to refer only to the undersigned for purposes of this Agreement.

3. This Agreement incorporates by reference Sections 4, 6, 7 (including any Amendments entered into pursuant thereto by the Issuer and the Guarantor and the undersigned Agent), 12 and 13 of the Agency Agreement, the first and last sentences of Section 9 thereof and, to the extent applicable, the Procedures, except that the phrase "jointly with any other indemnifying party similarly notified" in Section 7(a), the phrase "and who shall not be counsel to any other indemnified party who may have interest conflicting with those of such indemnified party" in Section 7(a) and the last sentence of Section 7(d) shall not be applicable. You and we agree to perform, to the extent applicable, our respective duties and obligations specifically provided to be performed by each of us in the Procedures.

4. Our obligation to purchase Securities hereunder is subject to the accuracy on the above Settlement Date of your representations and warranties contained in Section 2 of the Agency Agreement (it being understood that such representations and warranties shall relate to the applicable Registration Statement and the Prospectus, as amended at such Settlement Date) and to your performance and observance of all

C-1

covenants and agreements contained in Sections 4 and 6 thereof. Our obligations hereunder is also subject to the following conditions:

(a) the satisfaction, at such Settlement Date, of each of the conditions set forth in subsections (a) and (b) and (d) through (g) of Section 5 of the Agency Agreement (it being understood that each document so required to be delivered shall be dated such Settlement Date and that each such condition and the statements contained in each such document that relate to the applicable Registration Statement or the Prospectus shall be deemed to relate to the applicable Registration Statement or the Prospectus, as the case may be, as amended or supplemented at the time of settlement on such Settlement Date, and except that the opinion described in Section 5(d) shall be modified so as to state that the Securities being sold on such Settlement Date, when delivered against payment therefor as provided in the Indenture and this Agreement, will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Issuer and the Guarantor enforceable in accordance with their terms, subject only to the exceptions as to enforcement set forth in clause (v) of Section 5(d) of the Agency Agreement, and will conform to the description thereof contained in the Prospectus, as amended or supplemented at such Settlement Date);

(b) there shall not have occurred since the date hereof (i) any change, or any development involving a prospective charge, in or affecting particularly the business or properties of the Issuer or the Guarantor or their respective subsidiaries other than as set forth or contemplated in the Prospectus, as amended or supplemented, which, in our judgment, materially impairs the investment quality of the Securities; (ii) any downgrading in the rating of the Issuer's or the Guarantor's debt securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act); (iii) any suspension or limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Issuer or the Guarantor on any exchange or in the over-the-counter market if the effect of any such suspension, limitation or setting of minimum prices makes it impractical or inadvisable to proceed with the sale and delivery of the Securities on the terms and in the manner contemplated in this Prospectus as amended and supplemented; (iv) any banking moratorium declared by Federal or New York authorities; or (v) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in our judgment, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical or inadvisable to proceed with completion of the sale of an payment for the Securities; and

(c) there has been no notice pursuant to Section 4(a) of the Agency Agreement of an intention to amend or supplement, nor has there been any such amendment or supplement to, the applicable Registration Statement or the Prospectus by incorporation by reference pursuant to Section 4(a) of the Agency Agreement between the date of this Agreement and the Settlement Date (as defined above).

5. In further consideration of our agreement hereunder, you agree that between the date hereof and the above Settlement Date, you will not offer or sell, enter into any agreement to sell, or announce the proposed issuance or sale of, any debt securities of the Issuer or the Guarantor in the United States, other than sales of Securities, borrowings under your revolving credit agreements and lines of credit, the private placement of securities and issuances of your commercial paper.

6. If for any reason, other than because of our default, our purchase of the above Securities is not consummated, you shall remain responsible for the expenses to be paid (but not our expenses to be reimbursed) by you pursuant to Section 4 of the Agency Agreement and the respective obligations of you and the undersigned pursuant to Section 7 shall remain in effect, in each case as incorporated herein. If for any reason our purchase of the above Securities is not consummated other than because of our default or a failure to satisfy a condition set forth in clause (iii), (iv) or (v) of paragraph (b) above, you shall reimburse us, severally,

for all out-of-pocket expenses reasonably incurred by us in connection with the offering of the above Securities and not otherwise required to be reimbursed pursuant to Section 4 of the Agency Agreement.

7. This Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement may be executed in counterparts and the executed counterparts shall together constitute a single instrument.

[Insert Name of Purchaser]

By

-----  
Name:  
Title:

CONFIRMED AND ACCEPTED,  
as of the date first above written:

UNION OIL COMPANY OF CALIFORNIA

By

-----  
Name:  
Title:

AND

UNOCAL CORPORATION

By

-----  
Name:  
Title:

C-3

EXHIBIT D

FOREIGN CURRENCY AMENDMENT  
[Insert Title of Foreign Currency  
to be Covered by this Amendment]

The undersigned hereby agree that for the purposes of the issue and sale of Securities denominated in [title of currency] (the "Applicable Foreign Currency") pursuant to the Agency Agreement by and among Union Oil Company of California, Unocal Corporation, CS First Boston Corporation, Salomon Brothers Inc and UBS Securities Inc. dated \_\_\_\_\_, 1994 (the "Agency Agreement"), the following additions and modifications shall be made to the Agency Agreement. The additions and modifications adopted hereby shall be of the same effect for the sale under the Agency Agreement of all Securities denominated in the Applicable Foreign Currency, whether offered on an agency or principal basis, but shall be of no effect with respect to Securities denominated in any currency other than the Applicable Foreign Currency.

Except as otherwise expressly provided herein, all terms used herein which are defined in the Agency Agreement shall have the same meanings as in the Agency Agreement. The term Agents, as used in the Agency Agreement, shall be deemed to refer to the undersigned Agents for purposes of this Amendment.

[Insert appropriate additions and modifications to the Agency Agreement, for example, to opinions of counsel, conditions to obligations and settlement procedures, according to the customary practice of the Agents when acting as underwriters in offerings denominated in the Applicable Foreign currency.]

\_\_\_\_\_, 199\_\_

UNION OIL COMPANY OF CALIFORNIA

By  
-----  
Name:  
Title:

UNOCAL CORPORATION

By  
-----  
Name:  
Title:

[Names of Agents participating in the offering of Securities in the Applicable Foreign Currency]

By

-----  
Name:

Title:

D-1

BYLAWS  
OF  
UNION OIL COMPANY OF CALIFORNIA

EXHIBIT 3.2

ARTICLE I  
FISCAL YEAR

Section 1. The fiscal year of Union Oil Company of California (hereinafter called the "Company") shall end on the thirty-first day of December of each year.

ARTICLE II  
OFFICES

Section 1. PRINCIPAL OFFICE. The principal office for the transaction of business of the Company is hereby fixed and located at Unocal Center in the City of Los Angeles, County of Los Angeles, State of California. The Board of Directors (hereinafter sometimes called the "Board") is hereby granted full power and authority to change said principal office from one location to another in said county.

ARTICLE III  
SHAREHOLDERS

Section 1. ANNUAL MEETINGS. The annual meetings of the shareholders shall be held at 10:00 o'clock A.M. on the fourth Monday in May of each year if not a legal holiday, for the purpose of electing directors, consideration of reports of the affairs of the Company, and for the transaction of any other business which is within the powers of the shareholders and properly brought before the meeting. If the fourth Monday in May is a legal holiday, the annual meeting of the shareholders shall be held at 10:00 o'clock A.M. on the preceding or subsequent Monday as fixed by resolution of the Board.

Section 2. SPECIAL MEETINGS. Special meetings of the shareholders for any purpose whatsoever may be called at any time by the Chairman of the Board, the Chief Executive Officer, the Board, or by one or more shareholders holding not less than ten percent of the voting power of the Company upon request in writing to the Chairman of the Board, the Chief Executive Officer, the President, a Vice President or the Secretary. The business transacted at special meetings shall be confined to the purpose or purposes stated in the notice of such meetings.

Section 3. NOTICE OF MEETINGS. Written notice of each annual or special meeting of shareholders shall be given to each shareholder entitled to vote thereat not less than ten nor more than sixty days before the meeting.

Section 4. PLACE OF MEETINGS. All meetings of shareholders, whether annual or special, shall be held at the principal office of the Company or at such other place, within or without the State of California, as the Board may from time to time designate pursuant to authority hereinafter granted it. In the absence of any such designation, shareholders' meetings shall be held at the principal office of the Company.

Section 5. VOTING RIGHTS. Shareholders entitled to vote at shareholder meetings shall be entitled to one vote for each full share. A fraction of a share or a fractional interest in a share shall not be entitled to any voting rights whatsoever.

Section 6. CONDUCT OF MEETINGS. The decisions of the Chairman of the Board or officer presiding at all shareholders' meetings shall govern in all matters relating to the conduct of the meeting.

Section 7. VOTING. Directors shall be elected in accordance with the provisions of the California Corporations Code by holders of shares entitled to vote in the election; provided, however, a nomination shall be accepted, and votes cast for a nominee shall be counted by the inspectors of election, only if the Secretary of the Company has received at least twenty-four hours prior to the meeting a statement over the signature of the nominee that such person consents to being a nominee and, if elected, intends to serve as a director.

Section 8. ACTION WITHOUT A MEETING. Any action which may be taken at any annual or special meeting may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, shall be signed by the holders of the outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Directors may not be elected by written consent except by unanimous written consent of all shares entitled to vote for the election of directors.

#### ARTICLE IV BOARD OF DIRECTORS

Section 1. POWERS. Subject to the limitations of the Restated Articles of Incorporation of the Company and of the California General Corporation Law as

to action required or authorized to be approved by the shareholders, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by, the Board of Directors.

Section 2. NUMBER. The exact number of directors of the Company shall be twelve until changed in the manner provided by the Company's Restated Articles of Incorporation or by law.

Section 3. CHAIRMAN AND VICE CHAIRMAN OF THE BOARD. The Board shall appoint a Chairman, who shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may from time to time be assigned by the Board of Directors or prescribed by the Bylaws. The Board may also appoint a Vice Chairman, who shall preside at all meetings of the Board of Directors in the absence of the Chairman and shall have such other powers and duties as may from time to time be assigned by the Board of Directors or prescribed by the Bylaws.

2

Section 4. ANNUAL MEETINGS. Immediately following each annual meeting of shareholders, the Board shall hold its annual meeting for the purpose of organization, election of officers and the transaction of any other business.

Section 5. REGULAR MEETINGS. Regular meetings of the Board shall be held at the times and on the dates fixed by resolution of the Board.

Section 6. SPECIAL MEETINGS. Special meetings of the Board for any purpose or purposes whatsoever may be called by the Chairman of the Board or the Chief Executive Officer or, in the absence or inability of either of them, by the President, the Chief Financial Officer, or by at least two of the directors at the time in office.

Section 7. NOTICE OF MEETINGS. Notice of annual meetings and of regular meetings of the Board is hereby dispensed with. Notice of special meetings must be given at least two days in advance if given by mail, or at least twenty-four hours in advance if delivered personally or given by telephone or telegram.

Section 8. PLACE OF MEETINGS. All meetings of the Board, whether annual, regular or special meetings, shall be held at any place within or without the State of California which has been designated from time to time by resolution of the Board or in the notice of the meeting. In the absence of such designation all directors' meetings shall be held at the principal office of the

Company.

Section 9. QUORUM. A majority of the exact number of directors specified in Section 2 of ARTICLE IV of the Bylaws shall constitute a quorum of the Board of Directors for the transaction of business; provided, however, that vacancies on the Board may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, each such director to hold office until a successor is elected at an annual or special meeting of the shareholders.

Section 10. COMPENSATION OF DIRECTORS. Directors and members of committees appointed by the Board shall receive such compensation, if any, for their services, and such reimbursement for their expenses as may be fixed or determined by resolution of the Board. The Board may, however, in any such resolution provide that directors who are also employees of the Company or any of its subsidiaries shall not receive additional compensation for services as a director or member of a committee appointed by the Board.

Section 11. INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS. The Company shall, to the maximum extent permitted by the General Corporation Law of California, indemnify each of its directors and officers against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact any such person is or was a director or officer of the Company and shall advance to such director or officer expenses incurred in defending any such proceeding to the

maximum extent permitted by such law. For purposes of this section, a "director" or "officer" of the Company includes any person who is or was a director or officer of the Company, or is or was serving at the request of the Company as a director or officer of another corporation, or other enterprise, or was a director or officer of a corporation which was a predecessor corporation of the Company or of another enterprise at the request of such predecessor corporation. The Board of Directors may in its discretion provide by resolution for such indemnification of, or advance of expenses to, other employees or agents of the Company, and likewise may refuse to provide for such indemnification or advance of expenses except to the extent such indemnification is mandatory under the California General Corporation Law.

Section 12. AUTHORITY TO DESIGNATE PLACE OF SHAREHOLDERS' MEETINGS. The Board is hereby granted full power and authority to designate from time to time any place within or without the State of California for the holding of any shareholders' meeting, whether annual or special.

Section 13. COMMITTEES. The Board may, by resolution, appoint one or more committees, in addition to an Executive Committee and a Management Committee, to consist of two or more of the directors of the Company, and prescribe their duties and powers. A majority of the members of any such committee may determine its action and fix the time and place of its meetings unless the Board shall otherwise provide. The Board shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve any such committee.

Section 14. ACTION BY WRITTEN CONSENT. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting, if all members of the Board or such committee, as the case may be, shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 15. CONFERENCE CALLS. Members of the Board or any committee thereof may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

#### ARTICLE V EXECUTIVE COMMITTEE

Section 1. NUMBER AND COMPOSITION. The Board of Directors shall appoint from its membership, annually, an Executive Committee of three or more directors. Included on the Executive Committee shall be the Chief Executive Officer of the Company. Each member of the Executive Committee shall hold membership at the pleasure of the Board, which shall have the exclusive power to fill vacancies thereon as they may occur. The Chairman of the Executive Committee shall be the Chief Executive Officer of the Company.

Section 2. POWERS. The Executive Committee, during the intervals between meetings of the Board, shall have and there is hereby granted to it all the powers and authority of the Board of Directors in the management of the business and affairs of the Company, except that the Executive Committee shall not be permitted to fill vacancies on the Board or on any committee, approve any action for which approval of the shareholders is also required by the California General Corporation Law, amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable, or appoint other committees of the Board or the members thereof or take any other action which may not be

delegated to a committee of the Board under the California General Corporation Law.

Section 3. PROCEDURE. Two members of the Executive Committee shall constitute a quorum of the Executive Committee for the transaction of business. The Executive Committee, by vote of a majority of its members, shall fix its own times and places of meetings and shall prescribe its own rules of procedure; no change in which shall be made save by a majority vote of its members.

Section 4. RECORDS AND REPORTS. The Executive Committee shall keep regular minutes of all business transacted at its meetings, and all action of the Executive Committee shall be reported to the Board at its next ensuing meeting.

Section 5. COMPENSATION. Members of the Executive Committee may receive such compensation, if any, for their services, and such reimbursement for their expenses, as may be fixed or determined by the Board.

#### ARTICLE VI MANAGEMENT COMMITTEE

Section 1. NUMBER AND COMPOSITION. The Board of Directors shall appoint from its membership, annually, a Management Committee composed of the directors who are employee officers of the Company. The Chairman of the Management Committee shall be the Chief Executive Officer of the Company.

Section 2. POWERS. The Management Committee, during the intervals between meetings of the Board, shall have and there is hereby granted to it all the powers and authority of the Board of Directors in the management of the business and affairs of the Company, subject to approval limits established by resolution of the Board of Directors as deemed appropriate from time to time, but the Management Committee shall not be permitted to fill vacancies on the Board or on any committee, appoint officers, approve any action for which approval is also required by the California General Corporation Law, to amend or repeal any resolution of the Board or of the Executive Committee which by its express terms is not so amendable or repealable, or to appoint other committees of the Board or the members thereof or take any other action which may not be delegated to a committee of the Board under the California General Corporation Law.

Section 3. PROCEDURE. Two members of the Management Committee shall constitute a quorum of the Management Committee for the transaction of business.

The Management Committee, by vote of a majority of its members, shall fix its own times and places of meetings and shall prescribe its own rules of procedure; no change in which shall be made save by a majority vote of its members.

Section 4. RECORDS. The Management Committee shall keep regular minutes of all business transacted at its meetings.

## ARTICLE VII OFFICERS

Section 1. OFFICERS. The officers of the Company shall be a Chief Executive Officer, a President, a Chief Financial Officer, a Vice President, a Secretary, a Comptroller, a Treasurer, and a Chief Legal Officer. The Company may also have, at the discretion of the Board, one or more additional Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and one or more Assistant Comptrollers, and the Board may appoint such other officers as it may deem necessary or advisable, who shall have such authority and perform such duties as from time to time may be prescribed by the Board, the Chairman of the Board, or the Chief Executive Officer. Any two or more offices may be held by the same person.

Section 2. ELECTION AND REMOVAL. The officers of the Company shall be chosen annually by the Board at its annual meeting and each shall hold office until the corresponding annual meeting of the Board in the next year and until a successor shall be elected and qualified unless such officer shall theretofore resign or shall be removed or otherwise disqualified to serve. The Board may remove any officer either with or without cause or under such other terms or conditions as it may prescribe. Vacancies may be filled by the Board as they may occur.

### Section 3. POWERS AND DUTIES.

(a) CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be the officer, reporting directly to the Board, responsible for overall management of the Company and shall have general supervision, direction and control over the business and affairs of the Company and its officers. The Chief Executive Officer shall be a member of the Executive Committee and of the Management Committee and in general shall perform all duties incident to the office of Chief Executive Officer and shall have such powers and duties as may from time to time be assigned by the Board of Directors or prescribed by the Bylaws.

(b) PRESIDENT. The President in general shall perform all duties incident to the office of President, and shall have such powers and duties as may from time to time be assigned by the Board of Directors, the Chief Executive Officer or prescribed by the Bylaws.

(c) CHIEF FINANCIAL OFFICER AND VICE PRESIDENTS. The Chief Financial Officer and each Vice President shall have such authority and shall perform such duties as shall from time to time be assigned by the Board, the Chief Executive Officer or prescribed by the Bylaws.

(d) SECRETARY. The Secretary shall keep, or cause to be kept, a book of minutes, at the principal office and/or such other place or places as the Board may order, of all meetings of directors and shareholders, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at directors' meetings, the number of shares present or represented at shareholders' meetings, and the proceedings thereof.

The Secretary shall keep or cause to be kept at the principal office, or at the office of the Company's transfer agent, a share register, which may be an electronic database, showing the names of the shareholders of record and their addresses, the number and classes of shares held by each, the numbers and dates of the certificates issued for those shares, and the numbers and dates of cancellation of every certificate surrendered for cancellation.

The Secretary shall give or cause to be given notice of all meetings of the shareholders and the Board required to be given by the Bylaws or by law. The Secretary shall have charge of and be custodian of the seal of the Company and the minute books and documents relating to the existence and governance of the Company.

The Secretary shall have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Chairman of the Board, the Chief Executive Officer or the Bylaws, and shall in general, subject to control of the Board, the Chairman of the Board and the Chief Executive Officer, perform all the duties usually incident to the office of secretary of a corporation.

(e) ASSISTANT SECRETARIES. Each Assistant Secretary shall assist the Secretary, and in the absence or disability of the Secretary may perform the duties of the Secretary unless and until the contrary is expressed by the Board, and shall perform such other duties as shall be prescribed by the Board or the Secretary.

(f) TREASURER. The Treasurer shall have custody of and be responsible for all the monies and funds of the Company. The Treasurer shall deposit or cause to be deposited all Company monies, funds and other valuables in the name and to the credit of the Company in such bank or banks as shall be proper or as shall be directed by the Board, the Chief Executive Officer, or the Chief Financial Officer, and shall disburse the funds of the Company which have been duly approved for disbursement. The Treasurer shall enter or cause to be

entered regularly in the books of the Company full and accurate accounts of all monies received and paid out on account of the Company.

7

The Treasurer shall have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Chief Executive Officer, the Chief Financial Officer or the Bylaws, and shall in general, subject to control of the Board, the Chief Executive Officer, and the Chief Financial Officer, perform all the duties usually incident to the office of treasurer of a corporation.

(g) ASSISTANT TREASURERS. Each Assistant Treasurer shall assist the Treasurer and, in the absence or disability of the Treasurer, may perform the duties of Treasurer unless and until the contrary is expressed by the Board, and shall perform such other duties as may be prescribed by the Board or the Treasurer.

(h) COMPTROLLER. The Comptroller shall be the principal officer in charge of the general accounting books, accounting records and forms of the Company and shall see that all monies and obligations due the Company and all properties and assets are properly accounted for. The Comptroller shall prepare the Company's balance sheets, income accounts and other financial statements and reports, and render to the Board, the Chief Executive Officer, and the Chief Financial Officer, such periodic reports covering the results of operations of the Company as may be required by them or any of them.

The Comptroller shall have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Chief Executive Officer, the Chief Financial Officer or the Bylaws, and shall in general, subject to control of the Board, the Chief Executive Officer, and the Chief Financial Officer, perform all the duties usually incident to the office of comptroller of a corporation.

(i) ASSISTANT COMPTROLLERS. Each Assistant Comptroller shall assist the Comptroller and, in the absence or disability of the Comptroller, may perform the duties of the Comptroller unless and until the contrary is expressed by the Board, and shall also perform such other duties as shall be prescribed by the Board or the Comptroller.

(j) CHIEF LEGAL OFFICER. The Chief Legal Officer shall be in charge of the Company's legal affairs. The Chief Legal Officer shall advise the Board, the Chairman of the Board and/or the officers of the Company on such legal

matters and prepare such reports as may be required by them or any of them.

ARTICLE VIII  
MISCELLANEOUS

Section 1. EXECUTION OF DOCUMENTS. Unless otherwise authorized or prescribed by the Board of Directors, all contracts, leases, deeds, deeds of trust, mortgages, bonds, indentures, endorsements, assignments, powers of attorney to transfer stock or for other purposes, and other documents and instruments of whatsoever kind shall be executed for and on behalf of the

8

Company by the Chief Executive Officer, the President, the Chief Financial Officer, a Vice President, the Treasurer, or the Comptroller, or by any such officer and shall be attested by the Secretary or an Assistant Secretary, who shall have authority to affix the corporate seal to the same.

The Board also may authorize, and delegate to any one or more of the Chief Executive Officer, the President and the Chief Financial Officer the power to so authorize, any other officer or officers, employee or employees, or agent or agents, to execute any contract, document or instrument of whatever kind for and on behalf of the Company and such authority may be general or be confined to specific instances.

Section 2. UNDERTAKINGS AND COMMITMENTS. No undertaking, commitment, contract, instrument or document shall be binding upon the Company unless previously authorized or subsequently ratified by the Board or executed by an officer or officers, an employee or employees or an agent or agents of the Company acting under powers conferred by the Board or by these Bylaws.

Section 3. CHECKS, DRAFTS, ETC. All checks, notes and other obligations for collection, deposit or transfer, and all checks and drafts for disbursement from Company funds, and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be endorsed or signed by such officer or officers, employee or employees or agent or agents as shall be thereunto authorized from time to time by the Board of Directors, which may delegate the power to so authorize to any one or more of the Chief Executive Officer, the President and the Chief Financial Officer.

Section 4. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. Shares standing in the name of the Company may be voted or represented and all rights incident thereto may be exercised on behalf of the Company by the Chief Executive Officer, President, the Chief Financial Officer, a Vice President, the

Secretary, the Treasurer or the Comptroller, or by such other officers upon to whom the Board of Directors may from time to time confer like powers.

ARTICLE IX  
REPEAL OF BYLAWS

Section 1. All existing Bylaws of the Company and all amendments thereto are hereby repealed.

ARTICLE X  
AMENDMENTS

Section 1. POWER OF SHAREHOLDERS. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote or written assent of shareholders entitled to exercise a majority of the voting power of the Company.

9

Section 2. POWER OF DIRECTORS. Subject to the right of shareholders as provided in Section 1 of this ARTICLE X to adopt, amend or repeal Bylaws, Bylaws may be adopted, amended or repealed by the Board of Directors as provided or permitted by law.

ARTICLE XI  
EMERGENCY

Section 1. "Emergency" as used in this Article means disorder, disturbance or damage caused by war, enemy attack, other warlike acts or by catastrophe, disaster or other similar emergency condition, which prevents the conduct and management of the affairs and business of the Company by the Board of Directors and officers in the manner provided for in other Articles of these Bylaws. The powers and duties conferred and imposed by this Article, and any resolutions adopted pursuant hereto, shall be effective only during an emergency. This Article may be implemented from time to time by resolutions adopted by the Board of Directors before or during an emergency, or during an emergency by the emergency Board of Directors constituted and then acting pursuant hereto. An emergency, once commenced, shall be deemed to continue until terminated by resolutions adopted for that purpose by the Board of Directors.

Section 2. If, during an emergency, a majority of the Board of Directors cannot be found or is unable to act, one-third of the exact number of the Board of Directors shall constitute a quorum thereof.

Section 3. During any emergency, the officers and employees of the Company shall continue, so far as possible, to conduct the Company's affairs and business under the guidance of the Board of Directors acting pursuant to this Article and in accordance with known orders of governmental authorities.

Section 4. If, during any emergency, a quorum of the Board of Directors, as provided in Section 3 of this Article, cannot be found or is unable to act, any three available members of the Executive Committee, including the Chief Executive Officer, shall be and constitute the Board of Directors, with two thereof constituting a quorum, and as such shall have and exercise the fullest power of the Board of Directors for the conduct and management of the affairs and business of the Company, permitted by law, without the limitations set forth in Section 2 of ARTICLE V of these Bylaws, provided that such emergency Board of Directors as so constituted shall comply to the extent practicable under the circumstances with the provisions of ARTICLE III of these Bylaws relating to annual and special meetings of shareholders. If three members of the Executive Committee, including the Chief Executive Officer, are not able to serve, any three available directors shall be and constitute such emergency Board of Directors, with two thereof constituting a quorum, for the exercise of the powers conferred and performance of the duties imposed by this Section 4.

Section 5. If, during any emergency, neither a quorum of the Board of Directors, as provided in Section 3 of this Article, nor a quorum of the emergency Board of Directors, as

provided for in Section 4 of this Article is available to serve, then the powers conferred and duties imposed by Section 4 shall vest in and devolve upon any three of (in the following order of priority) available directors, including any one or more of the Chief Executive Officer, the President and the Chief Financial Officer, and as many Vice Presidents (or, in case of their inability, any other officers), in order of seniority, as may be necessary from time to time to constitute a total of three emergency directors. The Chief Executive Officer and any other one emergency director shall constitute a quorum of such emergency Board of Directors for exercise of the powers conferred and performance of the duties imposed hereunder, but if the Chief Executive Officer is not available, any two of such emergency directors shall constitute a quorum.

BYLAWS  
OF  
UNOCAL CORPORATION

EXHIBIT 4.2

ARTICLE I  
FISCAL YEAR

Section 1. The fiscal year of Unocal Corporation (hereinafter called the "Corporation") shall end on the thirty-first day of December of each year.

ARTICLE II  
OFFICES

Section 1. PRINCIPAL OFFICE. The principal office for the transaction of business of the Corporation is hereby fixed and located at Unocal Center in the City of Los Angeles, County of Los Angeles, State of California. The Board of Directors (hereinafter sometimes called the "Board") is hereby granted full power and authority to change said principal office from one location to another.

ARTICLE III  
STOCKHOLDERS

Section 1. ANNUAL MEETINGS. The annual meetings of the stockholders shall be held at 10:00 o'clock A.M. on the fourth Monday in May of each year if not a legal holiday, for the purpose of electing directors, consideration of reports of the affairs of the Corporation, and for the transaction of any other business which is within the powers of the stockholders and properly brought before the meeting. If the fourth Monday in May is a legal holiday, the annual meeting of the stockholders shall be held at 10:00 o'clock A.M. on the preceding or subsequent Monday as fixed by resolution of the Board.

Section 2. NOTICE OF MEETINGS. Written notice of each annual or special meeting of stockholders shall be given to each stockholder entitled to vote thereat not less than ten nor more than sixty days before the meeting.

Section 3. PLACE OF MEETINGS. All meetings of stockholders, whether annual or special, shall be held at the principal office of the Corporation or at such other place, within or without the State of Delaware, as the Board may from time to time designate pursuant to authority hereinafter granted it. In

the absence of any such designation stockholders' meetings shall be held at the principal office of the Corporation.

Section 4. VOTING RIGHTS. Stockholders entitled to vote at stockholder meetings shall be entitled to one vote for each full share. A fraction of a share or a fractional interest in a share shall not be entitled to any voting rights whatsoever.

Section 5. CONDUCT OF MEETINGS. The decisions of the Chairman of the Board or officer presiding at all stockholders' meetings shall govern in all matters relating to the conduct of the meeting.

Section 6. VOTING. Directors shall be divided into three classes with each director serving a three-year term. At each annual meeting, all directors of one class shall be elected in accordance with the provisions of ARTICLE SEVENTH of the Corporation's Certificate of Incorporation by the holders of shares entitled to vote in the election. A nomination shall be accepted, and votes cast for a proposed nominee shall be counted by the inspectors of election, only if the Secretary of the Corporation has received at least 30 days prior to the meeting a statement over the signature of the proposed nominee that such person consents to being a nominee and, if elected, intends to serve as a director. Such statement shall also contain the Unocal stock ownership of the proposed nominee, occupations and business history for the previous five years, other directorships, names of business entities in which the proposed nominee owns a 10 percent or more equity interest, listing of any criminal convictions, including federal or state securities violations, and all other information required by the federal proxy rules in effect at the time the proposed nominee submits said statement.

Section 7. NOTICE OF STOCKHOLDER BUSINESS. At any meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before a meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before the meeting by a stockholder, the Secretary must have received written notice at least thirty (30) days prior to the meeting. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the meeting (a) a brief description of the business desired to be brought before the meeting, (b) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (c) the class and the number of shares of the Corporation which are

beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the Bylaws to the contrary, no business shall be conducted at a meeting except in accordance with the procedures set forth herein.

Section 8. QUORUM. The holders of one-third (1/3) of all of the outstanding shares of the stock of the Corporation entitled to vote at a meeting of stockholders, present in person or by proxy, shall constitute a quorum for the transaction of any business at such meeting.

ARTICLE IV  
BOARD OF DIRECTORS

Section 1. POWERS. Subject to the limitations of the Certificate of Incorporation of the Corporation and of the Delaware General Corporation Law as to action which shall be authorized or approved by the stockholders, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed by, the Board of Directors.

2

Section 2. NUMBER. The exact number of directors of the Corporation shall be twelve until changed in the manner provided by law.

Section 3. CHAIRMAN AND VICE CHAIRMAN OF THE BOARD. The Board shall appoint a Chairman, who shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may from time to time be assigned by the Board of Directors or prescribed by the Bylaws. The Board may also appoint a Vice Chairman, who shall preside at all meetings of the Board of Directors in the absence of the Chairman and shall have such other powers and duties as may from time to time be assigned by the Board of Directors or prescribed by the Bylaws.

Section 4. ANNUAL MEETINGS. Immediately following each annual meeting of stockholders, the Board shall hold its annual meeting for the purpose of organization, election of officers and the transaction of any other business.

Section 5. REGULAR MEETINGS. Regular meetings of the Board shall be held at the times and on the dates fixed by resolution of the Board.

Section 6. SPECIAL MEETINGS. Special meetings of the Board for any purpose or purposes whatsoever may be called by the Chairman of the Board or the Chief Executive Officer or, in the absence or inability of either of them, by

the President, the Chief Financial Officer, or by at least two of the directors at the time in office.

Section 7. NOTICE OF MEETINGS. Notice of annual meetings and of regular meetings of the Board is hereby dispensed with. Notice of special meetings must be given at least two days in advance if given by mail, or at least twenty-four hours in advance if delivered personally or given by telephone or telegram.

Section 8. PLACE OF MEETINGS. All meetings of the Board, whether annual, regular or special meetings, shall be held at any place within or without the State of Delaware which has been designated from time to time by resolution of the Board or in the notice of the meeting. In the absence of such designation all directors' meetings shall be held at the principal office of the Corporation.

Section 9. QUORUM. A majority of the exact number of directors specified in Section 2 of ARTICLE IV of the Bylaws shall constitute a quorum of the Board of Directors for the transaction of business; provided, however, that vacancies on the Board may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, each such director to hold office until a successor is elected at an annual or special meeting of the stockholders.

Section 10. COMPENSATION OF DIRECTORS. Directors and members of committees appointed by the Board shall receive such compensation, if any, for their services, and such reimbursement for their expenses, as may be fixed or determined by resolution of the Board. The Board may, however, in any such resolution provide that directors who are also employees of the

Corporation or any of its subsidiaries shall not receive additional compensation for services as a director or member of a committee appointed by the Board.

Section 11. INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS.

(a) RIGHT TO INDEMNIFICATION. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer, of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation or of a

partnership, joint venture, trust, or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee, or agent or in any other capacity while serving as a director, officer, employee, or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability, and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; and, such indemnification shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of his or her heirs, executors, and administrators; PROVIDED, HOWEVER, that, except as provided in paragraph (b) hereof, with respect to proceedings seeking to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the board of directors of the Corporation. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; PROVIDED, HOWEVER, that, if the Delaware General Corporation Law requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section or otherwise. The Corporation may, to the extent authorized from time to time by its board of directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of directors and officers.

(b) RIGHT OF CLAIMANT TO BRING SUIT. If a claim under paragraph (a) of this Section is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for expenses incurred in a proceeding in advance of its final disposition in which case the applicable period shall be twenty (20) days, the

claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of providing such defense shall be on the Corporation. Neither the failure of the Corporation (including its board of directors, its independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its board of directors, its independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) NON-EXCLUSIVITY OF RIGHTS. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Section shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaw, agreement, vote of stockholders or disinterested directors, or otherwise.

(d) INSURANCE. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee, or agent of the Corporation or another corporation, partnership, joint venture, trust, or other enterprise against any such expense, liability, or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

Section 12. AUTHORITY TO DESIGNATE PLACE OF STOCKHOLDERS' MEETINGS. The Board is hereby granted full power and authority to designate from time to time any place within or without the State of Delaware for the holding of any stockholders' meeting.

Section 13. COMMITTEES. The Board may, by resolution, appoint one or more committees, in addition to an Executive Committee and a Management Committee, to consist of two or more of the directors of the Corporation, and prescribe their duties and powers. A majority of the members of any such committee may determine its action and fix the time and place of its meetings unless the Board shall otherwise provide. The Board shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve any such committee.

Section 14. ACTION BY WRITTEN CONSENT. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting, if all members of the Board or such committee, as the case may be,

shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 15. CONFERENCE CALLS. Members of the Board or any committee thereof may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

ARTICLE V  
EXECUTIVE COMMITTEE

Section 1. NUMBER AND COMPOSITION. The Board of Directors shall appoint from its membership, annually, an Executive Committee of three or more directors. Included on the Executive Committee shall be the Chief Executive Officer of the Corporation. Each member of the Executive Committee shall hold membership at the pleasure of the Board, which shall have the exclusive power to fill vacancies thereon as they may occur. The Chairman of the Executive Committee shall be the Chief Executive Officer of the Corporation.

Section 2. POWERS. The Executive Committee, during the intervals between meetings of the Board, shall have and there is hereby granted to it all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, except that the Executive Committee shall not be permitted to fill vacancies on the Board or on any committee, approve any action for which stockholder approval is also required by the Delaware General Corporation Law, amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable, or appoint other committees of the Board or the members thereof and shall not have any powers restricted by Section 141(c) of the Delaware General Corporation Law unless the Board shall have specifically delegated authority to the Executive Committee to take action with respect to a matter listed in such Section as permitted to be so delegated.

Section 3. PROCEDURE. Two members of the Executive Committee shall constitute a quorum of the Executive Committee for the transaction of business. The Executive Committee, by vote of a majority of its members, shall fix its own times and places of meetings and shall prescribe its own rules of procedure; no change in which shall be made save by a majority vote of its members.

Section 4. RECORDS AND REPORTS. The Executive Committee shall keep regular minutes of all business transacted at its meetings, and all action of

the Executive Committee shall be reported to the Board at its next ensuing meeting.

Section 5. COMPENSATION. Members of the Executive Committee may receive such compensation, if any, for their services, and such reimbursement for their expenses, as may be fixed or determined by the Board.

6

## ARTICLE VI MANAGEMENT COMMITTEE

Section 1. NUMBER AND COMPOSITION. The Board of Directors shall appoint from its membership, annually, a Management Committee composed of the directors who are salaried officers of the Corporation. The Chairman of the Management Committee shall be the Chief Executive Officer of the Corporation.

Section 2. POWERS. The Management Committee, during the intervals between meetings of the Board, shall have and there is hereby granted to it all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, subject to approval limits established by resolution of the Board of Directors as deemed appropriate from time to time, but the Management Committee shall not be permitted to fill vacancies on the Board or on any committee, appoint officers, approve any action for which stockholder approval is also required by the Delaware General Corporation Law, amend or repeal any resolution of the Board or of the Executive Committee, which by its express terms is not so amendable or repealable, or appoint other committees of the Board or the members thereof and shall not have any powers restricted by Section 141(c) of the Delaware General Corporation Law unless the Board shall have specifically delegated authority to the Management Committee to take action with respect to a matter listed in such Section as permitted to be so delegated.

Section 3. PROCEDURE. Two members of the Management Committee shall constitute a quorum of the Management Committee for the transaction of business. The Management Committee, by vote of a majority of its members, shall fix its own times and places of meetings, and shall prescribe its own rules of procedure; no change in which shall be made save by a majority vote of its members.

Section 4. RECORDS. The Management Committee shall keep regular minutes of all business transacted at its meetings.

ARTICLE VII  
OFFICERS

Section 1. OFFICERS. The officers of the Corporation shall be a Chief Executive Officer, a President, a Chief Financial Officer, a Vice President, a Secretary, a Comptroller, a Treasurer, and a Chief Legal Officer. The Corporation may also have, at the discretion of the Board, one or more additional Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and one or more Assistant Comptrollers, and the Board may appoint such other officers as it may deem necessary or advisable, who shall have such authority and perform such duties as from time to time may be prescribed by the Board, the Chairman of the Board, or the Chief Executive Officer. Any two or more offices may be held by the same person.

Section 2. ELECTION AND REMOVAL. The officers of the Corporation shall be chosen annually by the Board at its annual meeting and each shall hold office until the corresponding

7

annual meeting of the Board in the next year and until a successor shall be elected and qualified unless such officer shall theretofore resign or shall be removed or otherwise disqualified to serve. The Board may remove any officer either with or without cause or under such other terms or conditions as it may prescribe. Vacancies may be filled by the Board as they may occur.

Section 3. POWERS AND DUTIES.

(a) CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be the officer, reporting directly to the Board, responsible for overall management of the Corporation and shall have general supervision, direction and control over the business and affairs of the Corporation and its officers. The Chief Executive Officer shall be a member of the Executive Committee and of the Management Committee and in general shall perform all duties incident to the office of Chief Executive Officer and shall have such powers and duties as may from time to time be assigned by the Board of Directors or prescribed by the Bylaws.

(b) PRESIDENT. The President in general shall perform all duties incident to the office of President, and shall have such powers and duties as may from time to time be assigned by the Board of Directors, the Chief Executive Officer or prescribed by the Bylaws.

(c) CHIEF FINANCIAL OFFICER AND VICE PRESIDENTS. The Chief Financial Officer and each Vice President shall have such authority and shall perform such

duties as shall from time to time be assigned by the Board, the Chief Executive Officer or prescribed by the Bylaws.

(d) SECRETARY. The Secretary shall keep, or cause to be kept, a book of minutes, at the principal office and/or such other place or places as the Board may order, of all meetings of directors and stockholders, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The Secretary shall keep or cause to be kept at the principal office, or at the office of the Corporation's transfer agent, a stock register, which may be an electronic database, showing the names of the stockholders of record and their addresses, the number and classes of shares held by each, the numbers and dates of the certificates issued for those shares, and the numbers and dates of cancellation of every certificate surrendered for cancellation.

The Secretary shall give or cause to be given notice of all meetings of the stockholders and the Board required to be given by the Bylaws or by law. The Secretary shall have charge of and be custodian of the seal of the Corporation and the minute books and documents relating to the existence and governance of the Corporation.

The Secretary shall have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Chairman of the Board, the Chief Executive Officer or the Bylaws, and shall in general, subject to control of the Board, the Chairman of the Board

and the Chief Executive Officer, perform all the duties usually incident to the office of secretary of a corporation.

(e) ASSISTANT SECRETARIES. Each Assistant Secretary shall assist the Secretary, and in the absence or disability of the Secretary may perform the duties of the Secretary unless and until the contrary is expressed by the Board, and shall perform such other duties as shall be prescribed by the Board or the Secretary.

(f) TREASURER. The Treasurer shall have custody of and be responsible for all the monies and funds of the Corporation. The Treasurer shall deposit or cause to be deposited all Corporation monies, funds and other valuables in the name and to the credit of the Corporation in such bank or banks as shall be judged proper or as shall be directed by the Board, the Chief Executive Officer,

or the Chief Financial Officer, and shall disburse the funds of the Corporation which have been duly approved for disbursement. The Treasurer shall enter or cause to be entered regularly in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation.

The Treasurer shall have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Chief Executive Officer, the Chief Financial Officer or the Bylaws, and shall in general, subject to control of the Board, the Chief Executive Officer, and the Chief Financial Officer, perform all the duties usually incident to the office of treasurer of a corporation.

(g) ASSISTANT TREASURERS. Each Assistant Treasurer shall assist the Treasurer and, in the absence or disability of the Treasurer, may perform the duties of Treasurer unless and until the contrary is expressed by the Board, and shall perform such other duties as may be prescribed by the Board or the Treasurer.

(h) COMPTROLLER. The Comptroller shall be the principal officer in charge of the general accounting books, accounting records and forms of the Corporation and shall see that all monies and obligations due the Corporation and all properties and assets are properly accounted for. The Comptroller shall prepare the Corporation's balance sheets, income accounts and other financial statements and reports, and render to the Board, the Chief Executive Officer, and the Chief Financial Officer, such periodic reports covering the results of operations of the Corporation as may be required by them or any of them.

The Comptroller shall have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Chief Executive Officer, the Chief Financial Officer or the Bylaws and shall in general, subject to control of the Board, the Chief Executive Officer, and the Chief Financial Officer, perform all the duties usually incident to the office of comptroller of a corporation.

(i) ASSISTANT COMPTROLLERS. Each Assistant Comptroller shall assist the Comptroller and, in the absence or disability of the Comptroller, may perform the duties of the Comptroller unless

and until the contrary is expressed by the Board, and shall also perform such other duties as shall be prescribed by the Board or the Comptroller.

(j) CHIEF LEGAL OFFICER. The Chief Legal Officer shall be in charge of

the Corporation's legal affairs. The Chief Legal Officer shall advise the Board, the Chairman of the Board and/or the officers of the Corporation on such legal matters and prepare such reports as may be required by them or any of them.

ARTICLE VIII  
MISCELLANEOUS

Section 1. EXECUTION OF DOCUMENTS. Unless otherwise authorized or prescribed by the Board of Directors, all contracts, leases, deeds, deeds of trust, mortgages, bonds, indentures, endorsements, assignments, powers of attorney, and other documents and instruments of whatsoever kind shall be executed for and on behalf of the Corporation by the Chief Executive Officer, the President, the Chief Financial Officer, a Vice President, the Treasurer, or the Comptroller, or by any such officer and shall be attested by the Secretary or an Assistant Secretary, who shall have authority to affix the corporate seal to the same.

The Board also may authorize, and delegate to any one or more of the Chief Executive Officer, the President and the Chief Financial Officer the power to so authorize, any other officer or officers, employee or employees, or agent or agents, to execute any contract, document or instrument of whatever kind for and on behalf of the Corporation and such authority may be general or be confined to specific instances.

Section 2. UNDERTAKINGS AND COMMITMENTS. No undertaking, commitment, contract, instrument or document shall be binding upon the Corporation unless previously authorized or subsequently ratified by the Board or executed by an officer or officers, an employee or employees or an agent or agents of the Corporation acting under powers conferred by the Board or by these Bylaws.

Section 3. CHECKS, DRAFTS, ETC. All checks, notes and other obligations for collection, deposit or transfer, and all checks and drafts for disbursement from Corporation funds, and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be endorsed or signed by such officer or officers, employee or employees or agent or agents as shall be thereunto authorized from time to time by the Board of Directors, which may delegate the power to so authorize to any one or more of the Chief Executive Officer, the President and the Chief Financial Officer.

Section 4. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. Shares standing in the name of the Corporation may be voted or represented and all rights incident thereto may be exercised on behalf of the Corporation by the Chief Executive Officer, the President, the Chief Financial Officer, a Vice President, the Secretary, the Treasurer or the Comptroller, or by such other officers upon whom the Board of Directors may from time to time confer like powers.

ARTICLE IX  
AMENDMENTS TO BYLAWS

Section 1. POWER OF STOCKHOLDERS. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote of seventy-five percent of the outstanding stock of the Corporation entitled to vote thereon.

Section 2. POWER OF DIRECTORS. Subject to the right of stockholders as provided in Section 1 of this ARTICLE IX to adopt, amend or repeal Bylaws, Bylaws may be adopted, amended or repealed by the Board of Directors as provided or permitted by law; however, any Bylaw amendment adopted by the Board of Directors increasing or reducing the authorized number of directors or amending this section shall require a resolution adopted by the affirmative vote of not less than seventy-five percent of the directors.

ARTICLE X  
EMERGENCY

Section 1. "Emergency" as used in this Article means disorder, disturbance or damage caused by war, enemy attack, other warlike acts or by catastrophe, disaster or other similar emergency condition, which prevents the conduct and management of the affairs and business of the Corporation by the Board of Directors and officers in the manner provided for in other Articles of these Bylaws. The powers and duties conferred and imposed by this Article, and any resolutions adopted pursuant hereto, shall be effective only during an emergency. This Article may be implemented from time to time by resolutions adopted by the Board of Directors before or during an emergency, or during an emergency by the emergency Board of Directors constituted and then acting pursuant hereto. An emergency, once commenced, shall be deemed to continue until terminated by resolutions adopted for that purpose by the Board of Directors.

Section 2. If, during an emergency, a majority of the Board of Directors cannot be found or is unable to act, one-third of the exact number of the Board of Directors shall constitute a quorum thereof.

Section 3. During any emergency, the officers and employees of the Corporation shall continue, so far as possible, to conduct the Corporation's affairs and business under the guidance of the Board of Directors acting pursuant to this Article and in accordance with known orders of governmental authorities.

Section 4. If, during any emergency, a quorum of the Board of Directors, as provided in Section 3 of this Article, cannot be found or is unable to act, any three available members of the Executive Committee, including the Chief

Executive Officer, shall be and constitute the Board of Directors, with two thereof constituting a quorum, and as such shall have and exercise the fullest power of the Board of Directors for the conduct and management of the affairs and business of the Corporation, permitted by law, without the limitations set forth in Section 2 of ARTICLE V of these Bylaws, provided that such emergency Board of Directors as so constituted shall comply to the extent practicable under the circumstances with the provisions of ARTICLE

11

III of these Bylaws relating to annual and special meetings of stockholders. If three members of the Executive Committee, including the Chief Executive Officer, are not able to serve, any three available directors shall be and constitute such emergency Board of Directors, with two thereof constituting a quorum, for the exercise of the powers conferred and performance of the duties imposed by this Section 4.

Section 5. If, during any emergency, neither a quorum of the Board of Directors, as provided in Section 3 of this Article, nor a quorum of the emergency Board of Directors, as provided for in Section 4 of this Article is available to serve, then the powers conferred and duties imposed by Section 4 shall vest in and devolve upon any three of (in the following order of priority) available directors, including any one or more of the Chief Executive Officer, the President and the Chief Financial Officer, and as many Vice Presidents (or, in case of their inability, any other officers), in order of seniority, as may be necessary from time to time to constitute a total of three emergency directors. The Chief Executive Officer and any other one emergency director shall constitute a quorum of such emergency Board of Directors for exercise of the powers conferred and performance of the duties imposed hereunder, but if the Chief Executive Officer is not available, any two of such emergency directors shall constitute a quorum.

12

-----  
UNION OIL COMPANY OF CALIFORNIA,  
as Issuer

UNOCAL CORPORATION,  
as Guarantor

and

CHEMICAL TRUST COMPANY OF CALIFORNIA,  
as Trustee

-----  
Senior Debt Securities

-----  
Indenture

-----  
Dated as of \_\_\_\_\_, 1994

-----  
THIS INDENTURE, dated as of \_\_\_\_\_, 1994 (the "Indenture"), is among Union Oil Company of California, a corporation duly organized and existing under the laws of the State of California (herein called the "Company"), Unocal

Corporation, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor"), and Chemical Trust Company of California, a corporation duly organized and existing under the laws of the state of California, as Trustee (herein called the "Trustee").

WITNESSETH:

WHEREAS, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes, bonds or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as in this Indenture provided;

WHEREAS, the Guarantor has duly authorized the execution and delivery of this Indenture and its guarantee of the Securities (the "Guarantees") as provided herein;

WHEREAS, all acts and things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee as in this Indenture provided, the valid, binding and legal obligations of the Company, and to constitute this Indenture a valid indenture and agreement according to its terms, have been done and performed, and the execution of this Indenture and the issuance hereunder of the Securities have in all respects been duly authorized;

WHEREAS, all acts and things necessary to make the Guarantees of the Securities, when executed by the Guarantor and delivered by the Trustee as in this Indenture provided, the valid, binding and legal obligations of the Guarantor, and to constitute each such Guarantee a valid guarantee and agreement according to its terms, have been done and performed, and the execution by the Guarantor of this Indenture has in all respects been duly authorized; and

WHEREAS, all things necessary to make this Indenture a valid agreement of the Company and the Guarantor, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

PARAGRAPH A. INCORPORATION BY REFERENCE

Articles One through Fifteen and Article Seventeen and all exhibits of the Union Oil Company of California and Unocal Corporation Standard Multiple-Series Indenture Provisions, January 1991, dated and filed with the Securities and Exchange Commission on January 2, 1991 (herein called the "Standard Provisions"), a copy of which is attached hereto as Annex "A," are hereby incorporated herein by reference with the same force and effect as though fully set out herein, except that:

(i) SECTION 1.01 DEFINITIONS. "Officers' Certificate" and "Request" and "Order" are amended to read in full as follows:

"Officers' Certificate" shall mean a certificate, in the case of the Company or the Guarantor, signed in the name of the Company or the Guarantor by its respective Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, any Vice President (whether or not designated by a number or word or words added before or after the title Vice President), or Treasurer or an Assistant Treasurer, and by its respective Secretary or an Assistant Secretary, or its respective Comptroller or an Assistant Comptroller, as the case may be, and delivered to the Trustee.

1

"Request" and "Order" mean, where used with reference to the Company or the Guarantor, a written request or order signed in the name of the Company or the Guarantor by its respective Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, any Vice President (whether or not designated by a number or word or words added before or after the title Vice President), or Treasurer or an Assistant Treasurer, or by its respective Secretary or an Assistant Secretary, or its respective Comptroller or an Assistant Comptroller, as the case may be, and delivered to the Trustee.

(ii) SECTION 2.03. EXECUTION, AUTHENTICATION, DELIVERY AND DATING. is amended to read in full as follows:

SECTION 2.03. EXECUTION, AUTHENTICATION, DELIVERY AND DATING. The Securities shall be executed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal reproduced thereon (which may be by facsimile) and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities may be manual or facsimile. Any Coupons shall be executed on behalf of the Company by the manual or facsimile signature of any such officer of the Company. The Guarantees shall be endorsed upon the reverse of all Securities authenticated pursuant to this Indenture and shall be executed on behalf of the Guarantor by its Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal reproduced thereon (which may be by facsimile) and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Guarantees may be manual or facsimile.

Securities, Coupons and Guarantees bearing the manual or facsimile

signatures of individuals who were at any time the proper officers of the Company or the Guarantor shall bind the Company or the Guarantor, as the case may be, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series, together with any Coupons appertaining thereto, executed by the Company to the Trustee for authentication, together with the Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities; PROVIDED, HOWEVER, that definitive Bearer Securities may only be delivered at an office or agency outside the United States in exchange for a portion of a Bearer Security in temporary global form of equal aggregate principal amount and series and only if (x) prior to such delivery, the owner of such Bearer Security or a financial institution or clearing organization through which the owner holds such Bearer Security directly or indirectly, shall have furnished a certificate in the form set forth in Exhibit A.1 to this Indenture (which certificate and all other certificates to this Indenture may be changed by the Company and the Guarantor pursuant to an Officers' Certificate), dated no earlier than 15 days prior to the date on which Euro-clear or CEDEL S.A. (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion), as the case may be, furnishes to the Common Depositary, in accordance with the procedures established in Section 2.04, a certificate in the form set forth in Exhibit A.2 to this Indenture that relates to all or such portion of such temporary global Security, and (y) the Person to whom such certificate is provided does not know or have reason to know that the information contained in such certificate is false. A confirmation in the form set forth in Exhibit A.5 to this Indenture shall be sent to each purchaser of a Bearer Security. If any Bearer Security shall initially be represented by a portion of a temporary global Security, then, for purposes of this Section and Section 2.04, the notation of a beneficial owner's interest therein upon exchange for a portion of a permanent global Security shall be deemed to be delivery of such beneficial owner's interest in such permanent global Security. Except as permitted by Section 2.06, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant Coupons for interest then matured have been detached and cancelled.

If the forms or terms of the Securities of the series and any related Coupons have been established by or pursuant to one or more Board Resolutions as permitted by Sections 2.13 and 2.01, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 8.01) shall be fully protected in relying upon, an Opinion of Counsel stating:

a. if the forms of such Securities and any Coupons have been established by or pursuant to a Board Resolution as permitted by Section 2.13, that such forms have been established in conformity with the provisions of this Indenture;

b. if the terms of such Securities and any Coupons have been established by or pursuant to a Board Resolution as permitted by Section 2.01, that such terms have been established in conformity with the provisions of this Indenture; and

c. that such Securities, together with any Coupons appertaining thereto, and the Guarantees when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company and the Guarantor, entitled to the benefits of the Indenture and enforceable in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles.

If such forms or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 2.01 and of the preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Officers' Certificate otherwise required pursuant to Section 2.01 or the Company Order and Opinion of Counsel otherwise required pursuant to such preceding paragraph at or prior to the time of authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

Each Registered Security shall be dated the date of its authentication; and each Bearer Security and any Bearer Security in global form shall be dated as of the date of original issuance of the indebtedness evidenced by such Bearer Security.

No Security or Coupon shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security, or the Security to which such Coupon appertains, a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. Notwithstanding the foregoing, if any Security shall have been duly authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 2.08 together with a written statement (which need not comply with Section 15.06 and need not be accompanied

by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

(iii) SECTION 7.02. COLLECTION OF INDEBTEDNESS AND SUITS FOR ENFORCEMENT BY TRUSTEE. is amended to read in full as follows:

SECTION 7.02. COLLECTION OF INDEBTEDNESS AND SUITS FOR ENFORCEMENT BY TRUSTEE. The Company covenants that (1) in case it shall default in the payment of any installment of interest on any Security, or Coupon, as and when the same shall become due and payable, and such default shall have continued for a period of thirty days (unless a different period is provided for with respect to such Security), or (2) in case it shall default in the payment of the principal of (or premium, if any, on) any of the Securities when the same shall have become payable, whether upon Maturity of such Securities or upon declaration or otherwise, then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of such Securities and Coupons, if any, the whole amount that then shall have become due and payable on all such Securities and Coupons, if any, for principal (and premium, if any), or interest, or both, as the case may be, with interest upon the overdue principal (and premium, if any) and (to the extent that payment of such interest is enforceable under applicable law) upon overdue installments of interest at the rate borne by such Securities and Coupons, if any, and, in addition thereto, such further amount as shall be sufficient to cover all sums due the Trustee and each predecessor Trustee under Section 8.06.

In case the Company shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce such judgment or final decree against the Company, the Guarantor or other obligor upon such Securities and Coupons, if any, and collect in the manner provided by law out of the property of the Company, the Guarantor or other obligor upon such Securities and Coupons, if any, wherever situated, the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings in bankruptcy or for the reorganization of the Company, the Guarantor or any other obligor upon the Securities and Coupons, if any, of any series under Title 11 of the United States Code, as now constituted or hereafter in effect, or any other applicable bankruptcy, insolvency or other similar law relative to the Company, the Guarantor or to such other obligor, its creditors or its property, or in case a receiver or trustee shall have been appointed for its property, or in case of any other judicial proceedings relative to the Company, the Guarantor or other obligor upon the Securities and Coupons, if any, of such series, its creditors

or its property, the Trustee, irrespective of whether the principal of the Securities of such series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 7.02, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and Coupons, if any, of such series, and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for sums due the Trustee and each predecessor Trustee under Section 8.06) and of the Securityholders allowed in any judicial proceedings relative to any obligor upon the Securities and Coupons, if any, of such series, its creditors or its property and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Securityholders and of the Trustee on their behalf; and any receiver, liquidator, trustee, custodian or assignee under any of the provisions of Title 11 of the United States Code, as now constituted or hereafter in effect, is hereby authorized by each of the Securityholders to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the Securityholders, to pay to the Trustee such amount as shall be sufficient to cover all sums due the Trustee and each predecessor Trustee under Section 8.06.

All rights of action and of asserting claims under this Indenture or under any of the Securities and Coupons, if any, of any series may be enforced by the Trustee without the possession of any of the Securities and Coupons, if any, of that series or the production thereof at any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for all amounts due the Trustee and each

4

predecessor Trustee under Section 8.06, be for the ratable benefit of the Holders of the Securities and Coupons, if any, of such series.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to, or accept or adopt on behalf of any Securityholder, any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Securityholder, or to authorize the Trustee to vote in respect of the claim of any Securityholder in any such proceeding.

In case of an Event of Default hereunder, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture, or to enforce any other

legal or equitable right vested in the Trustee by this Indenture or by law.

(iv) SECTION 8.06. COMPENSATION AND REIMBURSEMENT. is amended to read in full as follows:

SECTION 8.06. COMPENSATION AND REIMBURSEMENT. The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, such compensation as shall be agreed upon in writing (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and, except as otherwise expressly provided herein, the Company will pay or reimburse the Trustee upon its request for all costs and expenses of collection and all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and agents) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The Company also covenants to indemnify each of the Trustee and any predecessor Trustee for, and to hold each of them harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee or such predecessor Trustee, as the case may be, arising out of or in connection with the acceptance or administration of this trust and its duties hereunder, including the reasonable cost and expense of defending itself against any claim of liability in connection with the exercise or performance of its powers or duties hereunder. The obligations of the Company under this Section 8.06 to compensate and indemnify the Trustee and any predecessor Trustee and to pay or reimburse the Trustee for costs of collection and expenses, disbursements and advances shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of this Indenture. Such additional indebtedness shall be secured by a senior claim to which the Securities are hereby made subordinate upon all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the holders of particular Securities.

(v) SECTION 8.09 CORPORATE TRUSTEE REQUIRED; ELIGIBILITY. is amended in full to read as follows:

SECTION 8.09 CORPORATE TRUSTEE REQUIRED; ELIGIBILITY. The Trustee hereunder shall at all times be a corporation organized and doing business under the laws of the United States or of any State or of the District of Columbia, authorized under such laws to exercise corporate trust powers, either (a) having a combined capital and surplus of at least fifty million dollars (\$50,000,000) or (b) having a combined capital and surplus of at least ten million dollars (\$10,000,000) and being a wholly-owned subsidiary of a corporation having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and in each case subject to supervision or examination by Federal, State or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 8.09, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to

be eligible in accordance with the provisions of this Section 8.09, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.10. Neither the Company, the Guarantor, any other obligor upon the Securities, nor any person directly or indirectly controlling, controlled by, or under common control with such obligor shall serve as Trustee under this Indenture.

PARAGRAPH B. ADDITIONAL PROVISION  
-----

The following provision, which constitutes part of this Indenture, is numbered to conform with the format of the Standard Provisions:

SECTION 8.16. At the date of this Indenture, the Corporate Trust Office of the Trustee is located at 300 South Grand Avenue, Los Angeles, California 90071.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

UNION OIL COMPANY OF CALIFORNIA

By: \_\_\_\_\_

Name:  
Title:

[SEAL]

Attest:

-----  
Name:  
Title:

UNOCAL CORPORATION

By

-----  
Name:  
Title:

[SEAL]

Attest:

-----

Name:  
Title:

CHEMICAL TRUST COMPANY OF CALIFORNIA

By

-----

Name:  
Title:

[SEAL]

Attest:

-----

Name:  
Title:

STATE OF CALIFORNIA            )  
  )     SS.:  
COUNTY OF LOS ANGELES        )

On \_\_\_\_\_, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_, and \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_ of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

-----  
Notary Public

STATE OF CALIFORNIA            )  
  )     SS.:  
COUNTY OF LOS ANGELES        )

On \_\_\_\_\_, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_, and \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_ of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

-----  
Notary Public

8

STATE OF CALIFORNIA            )  
  )     SS.:  
COUNTY OF \_\_\_\_\_        )

On \_\_\_\_\_, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_, and \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_ of the Corporation that

executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

-----

Notary Public

9

-----

UNION OIL COMPANY OF CALIFORNIA,  
as Issuer

UNOCAL CORPORATION,  
as Guarantor

and

\_\_\_\_\_,  
as Trustee

-----

Subordinated Debt Securities

-----

Indenture

-----

Dated as of \_\_\_\_\_, 199\_\_

-----

-----

THIS INDENTURE, dated as of \_\_\_\_\_, 199\_\_ (the "Indenture"), is among Union Oil Company of California, a corporation duly organized and existing under the laws of the State of California (herein called the "Company"), Unocal Corporation, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor"), and \_\_\_\_\_, as Trustee (herein called the "Trustee").

WITNESSETH:

WHEREAS, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes, bonds or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as in this Indenture provided;

WHEREAS, the Guarantor has duly authorized the execution and delivery of this Indenture and its guarantee of the Securities (the "Guarantees") as provided herein;

WHEREAS, all acts and things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee as in this Indenture provided, the valid, binding and legal obligations of the Company, and to constitute this Indenture a valid indenture and agreement according to its terms, have been done and performed, and the execution of this Indenture and the issuance hereunder of the Securities have in all respects been duly authorized;

WHEREAS, all acts and things necessary to make the Guarantees of the Securities, when executed by the Guarantor and delivered by the Trustee as in this Indenture provided, the valid, binding and legal obligations of the Guarantor, and to constitute each such Guarantee a valid guarantee and agreement according to its terms, have been done and performed, and the execution by the Guarantor of this Indenture has in all respects been duly authorized; and

WHEREAS, all things necessary to make this Indenture a valid agreement of the Company and the Guarantor, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

PARAGRAPH A. INCORPORATION BY REFERENCE

Articles One through Seventeen (except for Sections 5.04 and 5.05 of Article Five) and all exhibits of the Union Oil Company of California and Unocal Corporation Standard Multiple-Series Indenture Provisions, January 1991, dated and filed with the Securities and Exchange Commission on January 2, 1991 (herein called the "Standard Provisions"), a copy of which is attached hereto as Annex "A," are hereby incorporated herein by reference with the same force and effect as though fully set out herein, except that:

(i) SECTION 1.01 DEFINITIONS. "Officers' Certificate" and "Request" and "Order" are amended to read in full as follows:

"Officers' Certificate" shall mean a certificate, in the case of the

Company or the Guarantor, signed in the name of the Company or the Guarantor by its respective Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, any Vice President (whether or not designated by a number or word or words added before or after the title Vice President), or Treasurer or an Assistant Treasurer, and by its respective Secretary or an Assistant Secretary, or its respective Comptroller or an Assistant Comptroller, as the case may be, and delivered to the Trustee.

1

"Request" and "Order" mean, where used with reference to the Company or the Guarantor, a written request or order signed in the name of the Company or the Guarantor by its respective Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, any Vice President (whether or not designated by a number or word or words added before or after the title Vice President), or Treasurer or an Assistant Treasurer, or by its respective Secretary or an Assistant Secretary, or its respective Comptroller or an Assistant Comptroller, as the case may be, and delivered to the Trustee.

(ii) SECTION 2.03. EXECUTION, AUTHENTICATION, DELIVERY AND DATING. is amended to read in full as follows:

SECTION 2.03. EXECUTION, AUTHENTICATION, DELIVERY AND DATING. The Securities shall be executed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal reproduced thereon (which may be by facsimile) and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities may be manual or facsimile. Any Coupons shall be executed on behalf of the Company by the manual or facsimile signature of any such officer of the Company. The Guarantees shall be endorsed upon the reverse of all Securities authenticated pursuant to this Indenture and shall be executed on behalf of the Guarantor by its Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal reproduced thereon (which may be by facsimile) and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Guarantees may be manual or facsimile.

Securities, Coupons and Guarantees bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company or the Guarantor shall bind the Company or the Guarantor, as the case may be, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities

or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series, together with any Coupons appertaining thereto, executed by the Company to the Trustee for authentication, together with the Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities; PROVIDED, HOWEVER, that definitive Bearer Securities may only be delivered at an office or agency outside the United States in exchange for a portion of a Bearer Security in temporary global form of equal aggregate principal amount and series and only if (x) prior to such delivery, the owner of such Bearer Security or a financial institution or clearing organization through which the owner holds such Bearer Security directly or indirectly, shall have furnished a certificate in the form set forth in Exhibit A.1 to this Indenture (which certificate and all other certificates to this Indenture may be changed by the Company and the Guarantor pursuant to an Officers' Certificate), dated no earlier than 15 days prior to the date on which Euro-clear or CEDEL S.A. (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion), as the case may be, furnishes to the Common Depositary, in accordance with the procedures established in Section 2.04, a certificate in the form set forth in Exhibit A.2 to this Indenture that relates to all or such portion of such temporary global Security, and (y) the Person to whom such certificate is provided does not know or have reason to know that the information contained in such certificate is false. A confirmation in the form set forth in Exhibit A.5 to this Indenture shall be sent to each purchaser of a Bearer Security. If any Bearer Security shall initially be represented by a portion of a temporary global Security, then, for purposes of this Section and Section 2.04, the notation of a beneficial owner's interest therein upon exchange for a portion of a permanent global Security shall be deemed to be delivery of such beneficial owner's interest in such permanent global Security. Except as permitted by Section 2.06, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant Coupons for interest then matured have been detached and cancelled.

2

If the forms or terms of the Securities of the series and any related Coupons have been established by or pursuant to one or more Board Resolutions as permitted by Sections 2.13 and 2.01, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 8.01) shall be fully protected in relying upon, an Opinion of Counsel stating:

a. if the forms of such Securities and any Coupons have been established by or pursuant to a Board Resolution as permitted by Section 2.13, that such forms have been established in conformity with the provisions of this Indenture;

b. if the terms of such Securities and any Coupons have been established by or pursuant to a Board Resolution as permitted by Section 2.01, that such terms have been established in conformity with the provisions of this Indenture; and

c. that such Securities, together with any Coupons appertaining thereto, and the Guarantees when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company and the Guarantor, entitled to the benefits of the Indenture and enforceable in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles.

If such forms or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 2.01 and of the preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Officers' Certificate otherwise required pursuant to Section 2.01 or the Company Order and Opinion of Counsel otherwise required pursuant to such preceding paragraph at or prior to the time of authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

Each Registered Security shall be dated the date of its authentication; and each Bearer Security and any Bearer Security in global form shall be dated as of the date of original issuance of the indebtedness evidenced by such Bearer Security.

No Security or Coupon shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security, or the Security to which such Coupon appertains, a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. Notwithstanding the foregoing, if any Security shall have been duly authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 2.08 together with a written statement (which need not comply with Section 15.06 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

PARAGRAPH B. ADDITIONAL PROVISIONS

Each of the following provisions, which constitutes part of this Indenture, is numbered to conform with the format of the Standard Provisions:

SECTION 4.05(e). Notwithstanding anything to the contrary contained in Section 4.05, the Trustee shall hold all amounts delivered by the Company to the Trustee for the payment of principal of (and premium, if any) or interest on any Securities in an interest-bearing account and all interest accrued on such account shall be paid to the Company from time to time unless there shall exist an Event of Default with respect to the Securities of the series for which such amounts have been delivered, in which case such accrued interest shall be held for the benefit of the Holders of the Securities of that series until such Event of Default is cured or waived.

SECTION 8.16. At the date of this Indenture, the Corporate Trust Office of the Trustee is located at \_\_\_\_\_.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

UNION OIL COMPANY OF CALIFORNIA

By \_\_\_\_\_  
Name:  
Title:

[SEAL]

Attest:  
-----  
Name:  
Title:

UNOCAL CORPORATION

By

-----

Name:

Title:

[SEAL]

Attest:

-----

Name:

Title:

-----

By

-----

Name:

Title:

[SEAL]

Attest:

-----

Name:

Title:

STATE OF CALIFORNIA            )  
   )     SS.:  
 COUNTY OF LOS ANGELES        )

On \_\_\_\_\_, 199\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_, and \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_ of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

-----  
Notary Public

STATE OF CALIFORNIA        )  
                                  )     SS.:  
COUNTY OF LOS ANGELES    )

On \_\_\_\_\_, 199\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_, and \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_ of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

-----  
Notary Public

STATE OF \_\_\_\_\_ )  
                                  )     SS.:  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 199\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_, and \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the \_\_\_\_\_ of the Corporation that

executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

-----  
Notary Public

UNION OIL COMPANY OF CALIFORNIA,

UNOCAL CORPORATION,  
Guarantor

and

[NAME OF WARRANT AGENT],  
Warrant Agent

\_\_\_\_\_

WARRANT AGREEMENT [DEBT SECURITIES]

Dated as of \_\_\_\_\_

WARRANT AGREEMENT dated as of \_\_\_\_\_, 19\_\_\_\_, between UNION OIL COMPANY OF CALIFORNIA, a California corporation (the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), UNOCAL CORPORATION, a Delaware corporation, as guarantor (the "Guarantor", which term includes any successor corporation under the Indenture hereinafter referred to), and \_\_\_\_\_, as warrant agent (the "Warrant Agent", which term includes any successor warrant agent hereunder).

WHEREAS the Company and the Guarantor have entered into an Indenture dated as of \_\_\_\_\_, 1994 which incorporates by reference specified sections of the Standard Multiple-Series Indenture Provisions, January 1991, of the Company and the Guarantor, dated as of January 2, 1991 (the "Indenture"), with Chemical Trust Company of California, a California

corporation, as Trustee (the "Trustee", which term includes any successor trustee under the Indenture), providing for the issuance from time to time of the Company's debt securities, to be issued in one or more series as provided in the Indenture, and to be guaranteed by the Guarantor;

[WHEREAS the Company proposes to sell and the Guarantor proposes to guarantee] [title of debt securities being offered] (the "Offered Securities") with Warrant certificates evidencing one or more warrants (the "Warrants"; individually a "Warrant") representing the right to purchase up to an aggregate principal amount of [ \$ \_\_\_\_\_ ] of Debt Securities, which are to be issued under the Indenture (the "Warrant Securities"), such warrant certificates and other warrant certificates issued pursuant to this Agreement being called the "Warrant Certificates"; and

WHEREAS the Company and the Guarantor desire that the Warrant Agent act on behalf of the Company and Guarantor in connection with the issuance, exchange, exercise and replacement of the Warrant Certificates, and in this Agreement wish to set forth, among other things, the form and provisions of the Warrant Certificates and the terms and conditions on which they may be issued, exchanged, exercised and replaced.

NOW THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree as follows:

#### ARTICLE 1.

##### ISSUANCE OF WARRANTS AND EXECUTION AND DELIVERY OF WARRANT CERTIFICATES

SECTION 1.01. ISSUANCE OF WARRANTS. [Warrants shall be initially issued in connection with the issuance of the Offered Securities] [but shall be separately transferable on and after \_\_\_\_\_, 19\_\_\_\_ (the "Detachable Date")] [and shall not be separately transferable] [and each] [Each] Warrant Certificate shall evidence \_\_\_\_\_ Warrants. Each Warrant evidenced by a Warrant Certificate shall represent the right, subject to the provisions contained herein and therein, to purchase a Warrant Security in the principal amount of [ \$ \_\_\_\_\_ ].

SECTION 1.02. EXECUTION AND DELIVERY OF WARRANT CERTIFICATES. Warrant Certificates, whenever issued, shall be in [bearer] [or] [registered] form [or both] substantially in the form set forth in Annex A hereto, shall be dated and may have such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as the officers of the Company and the Guarantor executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on

which the Warrants may be listed, or to conform to common usage. The Warrant Certificates shall be signed on behalf of the Company and the Guarantor by its respective Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal and attested by its Secretary or one of its Assistant Secretaries. Such signatures may be manual or facsimile signatures of such authorized officers and may be imprinted or otherwise reproduced on the Warrant Certificates. The seal of the Company and the Guarantor may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Warrant Certificates.

No Warrant Certificate shall be valid for any purpose, and no Warrant evidenced thereby shall be exercisable, until such Warrant evidenced thereby has been countersigned by the manual signature of the Warrant Agent. Such signature by the Warrant Agent upon any Warrant Certificate executed by the Company shall be conclusive evidence that the Warrant Certificate so countersigned has been duly issued hereunder.

In case any officer of the Company or the Guarantor who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been countersigned and delivered by the Warrant Agent, such Warrant Certificates may be countersigned and delivered notwithstanding that the person who signed such Warrant Certificates ceased to be such officer of the Company or the Guarantor; and any Warrant Certificate may be signed on behalf of the Company or the Guarantor by such persons as, at the actual date of the execution of such Warrant Certificate, shall be the proper officers of the Company or the Guarantor, although at the date of the execution of this Agreement any such person was not such officer.

[IF BEARER WARRANTS--The term "holder" or "holder of a Warrant Certificate" as used herein shall mean [IF OFFERED DEBT SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Prior to the Detachable Date, the registered owner of the Offered Security to which such Warrant Certificate was initially attached (or the bearer if the Offered Securities is in bearer form) and after such Detachable Date] the bearer of such Warrant Certificate.]

[IF REGISTERED WARRANTS--The term "holder" or "holder of a Warrant Certificate" as used herein shall mean any person in whose name at the time any Warrant Certificate shall be registered upon the books to be maintained by the Warrant Agent for that purpose. IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--or, prior to the Detachable Date, upon the register of the Offered Securities.] The Company will, or will cause the registrar of the Offered Securities to, make available at all times to the Warrant Agent such information as to holders of the Offered Securities with Warrants as may be necessary to keep the Warrant Agent's records up-to-date.

SECTION 1.03. ISSUANCE OF WARRANT CERTIFICATES. Warrant Certificates evidencing the right to purchase an aggregate principal amount not exceeding

[\$\_\_\_\_\_] aggregate principal amount of Warrant Securities (except as provided in Section 2.03(c), 3.02 and 4.01) may be executed by the Company and the Guarantor and delivered to the Warrant Agent upon the execution of this Agreement or from time to time thereafter. The Warrant Agent shall, upon receipt of Warrant Certificates duly executed on behalf of the Company and the Guarantor and upon order of the Company, countersign Warrant Certificates evidencing Warrants representing the right to purchase up to [\$\_\_\_\_\_] aggregate principal amount of Warrant Securities and shall deliver such Warrant Certificates to or upon the order of the Company. Subsequent to such original issuance of the Warrant Certificates, the Warrant Agent shall countersign a Warrant Certificate only if the Warrant Certificate is issued in exchange or substitution for one or more previously countersigned Warrant Certificates [IF REGISTERED WARRANTS--or in connection with their transfer] as hereinafter provided, or as provided in Section 2.03(c).

2.

## ARTICLE II.

### WARRANT PRICE, DURATION AND EXERCISE OF WARRANTS

SECTION 2.01. WARRANT PRICE. During the period from and including \_\_\_\_\_, 19\_\_, to and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\_\_\_% of the principal amount of the Warrant Securities] [\$\_\_\_\_\_] plus [accrued amortization of the original issue discount] [accrued interest] from the most recently preceding \_\_\_\_\_. [During the period from \_\_\_\_\_, 19\_\_, to and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\_\_\_% of the principal amount of the Warrant Securities] [\$\_\_\_\_\_] plus [accrued amortization of the original issue discount] [accrued interest] from the most recently preceding \_\_\_\_\_. [In each case, the original issue discount will be amortized at a \_\_\_% annual rate, computed on an annual basis using a 360-day year consisting of twelve 30-day months.] Such purchase price of Warrant Securities is referred to in this Agreement as the "Warrant Price". [The original issue discount for each [\$\_\_\_\_\_] principal amount of Warrant Securities is [\$\_\_\_\_\_].]

SECTION 2.02. DURATION OF WARRANTS. Each Warrant may be exercised in whole at any time, as specified herein, on or after [the date thereof] [\_\_\_\_\_, 19\_\_ and at or before 5:00 p.m. New York City time on \_\_\_\_\_, 19\_\_ or such later date as may be selected by the Company, in a written statement to the Warrant Agent and with notice to the holders of Warrants (such date of expiration being called the "Expiration Date"). Each Warrant not exercised at or before 5:00 p.m. New York City time on the Expiration Date shall become void and all rights of the holder of the Warrant Certificate evidencing such Warrant under this Agreement shall cease.

### SECTION 2.03. EXERCISE OF WARRANTS.

(a) During the period specified in Section 2.02, any whole number of

Warrants may be exercised [, subject to Section 2.03(c),] by delivery to the Warrant Agent of the Warrant Certificate evidencing such Warrant, with the form of election to purchase Warrant Securities set forth on the reverse side of the Warrant Certificate properly completed and duly executed, and by paying in full, [in lawful money of the United States of America,] [in the foreign currency or currency unit in which the Warrant Securities are denominated] [by bank wire transfer] in immediately available funds the Warrant Price for each Warrant exercised to the principal corporate trust office of the Warrant Agent [or at \_\_\_\_\_]. The date on which the duly completed and executed Warrant Certificate and payment in full of the Warrant Price is received by the Warrant Agent shall be deemed to be the date on which the Warrant is exercised. The Warrant Agent shall deposit all funds received by it in payment of the Warrant Price in an account of the Company maintained with it and shall advise the Company by telephone at the end of each day on which a payment or wire transfer for the exercise of Warrants is received of the amount so deposited to its account. The Warrant Agent shall promptly confirm such telephone advice to the Company in writing.

(b) The Warrant Agent shall, from time to time, as promptly as practicable, advise the Company and the Trustee of (i) the number of Warrants exercised, (ii) the instructions of each holder of the Warrant Certificates evidencing such Warrants with respect to delivery of the Warrant Securities to which such holder is entitled upon such exercise, (iii) delivery of Warrant Certificates evidencing the balance, if any, of the Warrants remaining after such exercise and (iv) such other information as the Company, the Guarantor or the Trustee shall reasonably require.

(c) As soon as practicable after the exercise of any Warrant, the Company shall issue, pursuant to the Indenture, in authorized denomination to or upon the order of the holder of the Warrant Certificate evidencing such Warrant, the Warrant Securities to which such holder is entitled, [in fully registered form, registered in such name or names] [in bearer form,] as may be directed by such

### 3.

holder [; PROVIDED, HOWEVER, that the Company shall deliver Warrant Securities in bearer form only outside the United States of America (including the states and District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island, and Northern Mariana Islands) and only upon delivery from the person entitled to physical delivery of such Warrant Securities of an executed certification substantially in the form of Annex B hereto]. If fewer than all of the Warrants evidenced by such Warrant Certificate are exercised, the Company and the Guarantor shall execute (attested and under seal as aforesaid), and an authorized officer of the Warrant Agent shall manually countersign and deliver, a new Warrant Certificate evidencing the number of such Warrants remaining unexercised, unless sufficient time does

not exist before the Expiration Date to exercise such Warrants in accordance with the provisions of this Agreement.

(d) The Company or the Guarantor shall not be required to pay any stamp or other tax or other governmental charge required to be paid in connection with any transfer involved in the issuance of the Warrant Securities and the Company or the Guarantor shall not be required to issue or deliver any Warrant Security until such tax or other charge shall have been paid or it shall have been established to the satisfaction of the Company that no such tax or other charge is due.

### ARTICLE III.

#### OTHER PROVISIONS RELATING TO RIGHTS OF HOLDERS OF WARRANT CERTIFICATES

SECTION 3.01. NO RIGHTS AS A HOLDER OF WARRANT SECURITIES CONFERRED BY WARRANTS OR WARRANT CERTIFICATES. No Warrant Certificate or Warrant evidenced thereby shall entitle the holder thereof to any of the rights of a holder of Warrant Securities, including without limitation the right to receive the payment of principal of or premium, if any, or interest, if any, on Warrant Securities or to enforce any of the covenants in the Indenture except to the extent that in connection with any modification of the Indenture pursuant to the provisions of Section 11.02 thereof a holder of any unexpired Warrant shall be deemed to be the holder of the principal amount of Warrant Securities issuable upon exercise of such Warrant.

SECTION 3.02. LOST, STOLEN, MUTILATED OR DESTROYED CERTIFICATES. Upon receipt by the Warrant Agent of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Warrant Certificate and of indemnity reasonably satisfactory to it and the Company and, in the case of mutilation, upon surrender thereof to the Warrant Agent for cancellation, then, in the absence of notice to the Company or the Warrant Agent that such Warrant Certificate has been acquired by a bona fide purchaser or holder in due course, the Company and the Guarantor may (or, in the case of mutilation, shall) execute, and in such event an authorized officer of the Warrant Agent shall manually countersign and deliver, in exchange for or in lieu of the lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate of the same tenor and evidencing a like number of Warrants. Upon the issuance of any new Warrant Certificate under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Warrant Agent) in connection therewith. Every substitute Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Warrant Certificate shall represent an additional contractual obligation of the Company and the Guarantor, whether or not the lost, stolen or destroyed Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Warrant Certificates duly

executed and delivered hereunder. The provisions of this Section are exclusive and shall preclude (to the extent lawful) any and all other rights or remedies notwithstanding any law or statute existing or hereinafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

4.

SECTION 3.03. HOLDER OF WARRANT CERTIFICATE MAY ENFORCE RIGHTS.

Notwithstanding any of the provisions of this Agreement, any holder of a Warrant Certificate, without the consent of the Warrant Agent, the Trustee, the holder of any Warrant Securities or the holder of any other Warrant Certificate, may, in his own behalf and for his own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Company or the Guarantor suitable to enforce or otherwise in respect of, his right to exercise the Warrants evidenced by his Warrant Certificate in the manner provided in his Warrant Certificate and in this Agreement.

[If Warrant Securities are exchangeable or convertible--

SECTION 3.04. CONVERSION OR EXCHANGE. The Company shall at all times reserve and keep available, free from preemptive rights, out of its authorized [title of security], the full number of shares of such [title of security] then issuable upon exchange or conversion of all Warrant Securities.]

ARTICLE IV.

EXCHANGE AND TRANSFER OF WARRANT CERTIFICATES

SECTION 4.01. EXCHANGE AND TRANSFER OF WARRANT CERTIFICATES. [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--Upon] [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Prior to the Detachable Date a Warrant Certificate may be exchanged or transferred only together with the Offered Securities to which the Warrant Certificate was initially attached, and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Security. Prior to the Detachable Date, each transfer of the Offered Security [on the register maintained with respect to the Offered Securities] shall operate also to transfer the related Warrant Certificates. After the Detachable Date, upon] surrender at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_], Warrant Certificates evidencing Warrants may be exchanged for Warrant Certificates in other denominations evidencing such Warrants [IF REGISTERED WARRANTS--or the transfer may be registered in whole or in part]; provided that such other Warrant Certificates evidence a like number of Warrants as the Warrant Certificates so surrendered. [IF REGISTERED AND BEARER WARRANTS (SUBJECT TO ANY LIMITATIONS IMPOSED WITH RESPECT TO SUCH EXCHANGES)--After the Detachable Date, upon] [Upon] surrender at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_], Warrant Certificates in bearer form may be exchanged for Warrant Certificates in

registered form evidencing a like number of Warrants.] [IF REGISTERED WARRANTS-- The Warrant Agent shall keep, at its corporate trust office, books in which, subject to such reasonable regulations as it may prescribe, it shall register Warrant Certificates and exchanges and transfers of outstanding Warrant Certificates upon surrender of the Warrant Certificates to the Warrant Agent at its principal corporate trust office [or \_\_\_\_\_] for exchange [or registration of transfer], properly endorsed or accompanied by appropriate instruments of registration of transfer and written instructions for transfer, all in form satisfactory to the Company and the Warrant Agent.] The Company may require payment of a service charge for any exchange [or registration of transfer] of Warrant Certificates, and may require payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection with any such exchange [or registration of transfer]. Whenever any Warrant Certificates are so surrendered for exchange [or registration of transfer] an authorized officer of the Warrant Agent shall manually countersign and deliver to the person or persons entitled thereto a Warrant Certificate or Warrant Certificates duly authorized and executed by the Company and the Guarantor, as so requested. The Warrant Agent shall not be required to effect any exchange [or registration of transfer] which will result in the issuance of a Warrant Certificate evidencing a fraction of a Warrant or a number of full Warrants and a fraction of a Warrant. All Warrant Certificates issued upon any exchange [or registration of transfer] of Warrant Certificates shall be the valid obligations of the Company, evidencing the same obligations, and entitled to the same benefits under this Agreement, as the Warrant Certificates surrendered for such exchange [or registration or transfer].

5.

SECTION 4.02. TREATMENT OF HOLDERS OF WARRANT CERTIFICATES. [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE-- Subject to Section 4.01, each] [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--Each] Warrant Certificate shall be transferable by delivery and shall be deemed negotiable and the bearer of each Warrant Certificate may be treated by the Company, the Guarantor, the Warrant Agent and all other persons dealing with such bearer as the absolute owner thereof for any purpose and as the person entitled to exercise the rights represented by the Warrants evidenced thereby, any notice to the contrary notwithstanding.] [IF REGISTERED WARRANTS-- Every holder of a Warrant Certificate, by accepting the same, consents and agrees with the Company, the Guarantor, the Warrant Agent and with every subsequent holder of such Warrant Certificate that until the transfer of the Warrant Certificate is registered on the books of the Warrant Agent [or the register of the Offered Securities prior to the Detachable Date], the Company, the Guarantor, and the Warrant Agent [or the registrar of the Offered Securities prior to the Detachable Date], may treat such registered holder as the absolute owner thereof for any purpose and as the person entitled to exercise the rights represented by the Warrants evidenced thereby, any notice to contrary notwithstanding.]

SECTION 4.03. CANCELLATION OF WARRANT CERTIFICATES. Any Warrant Certificate surrendered for exchange [, registration of transfer] or exercise of the Warrants evidenced thereby, if surrendered to the Company, shall be delivered to the Warrant Agent and all Warrant Certificates surrendered or so delivered to the Warrant Agent shall be promptly cancelled by the Warrant Agent and shall not be reissued and, except as expressly permitted by this Agreement, no Warrant Certificate shall be issued hereunder in exchange or in lieu thereof. The Warrant Agent shall deliver to the Company from time to time or otherwise dispose of cancelled Warrant Certificates in a manner satisfactory to the Company.

## ARTICLE V.

### CONCERNING THE WARRANT AGENT

SECTION 5.01. WARRANT AGENT. The Company and the Guarantor hereby appoint the Warrant Agent as warrant agent of the Company and the Guarantor in respect of the Warrants and the Warrant Certificates upon the terms and subject to the conditions herein set forth and the Warrant Agent hereby accepts such appointment. The Warrant Agent shall have the powers and authority granted to and conferred upon it in the Warrant Certificates and hereby and such further powers and authority to act on behalf of the Company and the Guarantor as the Company and the Guarantor may hereafter grant to or confer upon it in writing. All of the terms and provisions with respect to such powers and authority contained in the Warrant Certificates are subject to and governed by the terms and provisions hereof.

SECTION 5.02. CONDITIONS OF WARRANT AGENT'S OBLIGATIONS. The Warrant Agent accepts its obligations herein set forth upon the terms and conditions hereof, including the following, to all of which the Company and the Guarantor agree and to all of which the rights hereunder of the holders from time to time of the Warrant Certificates shall be subject:

(a) COMPENSATION AND INDEMNIFICATION. The Company agrees promptly to pay the Warrant Agent the compensation to be agreed upon with the Company for all services rendered by the Warrant Agent and to reimburse the Warrant Agent for reasonable out-of-pocket expenses (including counsel fees) incurred by the Warrant Agent in connection with the services rendered hereunder by the Warrant Agent. The Company also agrees to indemnify the Warrant Agent for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Warrant Agent, arising out of or in connection with its acting as Warrant Agent hereunder, as well as the costs and expenses of defending against any claim of such liability.

6.

(b) AGENT FOR THE COMPANY AND THE GUARANTOR. In acting under this

Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and the Guarantor and does not assume any fiduciary obligation or relationship of agency or trust for or with any of the holders of Warrant Certificates or beneficial owners of Warrants.

(c) DOCUMENTS. The Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(d) CERTAIN TRANSACTIONS. The Warrant Agent, and its officers, directors and employees, may become the owner of, or acquire any interest in, Warrants and/or Warrant Securities and/or Offered Securities, with the same rights that it or they would have if it were not the Warrant Agent hereunder, and, to the extent permitted by applicable law, it or they may engage or be interested in any financial or other transaction with the Company or the Guarantor and may act on, or as depositary, trustee or agent for, any committee or body of holders of Warrant Securities, Offered Securities or other obligations of the Company or the Guarantor as freely as if it were not the Warrant Agent hereunder. Nothing in this Agreement shall be deemed to prevent the Warrant Agent from acting as Trustee under the Indenture or as trustee under any other indenture with the Company or the Guarantor.

(e) NO LIABILITY FOR INVALIDITY. The Warrant Agent shall have no liability with respect to any invalidity of this Agreement or any of the Warrant Certificates.

(f) NO LIABILITY FOR INTEREST. The Warrant Agent shall transfer to the Company interest on any monies at any time received by it pursuant to any of the provisions of this Agreement or of the Warrant Certificates.

(g) NO RESPONSIBILITY FOR REPRESENTATIONS. The Warrant Agent shall not be responsible for any of the recitals or representations herein or in the Warrant Certificates (except as to the Warrant Agent's countersignature thereon), all of which are made solely by the Company and the Guarantor.

(h) NO IMPLIED OBLIGATIONS. The Warrant Agent shall be obligated to perform only such duties as are herein and in the Warrant Certificates specifically set forth and no implied duties or obligations shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall not be under any obligation to take any action hereunder which might involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company or the Guarantor of any of the Warrant Certificates countersigned and delivered by it to the Company or the Guarantor pursuant to this Agreement or for the application by the

Company or the Guarantor of the proceeds of the Warrant Certificates. The Warrant Agent shall have no duty or responsibility in case of any default by the Company or the Guarantor in the performance of its covenants or agreements contained herein or in the Warrant Certificates or in the case of the receipt of any written demand from a holder of a Warrant Certificate with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise, or, except as provided in Section 6.02 hereof, to make any demand upon the Company or the Guarantor.

7.

#### SECTION 5.03. RESIGNATION AND APPOINTMENT OF SUCCESSOR.

(a) The Company and the Guarantor agree, for the benefit of the holders from time to time of the Warrant Certificates, that there shall at all times be a Warrant Agent hereunder until all the Warrant Certificates are no longer exercisable.

(b) The Warrant Agent may at any time resign as such agent by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become effective; PROVIDED that such date shall not be less than three months after the date on which such notice is given unless the Company and the Guarantor otherwise agree. The Warrant Agent hereunder may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and the Guarantor and specifying such removal and the date upon which such removal shall become effective. Such resignation or removal shall take effect upon the appointment by the Company and the Guarantor, as hereinafter provided, of a successor Warrant Agent (which shall be a bank or trust company authorized under the laws of the jurisdiction of its organization to exercise corporate trust powers) and the acceptance of such appointment by such successor Warrant Agent. The obligations of the Company and the Guarantor under Section 5.02(a) shall continue to the extent set forth therein notwithstanding the resignation or removal of the Warrant Agent.

(c) In case at any time the Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or shall file a petition seeking relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable Federal or state bankruptcy law or similar law or make an assignment for the benefit of its creditors or consent to the appointment of a receiver or custodian of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian of it or of all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the provisions of the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable Federal or state bankruptcy or similar law, or if any

public officer shall have taken charge or control of the Warrant Agent or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Warrant Agent, qualified as aforesaid, shall be appointed by the Company and the Guarantor by an instrument in writing, filed with the successor Warrant Agent. Upon the appointment as aforesaid of a successor Warrant Agent and acceptance by the successor Warrant Agent of such appointment, the Warrant Agent shall cease to be Warrant Agent hereunder.

(d) Any successor Warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and to transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive, all monies, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Any corporation into which the Warrant Agent hereunder may be merged or converted or any corporation with which the Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all the assets and business of the Warrant Agent, provided that it shall be qualified as aforesaid, shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto.

8.

## ARTICLE VI.

### MISCELLANEOUS

SECTION 6.01. AMENDMENT. This Agreement may be amended by the parties hereto, without the consent of the holder of any Warrant Certificate, for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or making any other provisions with respect to matters or questions arising under this Agreement as the Company, the Guarantor and the Warrant Agent may deem necessary or desirable; PROVIDED that such action shall not adversely affect the interests of the holders of the Warrant Certificates.

SECTION 6.02. NOTICES AND DEMANDS TO THE COMPANY, THE GUARANTOR AND WARRANT AGENT. If the Warrant Agent shall receive any notice or demand addressed to the Company or the Guarantor by the holder of a Warrant Certificate

pursuant to the provisions of the Warrant Certificates, the Warrant Agent shall promptly forward such notice or demand to the Company or the Guarantor, respectively.

SECTION 6.03. ADDRESSES. Any communications from the Company or the Guarantor to the Warrant Agent with respect to this Agreement shall be addressed to the Warrant Agent at its principal corporate trust office at \_\_\_\_\_, \_\_\_\_\_, Attention: \_\_\_\_\_, and any communication from the Warrant Agent to the Company or the Guarantor with respect to this Agreement shall be addressed to Union Oil Company of California or Unocal Corporation, respectively, 1201 West Fifth Street, Los Angeles, California 90017 Attention: Treasury Department or such other address as shall be specified in writing by the Warrant Agent, the Company or the Guarantor.

SECTION 6.04. NOTICES TO HOLDERS OF WARRANTS. Any notice to holders of Warrants which by any provisions of this Agreement is required or permitted to be given shall be given [IF REGISTERED WARRANTS--by first class mail, postage prepaid, at such holder's address as appears on the books of the Warrant Agent [or on the register of the Offered Securities prior to the Detachable Date] [IF BEARER WARRANTS--by publication at least once in a daily morning newspaper in New York City [, in London] and in \_\_\_\_\_].

SECTION 6.05. APPLICABLE LAW. The validity, interpretation and performance of this Agreement and each Warrant Certificate issued hereunder and of the respective terms and provisions thereof shall be governed by, and construed in accordance with, the substantive laws of the State of New York without regard to any conflict of laws provisions.

SECTION 6.06. DELIVERY OF PROSPECTUS. The Company and the Guarantor will furnish to the Warrant Agent sufficient copies of a prospectus with an accompanying prospectus supplement relating to the Warrant Securities, and the Warrant Agent agrees that upon the exercise of any Warrant, the Warrant Agent will deliver to the holder of the Warrant Certificate evidencing such Warrant prior to or concurrently with the delivery of the Warrant Securities issued upon such exercise, a copy of such prospectus and prospectus supplement.

SECTION 6.07. OBTAINING OF GOVERNMENTAL APPROVALS. The Company and the Guarantor will from time to time take all action which may be necessary to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and securities acts filings under United States Federal and state laws and any applicable laws of other jurisdictions (including without limitation a registration statement in respect of the Warrants and Warrant Securities under the Securities Act of 1933) which may be or become required in connection with the issuance, sale, transfer and delivery of the Warrant Certificates, the exercise of the Warrants, the issuance, sale, transfer and delivery of the Warrant Securities issued upon exercise of the Warrants or upon the expiration of the period during which the Warrants are exercisable.

SECTION 6.08. PERSONS HAVING RIGHTS UNDER WARRANT AGREEMENT. Nothing in this Agreement shall give to any person other than the Company, the Guarantor, the Warrant Agent and the holders of the Warrant Certificates any right, remedy or claim under or by reason of this Agreement.

SECTION 6.09. HEADINGS. The descriptive headings of the several Articles or Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 6.10. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which as so executed shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

SECTION 6.11. INSPECTION OF AGREEMENT. A copy of this Agreement shall be available at all reasonable times at the principal corporate trust office of the Warrant Agent and the Company for inspection by the holder of any Warrant Certificate. The Warrant Agent or the Company may require such holder to submit his Warrant Certificate for inspection by it.

SECTION 6.12. PAYMENT OF STAMP AND OTHER DUTIES. The Company will pay all stamp and other duties, if any, to which, under the laws of the United States of America, the original issuance of the Warrant Certificates may be subject.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by one of their respective authorized officers as of the day and year first above written.

UNION OIL COMPANY OF CALIFORNIA

By \_\_\_\_\_  
Name:  
Title:

UNOCAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

[NAME OF WARRANT AGENT]

By \_\_\_\_\_  
Name:  
Title:

10.

ANNEX A  
to Warrant Agreement

[FORM OF WARRANT CERTIFICATE]

[FACE OF WARRANT CERTIFICATE]

[FORM OF LEGEND IF SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY  
DETACHABLE: Prior to \_\_\_\_\_, 19\_\_ this Warrant Certificate cannot be  
transferred or exchanged unless attached to a [Title of Offered Securities].]

EXERCISABLE ONLY IF COUNTERSIGNED BY THE WARRANT  
AGENT AS PROVIDED HEREIN

WARRANTS TO PURCHASE  
[DEBT SECURITIES]

Issued by

UNION OIL COMPANY OF CALIFORNIA,  
Payment of Principal, Interest and Premium, if any,  
Guaranteed by  
UNOCAL CORPORATION

VOID AFTER 5:00 P.M. NEW YORK CITY TIME ON \_\_\_\_\_, 19\_\_

[No.] \_\_\_\_\_ Warrants

This certifies that [the bearer is the] [\_\_\_\_\_] or registered assigns  
is the registered] owner of the above indicated number of Warrants, each Warrant  
entitling such [bearer] [registered owner] to purchase, at any time [after  
5:00 p.m. New York City time on \_\_\_\_\_, 19\_\_ and] at or before 5:00 p.m.  
New York City time on \_\_\_\_\_, 19\_\_ (or such later date as may be selected  
by Union Oil Company of California, a California corporation (the "Company") and  
Unocal Corporation, a Delaware corporation (the "Guarantor") with notice to the

holder hereof as provided in the Warrant Agreement (as hereinafter defined)), [\$\_\_\_\_] principal amount of [Title of Warrant Securities] (the "Warrant Securities") of the Company, to be issued under the Indenture (as hereinafter defined), on the following basis: during the period from and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\_\_\_\_% of the principal amount of the Warrant Securities] [\$\_\_\_\_] plus [accrued amortization of the original issue discount] [accrued interest] from the most recently preceding \_\_\_\_\_; during the period from \_\_\_\_\_, 19\_\_, to and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\_\_% of the principal amount of the Warrant Securities] [\$\_\_\_\_] plus [accrued amortization of the original issue discount] [accrued interest] from the most recently preceding \_\_\_\_\_ [, in each case, the original issue discount will be amortized at a \_\_% annual rate, computed on an annual basis, using a 360-day year consisting of twelve 30-day months) (the "Warrant Price"). [The original issue discount for each [\$1,000] principal amount of Warrant Securities is [\$\_\_\_\_] The holder may exercise the Warrants evidenced hereby by delivery to the Warrant Agent (as hereinafter defined) of this Warrant Certificate, with the form of election to purchase on the reverse hereof properly completed and duly executed and by paying in full, [in lawful money of the United States of America] [in the foreign currency or currency unit in which the Warrant Securities are denominated] by bank wire transfer in immediately available funds the Warrant Price for each Warrant exercised to the warrant agent, such delivery

1.

and payment to be made at the principal corporate trust office of [name of Warrant Agent], or its successor as warrant agent (the "Warrant Agent"), [or\_\_\_\_] currently at the address specified on the reverse hereof, and upon compliance with and subject to the conditions set forth herein and the Warrant Agreement.

Any whole number of Warrants evidenced by this Warrant Certificate may be exercised to purchase Warrant Securities (in registered form in denominations of [\$\_\_\_\_] and any integral multiples thereof) (in bearer form in the denomination of [\$\_\_\_\_] [or both]). Upon any exercise of fewer than all of the Warrants evidenced by this Warrant Certificate, there shall be issued to the holder hereof a new Warrant Certificate evidencing the number of Warrants remaining unexercised, unless sufficient time does not exist to exercise such Warrants in accordance with the provisions of the Warrant Agreement before the Warrants become void.

This Warrant Certificate is issued under and in accordance with the Warrant Agreement dated as of \_\_\_\_\_, 19\_\_ (the "Warrant Agreement") between the Company, the Guarantor and the Warrant Agent and is subject to the terms and provisions contained in the Warrant Agreement, to all of which terms and provisions the holder of this Warrant Certificate consents by acceptance hereof. Copies of the Warrant Agreement are on file at the principal corporate trust office of the Warrant Agent specified on the reverse hereof [and at \_\_\_\_\_].

The Warrant Securities to be issued and delivered upon the exercise of the Warrants evidenced by this Warrant Certificate will be issued under and in accordance with an Indenture dated as of \_\_\_\_\_, 19\_\_ (the "Indenture"), between the Company, the Guarantor and \_\_\_\_\_, as Trustee (such Trustee and any successor to such Trustee being hereinafter referred to as the "Trustee"), and will be subject to the terms and provisions contained in the Indenture. Copies of the Indenture and the form of the Warrant Securities are on file at the principal corporate trust office of the Trustee in New York City [and at \_\_\_\_\_].

[IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Prior to \_\_\_\_\_, 19\_\_, this Warrant Certificate may be exchanged or transferred only together with the [Title of Offered Securities] (the "Offered Securities") to which this Warrant Certificate was initially attached, and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Securities. After such date, this] [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--This] Warrant Certificate may be registered when this Warrant Certificate is surrendered at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_] by the registered owner or his assigns, in person or by his attorney duly authorized in writing, in the manner and subject to the limitations provided in the Warrant Agreement.]

[IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Except as provided in the immediately preceding paragraph, after] [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--After] countersignature by the Warrant Agent and prior to the expiration of this Warrant Certificate, this Warrant Certificate may be exchanged at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_] for Warrant Certificates, representing the same aggregate number of Warrants, [in registered form] [in bearer form] [in either registered or bearer form].

This Warrant Certificate shall not entitle the holder hereof to any of the rights of a holder of the Warrant Securities, including without limitation the right to receive payments of principal, of premium, if any, or interest, if any, on the Warrant Securities or to enforce any of the covenants of the Indenture, except to the extent that in connection with any modification of the Indenture pursuant to the provisions of Section 11.02 thereof a holder of any unexpired Warrant shall be deemed to be the holder of the principal amount of Warrant Securities issuable upon exercise of such Warrant.

2.

This Warrant Certificate shall be governed by, and construed in accordance with the laws of the State of New York without regard to any conflict of laws provisions.

The Warrant Certificate shall not be valid or obligatory for any purpose until countersigned by the Warrant Agent.

Dated as of \_\_\_\_\_, 19\_\_.

UNION OIL COMPANY OF CALIFORNIA

UNOCAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:

[SEAL]

[SEAL]

Attest:

Attest:

\_\_\_\_\_  
[Assistant] Secretary

\_\_\_\_\_  
[Assistant] Secretary

[NAME OF WARRANT AGENT],  
As Warrant Agent

By \_\_\_\_\_  
Name:  
Title:

3.

(REVERSE OF WARRANT CERTIFICATE)

INSTRUCTIONS FOR EXERCISE OF WARRANT

To exercise the Warrants evidenced hereby, the holder must pay by bank wire transfer in immediately available funds the Warrant Price in full for Warrants exercised to [insert name of Warrant Agent], at its principal corporate trust office at [insert address of Warrant Agent], Attention: \_\_\_\_\_, [or \_\_\_\_\_] which wire transfer must specify the name of the holder and the number of Warrants exercised by such holder. In addition, the holder must complete the information required below and present this Warrant Certificate in person or by mail (registered mail is recommended) to the Warrant Agent at the addresses set forth below. This Warrant Certificate, completed and duly executed, must be received by the Warrant Agent together with such wire transfer. [If the undersigned is requesting delivery of Warrant Securities in bearer form, the person entitled to physical delivery of such Warrant Securities

will be required to deliver a certificate (copies of which may be obtained from the Warrant Agent [or \_\_\_\_\_]) certifying that such Warrant Securities are not being acquired by or on behalf of a U.S. person or for resale to a U.S. person unless such U.S. person is qualified under United States tax laws and regulations.]

TO BE EXECUTED UPON EXERCISE OF WARRANT

The undersigned hereby irrevocably elects to exercise \_\_\_\_\_ Warrants, evidenced by this Warrant Certificate, to purchase [\$\_] principal amount of the [Title of Warrant Securities] (the "Warrant Securities") of Union Oil Company of California and represents that he has tendered payment for such Warrant Securities by bank wire transfer in immediately available funds to the order of Union Oil Company of California, in care of (insert name and address of Warrant Agent), in the amount of [\$\_] in accordance with the terms hereof. The undersigned requests that said principal amount of Warrant Securities be in [bearer form in the authorized denominations] [fully registered form in the authorized denominations, registered in such names and delivered], all as specified in accordance with the instructions set forth below.

If the number of Warrants exercised is less than all of the Warrants evidenced hereby, the undersigned requests that a new Warrant Certificate representing the remaining Warrants evidenced hereby be issued and delivered to the undersigned unless otherwise specified in the instructions below or unless sufficient time does not exist before the remaining Warrants become void.

Dated:

\_\_\_\_\_

Name \_\_\_\_\_  
(Please Print)

\_\_\_\_\_  
(Insert Social Security or Other  
Identifying Number of Holder)

Address \_\_\_\_\_  
\_\_\_\_\_

Signature \_\_\_\_\_

4.

The Warrants evidenced hereby may be exercised at the following addresses:

By hand at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By mail at \_\_\_\_\_

---

---

5.

[IF REGISTERED WARRANT]

ASSIGNMENT

(FORM OF ASSIGNMENT TO BE EXECUTED IF HOLDER DESIRES  
TO TRANSFER WARRANTS EVIDENCED HEREBY)

FOR VALUE RECEIVED \_\_\_\_\_ hereby sells assigns and transfers unto

Please insert social security  
or other identifying number.

\_\_\_\_\_  
(Please print name and address  
including zip code)

\_\_\_\_\_  
The Warrants represented by the within Warrant Certificate and does hereby  
irrevocably constitute and appoint \_\_\_\_\_, Attorney, to  
transfer said Warrant Certificate on the books of the Warrant Agent with full  
power of substitution in the premises.

Dated:

\_\_\_\_\_  
Signature

(Signature must conform in all respects to  
the name of the holder as specified on the  
face of this Warrant Certificate and must  
bear a signature guarantee by a bank, trust  
company or member broker of the New York,  
Chicago or Pacific Stock Exchange.)

Signature Guaranteed:  
\_\_\_\_\_

ANNEX B  
to Warrant Agreement

FORM OF CERTIFICATE FOR DELIVERY OF BEARER WARRANT SECURITIES

[DEBT SECURITIES]

Issued by

UNION OIL COMPANY OF CALIFORNIA,  
Payment of Principal, Interest and Premium, if any,  
Guaranteed by  
UNOCAL CORPORATION

To: Union Oil Company of California and Unocal Corporation

This certificate is submitted in connection with the request of the undersigned that you deliver [\$\_\_\_\_\_] principal amount of [Title of Warrant Securities] (the "Warrant Securities") in bearer form upon exercise of Warrants.

The undersigned hereby certifies that as of the date hereof (the date of delivery to the undersigned of the Warrant Securities), the Warrant Securities which are to be delivered to the undersigned in bearer form are not being acquired by or for the account or benefit of a United States person, or for offer to resell or for resale to a United States person or any person who is within the United States or, if any beneficial interest in the Warrant Securities is being acquired by a United States person, such United States person (i) is a foreign branch of a United States financial institution (as defined in U.S. Treas. Reg. section 1.165-12(c)(1)(v)) which has provided to the person from which it purchased the obligation a certificate stating that it agrees to comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986 and the regulations thereunder (a "qualifying foreign branch"), (ii) acquired such securities through a qualifying foreign branch and is holding the obligation through such financial institution or (iii) is a financial institution holding for purposes of resale during the restricted period (as defined in U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D)(7)), which financial institution has not acquired the obligation for the purposes of resale directly or indirectly to a United States person or to a person within the United States. In addition, the undersigned hereby certifies that the above-referenced Warrant Securities are not being acquired by or for the account or benefit of a "U.S. person", as the term is defined in Regulation S under the United States Securities Act of 1933, as amended. If the undersigned is a

clearing organization, the undersigned represents that this certificate is based on statements provided to it by its member organizations. If the undersigned is a dealer, the undersigned agrees to obtain a similar certificate from each person entitled to delivery of any of the Warrant Securities in bearer form purchased from it. Notwithstanding the foregoing, if the undersigned has actual knowledge that the information contained in such certificate is false, the undersigned will not deliver a Warrant Security in bearer form to the person who signed such certificate notwithstanding the delivery of such certificate to the undersigned. The undersigned will be deemed to have actual knowledge that the beneficial owner is a United States person for this purpose if the undersigned has a United States address for the beneficial owner of the Security.

As used herein, "United States" means the United States of America (including the states and the District of Columbia) and its possessions, including Puerto Rico, the U.S. Virgin Islands, Guam, American

1.

Samoa, Wake Islands, and Northern Mariana Islands; "United States person" means an individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof, or an estate or trust the income of which is subject to United States Federal income taxation regardless of its source; and a "clearing organization" means an entity which is in the business of holding obligations for member organizations and transferring obligations among such members by credit or debit to the account of a member without the necessity of physical delivery of the obligation.

The undersigned understands that this certificate may be required in connection with United States tax laws and regulations. The undersigned irrevocably authorizes you to produce this certificate or a copy hereof to any interested party in any administrative or legal proceedings with respect to the matters covered by this certificate.

---

(Signature)

Dated:

---

(Please print name)

Address:

2.



UNOCAL CORPORATION

and

[NAME OF WARRANT AGENT],  
WARRANT AGENT

\_\_\_\_\_

WARRANT AGREEMENT [PREFERRED STOCK]

DATED AS OF \_\_\_\_\_

WARRANT AGREEMENT dated as of \_\_\_\_\_, 19\_\_\_\_  
, between UNOCAL CORPORATION, a Delaware corporation (the "Company") and  
\_\_\_\_\_, as warrant agent (the  
"Warrant Agent"), which term includes any successor warrant agent hereunder.

[WHEREAS, the Company proposes to sell] [title of Securities being  
offered (the "Offered Securities") with] [WHEREAS the Company proposes to issue]

Warrant certificates evidencing one or more warrants (the "Warrants"; individually a "Warrant") representing the right to purchase up to \_\_\_\_\_ shares of the [title] Preferred Stock of the Company (the "Warrant Securities"), having the terms of which shall be set forth in the Certificate of Designation relating thereto, such warrant certificates and other warrant certificates issued pursuant to this Agreement being called the "Warrant Certificates";] and

WHEREAS the Company desires that the Warrant Agent act on behalf of the Company in connection with the issuance, exchange, exercise and replacement of the Warrant Certificates, and in this Agreement wishes to set forth, among other things, the form and provisions of the Warrant Certificates and the terms and conditions on which they may be issued, exchanged, exercised and replaced.

NOW THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree as follows:

## ARTICLE I.

### ISSUANCE OF WARRANTS AND EXECUTION AND DELIVERY OF WARRANT CERTIFICATES

SECTION 1.01. ISSUANCE OF WARRANTS. [Warrants shall be initially issued in connection with the issuance of the Offered Securities] [but shall be separately transferable on and after \_\_\_\_\_, 19\_\_\_\_ (the "Detachable Date")] [and shall not be separately transferable] [and each] [Each] Warrant Certificate shall evidence one or more Warrants. Each Warrant evidenced by a Warrant Certificate shall represent the right, subject to the provisions contained herein and therein, to purchase up to \_\_\_\_\_ shares of the Warrant Securities.

SECTION 1.02. EXECUTION AND DELIVERY OF WARRANT CERTIFICATES. Warrant Certificates, whenever issued, shall be in [bearer] [or] [registered] form [or both] substantially in the form set forth in Annex A hereto, shall be dated and may have such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as the officers of the Company executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which the Warrants may be listed, or to conform to common usage. The Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal and attested by its Secretary or one of its Assistant Secretaries. Such signatures may be manual or facsimile signatures of such authorized officers and may be imprinted or otherwise reproduced on the Warrant Certificates. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the

## Warrant Certificates.

No Warrant Certificate shall be valid for any purpose, and no Warrant evidenced thereby shall be exercisable, until such Warrant evidenced thereby has been countersigned by the manual signature of the

1.

Warrant Agent. Such signature by the Warrant Agent upon any Warrant Certificate executed by the Company shall be conclusive evidence that the Warrant Certificate so countersigned has been duly issued hereunder.

In case any officer of the Company who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been countersigned and delivered by the Warrant Agent, such Warrant Certificates may be countersigned and delivered notwithstanding that the person who signed such Warrant Certificates ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by such persons as, at the actual date of the execution of such Warrant Certificate, shall be the proper officers of the Company, although at the date of the execution of this Agreement any such person was not such officer.

[IF BEARER WARRANTS--The term "holder" or "holder of a Warrant Certificate" as used herein shall mean [IF OFFERED DEBT SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--prior to the Detachable Date, the registered owner of the Offered Security to which such Warrant Certificate was initially attached (or the bearer if the Offered Securities is in bearer form) and after such Detachable Date] the bearer of such Warrant Certificate.]

[IF REGISTERED WARRANTS--The term "holder" or "holder of a Warrant Certificate" as used herein shall mean any person in whose name at the time any Warrant Certificate shall be registered upon the books to be maintained by the Warrant Agent for that purpose. IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--or, prior to the Detachable Date, upon the register of the Offered Securities.] The Company will, or will cause the registrar of the Offered Securities to, make available at all times to the Warrant Agent such information as to holders of the Offered Securities with Warrants as may be necessary to keep the Warrant Agent's records up-to-date.

SECTION 1.03. ISSUANCE OF WARRANT CERTIFICATES. Warrant Certificates evidencing the right to purchase \_\_\_\_\_ shares of Warrant Securities (except as provided in Section 2.03(c), 3.02 and 4.01) may be executed by the Company and delivered to the Warrant Agent upon the execution of this Agreement or from time to time thereafter. The Warrant Agent shall, upon receipt of Warrant Certificates duly executed on behalf of the Company and upon order of the Company, countersign Warrant Certificates evidencing Warrants representing the right to purchase up to \_\_\_\_\_ shares of Warrant Securities and shall deliver such Warrant Certificates to or upon the order of the Company.

Subsequent to such original issuance of the Warrant Certificates, the Warrant Agent shall countersign a Warrant Certificate only if the Warrant Certificate is issued in exchange or substitution for one or more previously countersigned Warrant Certificates [IF REGISTERED WARRANTS--or in connection with their transfer] as hereinafter provided, or as provided in Section 2.03(c).

## ARTICLE II.

### WARRANT PRICE, DURATION AND EXERCISE OF WARRANTS

SECTION 2.01. WARRANT PRICE. During the period from and including \_\_\_\_\_, 19\_\_, to and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\$\_\_\_\_\_]. Such purchase price of Warrant Securities is referred to in this Agreement as the "Warrant Price".

SECTION 2.02. DURATION OF WARRANTS. Each Warrant may be exercised in whole at any time, as specified herein, on or after [the date thereof] [\_\_\_\_\_, 19\_\_ and at or before 5:00 p.m. New York City time on \_\_\_\_\_, 19\_\_ or such later date as may be selected by the Company, in a written statement to the Warrant Agent and with notice to the holders of Warrants (such date of expiration being called the "Expiration Date"). Each Warrant not exercised at or before 5:00 p.m. New York City time on the Expiration Date [(an "Expired Unexercised Warrant")] shall become void and all rights of the holder of the Warrant Certificate

2.

evidencing such Warrant under this Agreement shall cease[.] [IF NYSE LISTED, INSERT--; provided however, Expired Unexercised Warrants shall have a residual value of one share of Common Stock of the Company per 100 Expired Unexercised Warrants.]

### SECTION 2.03. EXERCISE OF WARRANTS.

(a) During the period specified in Section 2.02, any whole number of Warrants may be exercised [, subject to Section 2.03(c),] by delivery to the Warrant Agent of the Warrant Certificate evidencing such Warrant, with the form of election to purchase Warrant Securities set forth on the reverse side of the Warrant Certificate properly completed and duly executed, and by paying in full, [in lawful money of the United States of America,] [in the foreign currency or currency unit in which the Warrant Securities are denominated] by bank wire transfer in immediately available funds the Warrant Price for each Warrant exercised to the principal corporate trust office of the Warrant Agent [or at \_\_\_\_\_]. The date on which the duly completed and executed Warrant Certificate and payment in full of the Warrant Price is received by the Warrant Agent shall be deemed to be the date on which the Warrant is exercised. The Warrant Agent shall deposit all funds received by it in payment of the Warrant Price in an

account of the Company maintained with it and shall advise the Company by telephone at the end of each day on which a payment or wire transfer for the exercise of Warrants is received of the amount so deposited to its account. The Warrant Agent shall promptly confirm such telephone advice to the Company in writing.

(b) The Warrant Agent shall, from time to time, as promptly as practicable, advise the Company of (i) the number of Warrants exercised, (ii) the instructions of each holder of the Warrant Certificates evidencing such Warrants with respect to delivery of the Warrant Securities to which such holder is entitled upon such exercise, (iii) delivery of Warrant Certificates evidencing the balance, if any, of the Warrants remaining after such exercise and (iv) such other information as the Company shall reasonably require.

(c) As soon as practicable after the exercise of any Warrant, the Company shall issue, to or upon the order of the holder of the Warrant Certificate evidencing such Warrant, the Warrant Securities to which such holder is entitled, in fully registered form, registered in such name or names as may be directed by such holder. If fewer than all of the Warrants evidenced by such Warrant Certificate are exercised, the Company shall execute (attested and under seal as aforesaid), and an authorized officer of the Warrant Agent shall manually countersign and deliver, a new Warrant Certificate evidencing the number of such Warrants remaining unexercised, unless sufficient time does not exist before the Expiration Date to exercise such Warrants in accordance with the provisions of this Agreement.

(d) The Company shall not be required to pay any stamp or other tax or other governmental charge required to be paid in connection with any transfer involved in the issuance of the Warrant Securities and the Company shall not be required to issue or deliver any Warrant Security until such tax or other charge shall have been paid or it shall have been established to the satisfaction of the Company that no such tax or other charge is due.

### 3.

## ARTICLE III.

### OTHER PROVISIONS RELATING TO RIGHTS OF HOLDERS OF WARRANT CERTIFICATES

SECTION 3.01. NO RIGHTS AS A HOLDER OF WARRANT SECURITIES CONFERRED BY WARRANTS OR WARRANT CERTIFICATES. No Warrant Certificate or Warrant evidenced thereby shall entitle the holder thereof to any of the rights of a holder of Warrant Securities, including without limitation the right to receive any dividend or payment on Warrant Securities.

SECTION 3.02. LOST, STOLEN, MUTILATED OR DESTROYED CERTIFICATES. Upon receipt by the Warrant Agent of evidence reasonably satisfactory to it of the

ownership of and the loss, theft, destruction or mutilation of any Warrant Certificate and of indemnity reasonably satisfactory to it and the Company and, in the case of mutilation, upon surrender thereof to the Warrant Agent for cancellation, then, in the absence of notice to the Company or the Warrant Agent that such Warrant Certificate has been acquired by a bona fide purchaser or holder in due course, the Company may (or, in the case of mutilation, shall) execute, and in such event an authorized officer of the Warrant Agent shall manually countersign and deliver, in exchange for or in lieu of the lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate of the same tenor and evidencing a like number of Warrants. Upon the issuance of any new Warrant Certificate under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Warrant Agent) in connection therewith. Every substitute Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Warrant Certificate shall represent an additional contractual obligation of the Company, whether or not the lost, stolen or destroyed Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Warrant Certificates duly executed and delivered hereunder. The provisions of this Section are exclusive and shall preclude (to the extent lawful) any and all other rights or remedies notwithstanding any law or statute existing or hereinafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 3.03. HOLDER OF WARRANT CERTIFICATE MAY ENFORCE RIGHTS.

Notwithstanding any of the provisions of this Agreement, any holder of a Warrant Certificate, without the consent of the Warrant Agent, the holder of any Warrant Securities or the holder of any other Warrant Certificate, may, in his own behalf and for his own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Company suitable to enforce or otherwise in respect of, his right to exercise the Warrants evidenced by his Warrant Certificate in the manner provided in his Warrant Certificate and in this Agreement.

SECTION 3.04. RESERVATION OF SHARES. The Company shall at all times reserve and keep available, free from preemptive rights, out of its authorized [title] Preferred Stock, the full number of shares of [title] Preferred Stock then issuable upon the exercises of all outstanding Warrants, and the Company shall at all times reserve and keep available, out of its authorized capital stock, for the purpose of effecting any conversion of the Warrant Securities, the full number of shares of such capital stock issuable upon conversion of all Warrant Securities.

## EXCHANGE AND TRANSFER OF WARRANT CERTIFICATES

SECTION 4.01. EXCHANGE AND TRANSFER OF WARRANT CERTIFICATES. [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--Upon] [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Prior to the Detachable Date a Warrant Certificate may be exchanged or transferred only together with the Offered Securities to which the Warrant Certificate was initially attached, and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Security. Prior to the Detachable Date, each transfer of the Offered Security [on the register maintained with respect to the Offered Securities] shall operate also to transfer the related Warrant Certificates. After the Detachable Date, upon] surrender at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_], Warrant Certificates evidencing Warrants may be exchanged for Warrant Certificates in other denominations evidencing such Warrants [IF REGISTERED WARRANTS--or the transfer may be registered in whole or in part]; provided that such other Warrant Certificates evidence a like number of Warrants as the Warrant Certificates so surrendered. [IF REGISTERED AND BEARER WARRANTS (SUBJECT TO ANY LIMITATIONS IMPOSED WITH RESPECT TO SUCH EXCHANGES)--After the Detachable Date, upon] [Upon] surrender at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_], Warrant Certificates in bearer form may be exchanged for Warrant Certificates in registered form evidencing a like number of Warrants.] [IF REGISTERED WARRANTS--The Warrant Agent shall keep, at its corporate trust office, books in which, subject to such reasonable regulations as it may prescribe, it shall register Warrant Certificates and exchanges and transfers of outstanding Warrant Certificates upon surrender of the Warrant Certificates to the Warrant Agent at its principal corporate trust office [or \_\_\_\_\_] for exchange [or registration of transfer], properly endorsed or accompanied by appropriate instruments of registration of transfer and written instructions for transfer, all in form satisfactory to the Company and the Warrant Agent.] The Company may require payment of a service charge for any exchange [or registration of transfer] of Warrant Certificates, and may require payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection with any such exchange [or registration of transfer]. Whenever any Warrant Certificates are so surrendered for exchange [or registration of transfer] an authorized officer of the Warrant Agent shall manually countersign and deliver to the person or persons entitled thereto a Warrant Certificate or Warrant Certificates duly authorized and executed by the Company, as so requested. The Warrant Agent shall not be required to effect any exchange [or registration of transfer] which will result in the issuance of a Warrant Certificate evidencing a fraction of a Warrant or a number of full Warrants and a fraction of a Warrant. All Warrant Certificates issued upon any exchange [or registration of transfer] of Warrant Certificates shall be the valid obligations of the Company, evidencing the same obligations, and entitled to the same benefits under this Agreement, as the Warrant Certificates surrendered for such exchange [or registration or transfer].

SECTION 4.02. TREATMENT OF HOLDERS OF WARRANT CERTIFICATES. [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--

Subject to Section 4.01, each] [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--Each] Warrant Certificate shall be transferable by delivery and shall be deemed negotiable and the bearer of each Warrant Certificate may be treated by the Company, the Warrant Agent and all other persons dealing with such bearer as the absolute owner thereof for any purpose and as the person entitled to exercise the rights represented by the Warrants evidenced thereby, any notice to the contrary notwithstanding.] [IF REGISTERED WARRANTS--Every holder of a Warrant Certificate, by accepting the same, consents and agrees with the Company, the Warrant Agent and with every subsequent holder of such Warrant Certificate that until the transfer of the Warrant Certificate is registered on the books of the Warrant Agent [or the register of the Offered Securities prior to the Detachable Date], the Company and the Warrant Agent [or the registrar of the Offered Securities prior to the Detachable Date], may treat such registered holder as the absolute owner thereof for any purpose and as the person entitled to exercise the rights represented by the Warrants evidenced thereby, any notice to contrary notwithstanding.]

5.

SECTION 4.03. CANCELLATION OF WARRANT CERTIFICATES. Any Warrant Certificate surrendered for exchange [, registration of transfer] or exercise of the Warrants evidenced thereby, if surrendered to the Company, shall be delivered to the Warrant Agent and all Warrant Certificates surrendered or so delivered to the Warrant Agent shall be promptly cancelled by the Warrant Agent and shall not be reissued and, except as expressly permitted by this Agreement, no Warrant Certificate shall be issued hereunder in exchange or in lieu thereof. The Warrant Agent shall deliver to the Company from time to time or otherwise dispose of cancelled Warrant Certificates in a manner satisfactory to the Company.

ARTICLE V.

CONCERNING THE WARRANT AGENT

SECTION 5.01. WARRANT AGENT. The Company hereby appoints the Warrant Agent as warrant agent of the Company in respect of the Warrants and the Warrant Certificates upon the terms and subject to the conditions herein set forth and the Warrant Agent hereby accepts such appointment. The Warrant Agent shall have the powers and authority granted to and conferred upon it in the Warrant Certificates and hereby and such further powers and authority to act on behalf of the Company as the Company may hereafter grant to or confer upon it in writing. All of the terms and provisions with respect to such powers and authority contained in the Warrant Certificates are subject to and governed by the terms and provisions hereof.

SECTION 5.02. CONDITIONS OF WARRANT AGENT'S OBLIGATIONS. The Warrant Agent accepts its obligations herein set forth upon the terms and conditions

hereof, including the following, to all of which the Company agrees and to all of which the rights hereunder of the holders from time to time of the Warrant Certificates shall be subject:

(a) COMPENSATION AND INDEMNIFICATION. The Company agrees promptly to pay the Warrant Agent the compensation to be agreed upon with the Company for all services rendered by the Warrant Agent and to reimburse the Warrant Agent for reasonable out-of-pocket expenses (including counsel fees) incurred by the Warrant Agent in connection with the services rendered hereunder by the Warrant Agent. The Company also agrees to indemnify the Warrant Agent for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Warrant Agent, arising out of or in connection with its acting as Warrant Agent hereunder, as well as the costs and expenses of defending against any claim of such liability.

(b) AGENT FOR THE COMPANY. In acting under this Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and does not assume any fiduciary obligation or relationship of agency or trust for or with any of the holders of Warrant Certificates or beneficial owners of Warrants.

(c) DOCUMENTS. The Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(d) CERTAIN TRANSACTIONS. The Warrant Agent, and its officers, directors and employees, may become the owner of, or acquire any interest in, Warrants and/or Warrant Securities and/or Offered Securities, with the same rights that it or they would have if it were not the Warrant Agent hereunder, and, to the extent permitted by applicable law, it or they may engage or be interested in any financial or other transaction with the Company and may act on, or as depository, trustee or agent for,

6.

any committee or body of holders of Warrant Securities, Offered Securities or other obligations of the Company as freely as if it were not the Warrant Agent hereunder.

(e) NO LIABILITY FOR INVALIDITY. The Warrant Agent shall have no liability with respect to any invalidity of this Agreement or any of the Warrant Certificates.

(f) NO LIABILITY FOR INTEREST. The Warrant Agent shall transfer to the Company interest on any monies at any time received by it pursuant to

any of the provisions of this Agreement or of the Warrant Certificates.

(g) NO RESPONSIBILITY FOR REPRESENTATIONS. The Warrant Agent shall not be responsible for any of the recitals or representations herein or in the Warrant Certificates (except as to the Warrant Agent's countersignature thereon), all of which are made solely by the Company.

(h) NO IMPLIED OBLIGATIONS. The Warrant Agent shall be obligated to perform only such duties as are herein and in the Warrant Certificates specifically set forth and no implied duties or obligations shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall not be under any obligation to take any action hereunder which might involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any of the Warrant Certificates countersigned and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the Warrant Certificates. The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained herein or in the Warrant Certificates or in the case of the receipt of any written demand from a holder of a Warrant Certificate with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise, or, except as provided in Section 6.02 hereof, to make any demand upon the Company.

#### SECTION 5.03. RESIGNATION AND APPOINTMENT OF SUCCESSOR.

(a) The Company agrees, for the benefit of the holders from time to time of the Warrant Certificates, that there shall at all times be a Warrant Agent hereunder until all the Warrant Certificates are no longer exercisable.

(b) The Warrant Agent may at any time resign as such agent by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become effective; PROVIDED that such date shall not be less than three months after the date on which such notice is given unless the Company otherwise agrees. The Warrant Agent hereunder may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date upon which such removal shall become effective. Such resignation or removal shall take effect upon the appointment by the Company, as hereinafter provided, of a successor Warrant Agent (which shall be a bank or trust company authorized under the laws of the jurisdiction of its organization to exercise corporate trust powers) and the acceptance of such appointment by such successor Warrant Agent. The obligations of the Company under Section 5.02(a) shall continue to the extent set forth therein notwithstanding the resignation or removal of the Warrant Agent.

(c) In case at any time the Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or shall file a petition seeking relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other

7.

applicable Federal or state bankruptcy law or similar law or make an assignment for the benefit of its creditors or consent to the appointment of a receiver or custodian of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian of it or of all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the provisions of the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable Federal or state bankruptcy or similar law, or if any public officer shall have taken charge or control of the Warrant Agent or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Warrant Agent, qualified as aforesaid, shall be appointed by the Company by an instrument in writing, filed with the successor Warrant Agent. Upon the appointment as aforesaid of a successor Warrant Agent and acceptance by the successor Warrant Agent of such appointment, the Warrant Agent shall cease to be Warrant Agent hereunder.

(d) Any successor Warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and to transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive, all monies, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Any corporation into which the Warrant Agent hereunder may be merged or converted or any corporation with which the Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all the assets and business of the Warrant Agent, provided that it shall be qualified as aforesaid, shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto.

## ARTICLE VI.

MISCELLANEOUS

SECTION 6.01. AMENDMENT. This Agreement may be amended by the parties hereto, without the consent of the holder of any Warrant Certificate, for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or making any other provisions with respect to matters or questions arising under this Agreement as the Company and the Warrant Agent may deem necessary or desirable; PROVIDED that such action shall not adversely affect the interests of the holders of the Warrant Certificates.

SECTION 6.02. NOTICES AND DEMANDS TO THE COMPANY AND WARRANT AGENT. If the Warrant Agent shall receive any notice or demand addressed to the Company by the holder of a Warrant Certificate pursuant to the provisions of the Warrant Certificates, the Warrant Agent shall promptly forward such notice or demand to the Company.

SECTION 6.03. ADDRESSES. Any communications from the Company to the Warrant Agent with respect to this Agreement shall be addressed to the Warrant Agent at its principal corporate trust office at \_\_\_\_\_, \_\_\_\_\_, Attention: \_\_\_\_\_, and any communication from the Warrant Agent to the Company with respect to this Agreement shall be addressed to

8.

Unocal Corporation, 1201 West Fifth Street, Los Angeles, California 90017  
Attention: Treasury Department or such other address as shall be specified in writing by the Warrant Agent or the Company.

SECTION 6.04. NOTICES TO HOLDERS OF WARRANTS. Any notice to holders of Warrants which by any provisions of this Agreement is required or permitted to be given shall be given [IF REGISTERED WARRANTS--by first class mail, postage prepaid, at such holder's address as appears on the books of the Warrant Agent [or on the register of the Offered Securities prior to the Detachable Date] [IF BEARER WARRANTS--by publication at least once in a daily morning newspaper in New York City [, in London] and in \_\_\_\_\_].

SECTION 6.05. APPLICABLE LAW. The validity, interpretation and performance of this Agreement and each Warrant Certificate issued hereunder and of the respective terms and provisions thereof shall be governed by, and construed in accordance with, the substantive laws of the State of New York without regard to any conflict of laws provisions.

SECTION 6.06. DELIVERY OF PROSPECTUS. The Company will furnish to the Warrant Agent sufficient copies of a prospectus with an accompanying prospectus supplement relating to the Warrant Securities, and the Warrant Agent agrees that upon the exercise of any Warrant, the Warrant Agent will deliver to the holder of the Warrant Certificate evidencing such Warrant prior to or concurrently with

the delivery of the Warrant Securities issued upon such exercise, a copy of such prospectus and prospectus supplement.

SECTION 6.07. OBTAINING OF GOVERNMENTAL APPROVALS. The Company will from time to time take all action which may be necessary to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and securities acts filings under United States Federal and state laws and any applicable laws of other jurisdictions (including without limitation a registration statement in respect of the Warrants and Warrant Securities under the Securities Act of 1933) which may be or become required in connection with the issuance, sale, transfer and delivery of the Warrant Certificates, the exercise of the Warrants, the issuance, sale, transfer and delivery of the Warrant Securities issued upon exercise of the Warrants or upon the expiration of the period during which the Warrants are exercisable.

SECTION 6.08. PERSONS HAVING RIGHTS UNDER WARRANT AGREEMENT. Nothing in this Agreement shall give to any person other than the Company, the Warrant Agent and the holders of the Warrant Certificates any right, remedy or claim under or by reason of this Agreement.

SECTION 6.09. HEADINGS. The descriptive headings of the several Articles or Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 6.10. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which as so executed shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

SECTION 6.11. INSPECTION OF AGREEMENT. A copy of this Agreement shall be available at all reasonable times at the principal corporate trust office of the Warrant Agent and the Company for inspection by the holder of any Warrant Certificate. The Warrant Agent or the Company may require such holder to submit his Warrant Certificate for inspection by it.

SECTION 6.12. PAYMENT OF STAMP AND OTHER DUTIES. The Company will pay all stamp and other duties, if any, to which, under the laws of the United States of America, the original issuance of the Warrant Certificates may be subject.

9.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by one of their respective authorized officers as of the day and year first above written.

UNOCAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

[NAME OF WARRANT AGENT]

By \_\_\_\_\_  
Name:  
Title:

10.

ANNEX A  
to Warrant Agreement

[FORM OF WARRANT CERTIFICATE]

[FACE OF WARRANT CERTIFICATE]

[FORM OF LEGEND IF SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY  
DETACHABLE: PRIOR TO \_\_\_\_\_, 19\_\_ THIS WARRANT CERTIFICATE CANNOT BE  
TRANSFERRED OR EXCHANGED UNLESS ATTACHED TO A [TITLE OF OFFERED SECURITIES].]

EXERCISABLE ONLY IF COUNTERSIGNED BY THE WARRANT  
AGENT AS PROVIDED HEREIN

WARRANTS TO PURCHASE  
[TITLE] PREFERRED STOCK

Issued by

UNOCAL CORPORATION

VOID AFTER 5:00 P.M. NEW YORK CITY TIME ON \_\_\_\_\_, 19\_\_

No. \_\_\_\_\_

This certifies that [the bearer is the] [\_\_\_\_\_] or registered assigns  
is the registered] owner of the above indicated number of Warrants, each Warrant  
entitling such [bearer] [registered owner] to purchase, at any time [after  
5:00 p.m. New York City time on \_\_\_\_\_, 19\_\_ and] at or before 5:00 p.m.

New York City time on \_\_\_\_\_, 19\_\_ (or such later date as may be selected by Unocal Corporation, a Delaware corporation (the "Company") with notice to the holder hereof as provided in the Warrant Agreement (as hereinafter defined)), \_\_\_\_\_ shares of the [title] Preferred Stock (the "Warrant Securities") of Company, on the following basis: during the period from and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\$\_\_\_\_\_] per share; [during the period from \_\_\_\_\_, 19\_\_, to and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\$\_\_\_\_\_] per share (the "Warrant Price"). The holder may exercise the Warrants evidenced hereby by delivery to the Warrant Agent (as hereinafter defined) of this Warrant Certificate, with the form of election to purchase on the reverse hereof properly completed and duly executed and by paying in full, [in lawful money of the United States of America] [in the foreign currency or currency unit in which the Warrant Securities are denominated] by bank wire transfer in immediately available funds the Warrant Price for each Warrant exercised to the warrant agent, such delivery and payment to be made at the principal corporate trust office of [name of Warrant Agent], or its successor as warrant agent (the "Warrant Agent"), [or\_\_\_\_\_] currently at the address specified on the reverse hereof, and upon compliance with and subject to the conditions set forth herein and the Warrant Agreement.

Any whole number of Warrants evidenced by this Warrant Certificate may be exercised to purchase Warrant Securities. Upon any exercise of fewer than all of the Warrants evidenced by this Warrant Certificate, there shall be issued to the holder hereof a new Warrant Certificate evidencing the number of Warrants remaining unexercised, unless sufficient time does not exist to exercise such Warrants in accordance with the provisions of the Warrant Agreement before the Warrants become void.

1.

This Warrant Certificate is issued under and in accordance with the Warrant Agreement dated as of \_\_\_\_\_, 19\_\_ (the "Warrant Agreement") between the Company and the Warrant Agent and is subject to the terms and provisions contained in the Warrant Agreement, to all of which terms and provisions the holder of this Warrant Certificate consents by acceptance hereof. Copies of the Warrant Agreement are on file at the principal corporate trust office of the Warrant Agent specified on the reverse hereof [and at \_\_\_\_\_].

[IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Prior to \_\_\_\_\_, 19\_\_, this Warrant Certificate may be exchanged or transferred only together with the [Title of Offered Securities] (the "Offered Securities") to which this Warrant Certificate was initially attached, and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Securities. After such date, this] [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--This] Warrant Certificate may be registered when this Warrant Certificate is surrendered at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_] by the registered owner

or his assigns, in person or by his attorney duly authorized in writing, in the manner and subject to the limitations provided in the Warrant Agreement.]

[IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Except as provided in the immediately preceding paragraph, after] [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--After] countersignature by the Warrant Agent and prior to the expiration of this Warrant Certificate, this Warrant Certificate may be exchanged at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_] for Warrant Certificates, representing the same aggregate number of Warrants, [in registered form] [in bearer form] [in either registered or bearer form].

[IF NYSE LISTED, INSERT--; Warrants not exercised by 5 p.m. on the date specified above ("Expired Unexercised Warrants") shall have a residual value of one share of Common Stock of the Company per 100 Expired Unexercised Warrants.]

This Warrant Certificate shall not entitle the holder hereof to any of the rights of a holder of the Warrant Securities, including without limitation the right to receive payments of any dividends on the Warrant Securities.

This Warrant Certificate shall be governed by, and construed in accordance with the laws of the State of New York without regard to any conflict of laws provisions.

2.

The Warrant Certificate shall not be valid or obligatory for any purpose until countersigned by the Warrant Agent.

Dated as of \_\_\_\_\_, 19\_\_.

UNOCAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

[SEAL]

Attest:

\_\_\_\_\_  
[Assistant] Secretary

[NAME OF WARRANT AGENT],  
As Warrant Agent

By \_\_\_\_\_  
Name:  
Title:

3.

(REVERSE OF WARRANT CERTIFICATE)

INSTRUCTIONS FOR EXERCISE OF WARRANT

To exercise the Warrants evidenced hereby, the holder must pay by bank wire transfer in immediately available funds the Warrant Price in full for Warrants exercised to [insert name of Warrant Agent], at its principal corporate trust office at [insert address of Warrant Agent], Attention: \_\_\_\_\_, [or \_\_\_\_\_] which wire transfer must specify the name of the holder and the number of Warrants exercised by such holder. In addition, the holder must complete the information required below and present this Warrant Certificate in person or by mail (registered mail is recommended) to the Warrant Agent at the addresses set forth below. This Warrant Certificate, completed and duly executed, must be received by the Warrant Agent together with such wire transfer. [If the undersigned is requesting delivery of Warrant Securities in bearer form, the person entitled to physical delivery of such Warrant Securities will be required to deliver a certificate (copies of which may be obtained from the Warrant Agent [or \_\_\_\_\_]) certifying that such Warrant Securities are not being acquired by or on behalf of a U.S. person or for resale to a U.S. person unless such U.S. person is qualified under United States tax laws and regulations.]

TO BE EXECUTED UPON EXERCISE OF WARRANT

The undersigned hereby irrevocably elects to exercise \_\_\_\_\_ Warrants, evidenced by this Warrant Certificate, to purchase \_\_\_\_\_ shares of [title] Preferred Stock (the "Warrant Securities") of Unocal Corporation and represents that he has tendered payment for such Warrant Securities by bank wire transfer in immediately available funds to the order of Unocal Corporation, in care of (insert name and address of Warrant Agent)], in the amount of [\$\_\_\_\_\_\_] in accordance with the terms hereof. The undersigned requests that said number of shares of Warrant Securities be registered in such names and delivered, all as specified in accordance with the instructions set forth below.

If the number of Warrants exercised is less than all of the Warrants evidenced hereby, the undersigned requests that a new Warrant Certificate representing the remaining Warrants evidenced hereby be issued and delivered to

the undersigned unless otherwise specified in the instructions below or unless sufficient time does not exist before the remaining Warrants become void.

Dated:

\_\_\_\_\_ Name \_\_\_\_\_  
(Please Print)

\_\_\_\_\_ Address \_\_\_\_\_  
(Insert Social Security or Other Identifying Number of Holder)

Signature \_\_\_\_\_

4.

The Warrants evidenced hereby may be exercised at the following addresses:

By hand at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By mail at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.

[IF REGISTERED WARRANT]

ASSIGNMENT

(FORM OF ASSIGNMENT TO BE EXECUTED IF HOLDER DESIRES TO TRANSFER WARRANTS EVIDENCED HEREBY)

FOR VALUE RECEIVED \_\_\_\_\_ hereby sells assigns and transfers unto

Please insert social security or other identifying number.

\_\_\_\_\_

---

(Please print name and address  
including zip code)

---

The Warrants represented by the within Warrant Certificate and does hereby irrevocably constitute and appoint \_\_\_\_\_, Attorney, to transfer said Warrant Certificate on the books of the Warrant Agent with full power of substitution in the premises.

Dated:

---

Signature

(Signature must conform in all respects to the name of the holder as specified on the face of this Warrant Certificate and must bear a signature guarantee by a bank, trust company or member broker of the New York, Chicago or Pacific Stock Exchange.)

Signature Guaranteed:

---

UNOCAL CORPORATION

AND

[NAME OF WARRANT AGENT],  
WARRANT AGENT

\_\_\_\_\_

WARRANT AGREEMENT [COMMON STOCK]

DATED AS OF \_\_\_\_\_

WARRANT AGREEMENT dated as of \_\_\_\_\_, 19\_\_ , between UNOCAL CORPORATION, a Delaware corporation (the "Company"), and \_\_\_\_\_, as warrant agent (the "Warrant Agent", which term includes any successor warrant agent hereinafter referred to).

[WHEREAS the Company proposes to sell] [title of Securities being offered (the "Offered Securities") with] [WHEREAS the Company proposes to issue] Warrant certificates evidencing one or more warrants (the "Warrants"; individually a "Warrant") representing the right to purchase shares of the Common Stock of the Company (the "Warrant Securities"), such warrant certificates and other warrant certificates issued pursuant to this Agreement being called the "Warrant Certificates"; and

WHEREAS the Company desires that the Warrant Agent act on behalf of the Company in connection with the issuance, exchange, exercise and replacement of the Warrant Certificates, and in this Agreement wishes to set forth, among other things, the form and provisions of the Warrant Certificates and the terms and conditions on which they may be issued, exchanged, exercised and replaced.

NOW THEREFORE, in consideration of the premises and of the mutual

agreements herein contained, the parties hereto agree as follows:

ARTICLE I.

ISSUANCE OF WARRANTS AND EXECUTION AND DELIVERY  
OF WARRANT CERTIFICATES

SECTION 1.01. ISSUANCE OF WARRANTS. [Warrants shall be initially issued in connection with the issuance of the Offered Securities] [but shall be separately transferable on and after \_\_\_\_\_, 19\_\_ (the "Detachable Date")] [and shall not be separately transferable] [and each] [Each] Warrant Certificate shall evidence one or more Warrants. Each Warrant evidenced by a Warrant Certificate shall represent the right, subject to the provisions contained herein and therein, to purchase up to \_\_\_\_\_ shares of the Warrant Securities.

SECTION 1.02. EXECUTION AND DELIVERY OF WARRANT CERTIFICATES. Warrant Certificates, whenever issued, shall be in [bearer] [or] [registered] form [or both] substantially in the form set forth in Annex A hereto, shall be dated and may have such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as the officers of the Company executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which the Warrants may be listed, or to conform to common usage. The Warrant Certificates shall be signed on behalf of the Company by its respective Chairman of the Board, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents (whether or not designated by a number or word or words added before or after the title Vice President), its Treasurer or an Assistant Treasurer under its corporate seal and attested by its Secretary or one of its Assistant Secretaries. Such signatures may be manual or facsimile signatures of such authorized officers and may be imprinted or otherwise reproduced on the Warrant Certificates. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Warrant Certificates.

No Warrant Certificate shall be valid for any purpose, and no Warrant evidenced thereby shall be exercisable, until such Warrant evidenced thereby has been countersigned by the manual signature of the

1.

Warrant Agent. Such signature by the Warrant Agent upon any Warrant Certificate executed by the Company shall be conclusive evidence that the Warrant Certificate so countersigned has been duly issued hereunder.

In case any officer of the Company who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been countersigned and delivered by the Warrant Agent, such Warrant Certificates may be countersigned and delivered notwithstanding that the person who signed such Warrant Certificates ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by such persons as, at the actual date of the execution of such Warrant Certificate, shall be the proper officers of the Company, although at the date of the execution of this Agreement any such person was not such officer.

[IF BEARER WARRANTS--The term "holder" or "holder of a Warrant Certificate" as used herein shall mean [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--prior to the Detachable Date, the registered owner of the Offered Security to which such Warrant Certificate was initially attached (or the bearer if the Offered Securities is in bearer form) and after such Detachable Date] the bearer of such Warrant Certificate.]

[IF REGISTERED WARRANTS--The term "holder" or "holder of a Warrant Certificate" as used herein shall mean any person in whose name at the time any Warrant Certificate shall be registered upon the books to be maintained by the Warrant Agent for that purpose. IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--or, prior to the Detachable Date, upon the register of the Offered Securities.] The Company will, or will cause the registrar of the Offered Securities to, make available at all times to the Warrant Agent such information as to holders of the Offered Securities with Warrants as may be necessary to keep the Warrant Agent's records up-to-date.

SECTION 1.03. ISSUANCE OF WARRANT CERTIFICATES. Warrant Certificates evidencing the right to purchase up to \_\_\_\_\_ shares of Warrant Securities (except as provided in Section 2.03(c), 3.02 and 4.01) may be executed by the Company and delivered to the Warrant Agent upon the execution of this Agreement or from time to time thereafter. The Warrant Agent shall, upon receipt of Warrant Certificates duly executed on behalf of the Company and upon order of the Company, countersign Warrant Certificates evidencing Warrants representing the right to purchase up to \_\_\_\_\_ shares of Warrant Securities and shall deliver such Warrant Certificates to or upon the order of the Company. Subsequent to such original issuance of the Warrant Certificates, the Warrant Agent shall countersign a Warrant Certificate only if the Warrant Certificate is issued in exchange or substitution for one or more previously countersigned Warrant Certificates [IF REGISTERED WARRANTS--or in connection with their transfer] as hereinafter provided, or as provided in Section 2.03(c).

## ARTICLE II.

### WARRANT PRICE, DURATION AND EXERCISE OF WARRANTS

SECTION 2.01 WARRANT PRICE. During the period from and including \_\_\_\_\_, 19\_\_, to and including \_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be [\$\_\_\_\_\_] per share of the Warrant Securities. Such

purchase price of Warrant Securities is referred to in this Agreement as the "Warrant Price".

SECTION 2.02 DURATION OF WARRANTS. Each Warrant may be exercised in whole at any time, as specified herein, on or after [the date thereof] [\_\_\_\_\_, 19\_\_ and at or before 5:00 p.m. New York City time on \_\_\_\_\_, 19\_\_ or such later date as may be selected by the Company, in a written statement to the Warrant Agent and with notice to the holders of Warrants (such date of expiration being called the "Expiration Date"). Each Warrant not exercised at or before 5:00 p.m. New York City time on the Expiration Date [(an "Expired Unexercised Warrant")] shall become void and all rights of the holder of the Warrant Certificate

2.

evidencing such Warrant under this Agreement shall cease. [IF NYSE LISTED, INSERT--; provided however, Expired Unexercised Warrants shall have a residual value of one share of Common Stock of the Company per 100 Expired Unexercised Warrants.]

#### SECTION 2.03. EXERCISE OF WARRANTS.

(a) During the period specified in Section 2.02, any whole number of Warrants may be exercised [, subject to Section 2.03(c),] by delivery to the Warrant Agent of the Warrant Certificate evidencing such Warrant, with the form of election to purchase Warrant Securities set forth on the reverse side of the Warrant Certificate properly completed and duly executed, and by paying in full, [in lawful money of the United States of America,] [in the foreign currency or currency unit in which the Warrant Securities are denominated] by bank wire transfer in immediately available funds the Warrant Price for each Warrant exercised to the principal corporate trust office of the Warrant Agent [or at \_\_\_\_]. The date on which the duly completed and executed Warrant Certificate and payment in full of the Warrant Price is received by the Warrant Agent shall be deemed to be the date on which the Warrant is exercised. The Warrant Agent shall deposit all funds received by it in payment of the Warrant Price in an account of the Company maintained with it and shall advise the Company by telephone at the end of each day on which a payment or wire transfer for the exercise of Warrants is received of the amount so deposited to its account. The Warrant Agent shall promptly confirm such telephone advice to the Company in writing.

(b) The Warrant Agent shall, from time to time, as promptly as practicable, advise the Company of (i) the number of Warrants exercised, (ii) the instructions of each holder of the Warrant Certificates evidencing such Warrants with respect to delivery of the Warrant Securities to which such holder is entitled upon such exercise, (iii) delivery of Warrant Certificates evidencing the balance, if any, of the Warrants remaining after such exercise and (iv) such other information as the Company shall

reasonably require.

(c) As soon as practicable after the exercise of any Warrant, the Company shall issue, to or upon the order of the holder of the Warrant Certificate evidencing such Warrant, the Warrant Securities to which such holder is entitled, in fully registered form, registered in such name or names as may be directed by such holder. If fewer than all of the Warrants evidenced by such Warrant Certificate are exercised, the Company shall execute (attested and under seal as aforesaid), and an authorized officer of the Warrant Agent shall manually countersign and deliver, a new Warrant Certificate evidencing the number of such Warrants remaining unexercised, unless sufficient time does not exist before the Expiration Date to exercise such Warrants in accordance with the provisions of this Agreement.

(d) The Company shall not be required to pay any stamp or other tax or other governmental charge required to be paid in connection with any transfer involved in the issuance of the Warrant Securities and the Company shall not be required to issue or deliver any Warrant Security until such tax or other charge shall have been paid or it shall have been established to the satisfaction of the Company that no such tax or other charge is due.

3.

### ARTICLE III.

#### OTHER PROVISIONS RELATING TO RIGHTS OF HOLDERS OF WARRANT CERTIFICATES

SECTION 3.01. NO RIGHTS AS A HOLDER OF WARRANT SECURITIES CONFERRED BY WARRANTS OR WARRANT CERTIFICATES. No Warrant Certificate or Warrant evidenced thereby shall entitle the holder thereof to any of the rights of a holder of Warrant Securities, including, without limitation, the right to receive any payment of dividends on Warrant Securities.

SECTION 3.02. LOST, STOLEN, MUTILATED OR DESTROYED CERTIFICATES. Upon receipt by the Warrant Agent of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Warrant Certificate and of indemnity reasonably satisfactory to it and the Company and, in the case of mutilation, upon surrender thereof to the Warrant Agent for cancellation, then, in the absence of notice to the Company or the Warrant Agent that such Warrant Certificate has been acquired by a bona fide purchaser or holder in due course, the Company may (or, in the case of mutilation, shall) execute, and in such event an authorized officer of the Warrant Agent shall manually countersign and deliver, in exchange for or in lieu of the lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate of the same tenor and evidencing a like number of Warrants. Upon the issuance of any new Warrant Certificate under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees

and expenses of the Warrant Agent) in connection therewith. Every substitute Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Warrant Certificate shall represent an additional contractual obligation of the Company, whether or not the lost, stolen or destroyed Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Warrant Certificates duly executed and delivered hereunder. The provisions of this Section are exclusive and shall preclude (to the extent lawful) any and all other rights or remedies notwithstanding any law or statute existing or hereinafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 3.03. HOLDER OF WARRANT CERTIFICATE MAY ENFORCE RIGHTS.

Notwithstanding any of the provisions of this Agreement, any holder of a Warrant Certificate, without the consent of the Warrant Agent, the holder of any Warrant Securities or the holder of any other Warrant Certificate, may, in his own behalf and for his own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Company or suitable to enforce or otherwise in respect of, his right to exercise the Warrants evidenced by his Warrant Certificate in the manner provided in his Warrant Certificate and in this Agreement.

SECTION 3.04. RESERVATION OF SHARES. The Company shall at all times reserve and keep available, free from preemptive rights, out of its authorized Common Stock, for the purpose of effecting the exercise of the Warrants, the full number of shares of Common Stock then issuable upon the exercise of all outstanding Warrants.

ARTICLE IV.

EXCHANGE AND TRANSFER OF WARRANT CERTIFICATES

SECTION 4.01. EXCHANGE AND TRANSFER OF WARRANT CERTIFICATES. [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--Upon] [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Prior to the Detachable Date a Warrant Certificate may be exchanged or transferred only together with the Offered Securities to which the

4.

Warrant Certificate was initially attached, and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Security. Prior to the Detachable Date, each transfer of the Offered Security [on the register maintained with respect to the Offered Securities] shall operate also to transfer the related Warrant Certificates. After the Detachable Date, upon] surrender at the principal corporate trust office of the Warrant

Agent [or \_\_\_\_\_], Warrant Certificates evidencing Warrants may be exchanged for Warrant Certificates in other denominations evidencing such Warrants [IF REGISTERED WARRANTS--or the transfer may be registered in whole or in part]; provided that such other Warrant Certificates evidence a like number of Warrants as the Warrant Certificates so surrendered. [IF REGISTERED AND BEARER WARRANTS (SUBJECT TO ANY LIMITATIONS IMPOSED WITH RESPECT TO SUCH EXCHANGES)--After the Detachable Date, upon] [Upon] surrender at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_], Warrant Certificates in bearer form may be exchanged for Warrant Certificates in registered form evidencing a like number of Warrants.] [IF REGISTERED WARRANTS--The Warrant Agent shall keep, at its corporate trust office, books in which, subject to such reasonable regulations as it may prescribe, it shall register Warrant Certificates and exchanges and transfers of outstanding Warrant Certificates upon surrender of the Warrant Certificates to the Warrant Agent at its principal corporate trust office [or \_\_\_\_\_] for exchange [or registration of transfer], properly endorsed or accompanied by appropriate instruments of registration of transfer and written instructions for transfer, all in form satisfactory to the Company and the Warrant Agent.] The Company may require payment of a service charge for any exchange [or registration of transfer] of Warrant Certificates, and may require payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection with any such exchange [or registration of transfer]. Whenever any Warrant Certificates are so surrendered for exchange [or registration of transfer] an authorized officer of the Warrant Agent shall manually countersign and deliver to the person or persons entitled thereto a Warrant Certificate or Warrant Certificates duly authorized and executed by the Company, as so requested. The Warrant Agent shall not be required to effect any exchange [or registration of transfer] which will result in the issuance of a Warrant Certificate evidencing a fraction of a Warrant or a number of full Warrants and a fraction of a Warrant. All Warrant Certificates issued upon any exchange [or registration of transfer] of Warrant Certificates shall be the valid obligations of the Company, evidencing the same obligations, and entitled to the same benefits under this Agreement, as the Warrant Certificates surrendered for such exchange [or registration or transfer].

SECTION 4.02. TREATMENT OF HOLDERS OF WARRANT CERTIFICATES. [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--subject to Section 4.01, each] [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--Each] Warrant Certificate shall be transferable by delivery and shall be deemed negotiable and the bearer of each Warrant Certificate may be treated by the Company, the Warrant Agent and all other persons dealing with such bearer as the absolute owner thereof for any purpose and as the person entitled to exercise the rights represented by the Warrants evidenced thereby, any notice to the contrary notwithstanding.] [IF REGISTERED WARRANTS--Every holder of a Warrant Certificate, by accepting the same, consents and agrees with the Company, the Warrant Agent and with every subsequent holder of such Warrant Certificate that until the transfer of the Warrant Certificate is registered on the books of the Warrant Agent [or the register of the Offered Securities prior to the Detachable Date], the Company, and the Warrant Agent [or the registrar of the Offered Securities prior to the Detachable Date], may treat such registered holder as the absolute owner thereof for any purpose and as the person entitled

to exercise the rights represented by the Warrants evidenced thereby, any notice to contrary notwithstanding.]

SECTION 4.03. CANCELLATION OF WARRANT CERTIFICATES. Any Warrant Certificate surrendered for exchange [, registration of transfer] or exercise of the Warrants evidenced thereby, if surrendered to the Company, shall be delivered to the Warrant Agent and all Warrant Certificates surrendered or so delivered to the Warrant Agent shall be promptly cancelled by the Warrant Agent and shall not be reissued and, except as expressly permitted by this Agreement, no Warrant Certificate shall be issued hereunder in exchange or in lieu thereof. The Warrant Agent shall deliver to the Company from time to time or otherwise dispose of cancelled Warrant Certificates in a manner satisfactory to the Company.

5.

## ARTICLE V.

### CONCERNING THE WARRANT AGENT

SECTION 5.01. WARRANT AGENT. The Company hereby appoints the Warrant Agent as warrant agent of the Company in respect of the Warrants and the Warrant Certificates upon the terms and subject to the conditions herein set forth and the Warrant Agent hereby accepts such appointment. The Warrant Agent shall have the powers and authority granted to and conferred upon it in the Warrant Certificates and hereby and such further powers and authority to act on behalf of the Company as the Company may hereafter grant to or confer upon it in writing. All of the terms and provisions with respect to such powers and authority contained in the Warrant Certificates are subject to and governed by the terms and provisions hereof.

SECTION 5.02. CONDITIONS OF WARRANT AGENT'S OBLIGATIONS. The Warrant Agent accepts its obligations herein set forth upon the terms and conditions hereof, including the following, to all of which the Company agrees and to all of which the rights hereunder of the holders from time to time of the Warrant Certificates shall be subject:

(a) COMPENSATION AND INDEMNIFICATION. The Company agrees promptly to pay the Warrant Agent the compensation to be agreed upon with the Company for all services rendered by the Warrant Agent and to reimburse the Warrant Agent for reasonable out-of-pocket expenses (including counsel fees) incurred by the Warrant Agent in connection with the services rendered hereunder by the Warrant Agent. The Company also agrees to indemnify the Warrant Agent for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Warrant Agent, arising out of or in connection with its acting as Warrant Agent hereunder, as well as the costs and expenses of defending against any claim of such liability.

(b) AGENT FOR THE COMPANY. In acting under this Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and does not assume any fiduciary obligation or relationship of agency or trust for or with any of the holders of Warrant Certificates or beneficial owners of Warrants.

(c) DOCUMENTS. The Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(d) CERTAIN TRANSACTIONS. The Warrant Agent, and its officers, directors and employees, may become the owner of, or acquire any interest in, Warrants and/or Warrant Securities and/or Offered Securities, with the same rights that it or they would have if it were not the Warrant Agent hereunder, and, to the extent permitted by applicable law, it or they may engage or be interested in any financial or other transaction with the Company and may act on, or as depository, trustee or agent for, any committee or body of holders of Warrant Securities, Offered Securities or other obligations of the Company as freely as if it were not the Warrant Agent hereunder.

(e) NO LIABILITY FOR INVALIDITY. The Warrant Agent shall have no liability with respect to any invalidity of this Agreement or any of the Warrant Certificates.

(f) NO LIABILITY FOR INTEREST. The Warrant Agent shall transfer to the Company interest on any monies at any time received by it pursuant to any of the provisions of this Agreement or of the Warrant Certificates.

6.

(g) NO RESPONSIBILITY FOR REPRESENTATIONS. The Warrant Agent shall not be responsible for any of the recitals or representations herein or in the Warrant Certificates (except as to the Warrant Agent's countersignature thereon), all of which are made solely by the Company.

(h) NO IMPLIED OBLIGATIONS. The Warrant Agent shall be obligated to perform only such duties as are herein and in the Warrant Certificates specifically set forth and no implied duties or obligations shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall not be under any obligation to take any action hereunder which might involve it in any expense or liability, the payment

of which within a reasonable time is not, in its reasonable opinion, assured to it. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any of the Warrant Certificates countersigned and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the Warrant Certificates. The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained herein or in the Warrant Certificates or in the case of the receipt of any written demand from a holder of a Warrant Certificate with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise, or, except as provided in Section 6.02 hereof, to make any demand upon the Company.

#### SECTION 5.03. RESIGNATION AND APPOINTMENT OF SUCCESSOR.

(a) The Company agrees, for the benefit of the holders from time to time of the Warrant Certificates, that there shall at all times be a Warrant Agent hereunder until all the Warrant Certificates are no longer exercisable.

(b) The Warrant Agent may at any time resign as such agent by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become effective; PROVIDED that such date shall not be less than three months after the date on which such notice is given unless the Company otherwise agrees. The Warrant Agent hereunder may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date upon which such removal shall become effective. Such resignation or removal shall take effect upon the appointment by the Company, as hereinafter provided, of a successor Warrant Agent (which shall be a bank or trust company authorized under the laws of the jurisdiction of its organization to exercise corporate trust powers) and the acceptance of such appointment by such successor Warrant Agent. The obligations of the Company under Section 5.02(a) shall continue to the extent set forth therein notwithstanding the resignation or removal of the Warrant Agent.

(c) In case at any time the Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or shall file a petition seeking relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable Federal or state bankruptcy law or similar law or make an assignment for the benefit of its creditors or consent to the appointment of a receiver or custodian of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian of it or of all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the provisions of the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable Federal or state bankruptcy or similar law, or if any

public officer shall have taken charge or control of the Warrant Agent or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Warrant Agent, qualified as aforesaid, shall be appointed by the Company by an instrument in writing, filed with the successor Warrant Agent. Upon the appointment as aforesaid of a successor Warrant Agent and

7.

acceptance by the successor Warrant Agent of such appointment, the Warrant Agent shall cease to be Warrant Agent hereunder.

(d) Any successor Warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and to transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive, all monies, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Any corporation into which the Warrant Agent hereunder may be merged or converted or any corporation with which the Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all the assets and business of the Warrant Agent, provided that it shall be qualified as aforesaid, shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto.

## ARTICLE VI.

### MISCELLANEOUS

SECTION 6.01. AMENDMENT. This Agreement may be amended by the parties hereto, without the consent of the holder of any Warrant Certificate, for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or making any other provisions with respect to matters or questions arising under this Agreement as the Company and the Warrant Agent may deem necessary or desirable; PROVIDED that such action shall not adversely affect the interests of the holders of the Warrant Certificates.

SECTION 6.02. NOTICES AND DEMANDS TO THE COMPANY AND WARRANT AGENT. If the Warrant Agent shall receive any notice or demand addressed to the Company

by the holder of a Warrant Certificate pursuant to the provisions of the Warrant Certificates, the Warrant Agent shall promptly forward such notice or demand to the Company.

SECTION 6.03. ADDRESSES. Any communications from the Company to the Warrant Agent with respect to this Agreement shall be addressed to the Warrant Agent at its principal corporate trust office at \_\_\_\_\_, \_\_\_\_\_, Attention: \_\_\_\_\_, and any communication from the Warrant Agent to the Company with respect to this Agreement shall be addressed to Unocal Corporation, 1201 West Fifth Street, Los Angeles, California 90017 Attention: Treasury Department or such other address as shall be specified in writing by the Warrant Agent or the Company.

SECTION 6.04. NOTICES TO HOLDERS OF WARRANTS. Any notice to holders of Warrants which by any provisions of this Agreement is required or permitted to be given shall be given [IF REGISTERED WARRANTS--by first class mail, postage prepaid, at such holder's address as appears on the books of the Warrant Agent [or on the register of the Offered Securities prior to the Detachable Date] [IF BEARER WARRANTS--by publication at least once in a daily morning newspaper in New York City [, in London] and in \_\_\_\_\_].

8.

SECTION 6.05. APPLICABLE LAW. The validity, interpretation and performance of this Agreement and each Warrant Certificate issued hereunder and of the respective terms and provisions thereof shall be governed by, and construed in accordance with, the substantive laws of the State of New York without regard to any conflict of laws provisions.

SECTION 6.06. DELIVERY OF PROSPECTUS. The Company will furnish to the Warrant Agent sufficient copies of a prospectus with an accompanying prospectus supplement relating to the Warrant Securities, and the Warrant Agent agrees that upon the exercise of any Warrant, the Warrant Agent will deliver to the holder of the Warrant Certificate evidencing such Warrant prior to or concurrently with the delivery of the Warrant Securities issued upon such exercise, a copy of such prospectus and prospectus supplement.

SECTION 6.07. OBTAINING OF GOVERNMENTAL APPROVALS. The Company will from time to time take all action which may be necessary to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and securities acts filings under United States Federal and state laws and any applicable laws of other jurisdictions (including without limitation a registration statement in respect of the Warrants and Warrant Securities under the Securities Act of 1933) which may be or become required in connection with the issuance, sale, transfer and delivery of the Warrant Certificates, the exercise of the Warrants, the issuance, sale, transfer and delivery of the Warrant Securities issued upon exercise of the Warrants or upon the expiration of the period during which the Warrants are exercisable.

SECTION 6.08. PERSONS HAVING RIGHTS UNDER WARRANT AGREEMENT. Nothing in this Agreement shall give to any person other than the Company, the Warrant Agent and the holders of the Warrant Certificates any right, remedy or claim under or by reason of this Agreement.

SECTION 6.09. HEADINGS. The descriptive headings of the several Articles or Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 6.10. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which as so executed shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

SECTION 6.11. INSPECTION OF AGREEMENT. A copy of this Agreement shall be available at all reasonable times at the principal corporate trust office of the Warrant Agent and the Company for inspection by the holder of any Warrant Certificate. The Warrant Agent or the Company may require such holder to submit his Warrant Certificate for inspection by it.

SECTION 6.12. PAYMENT OF STAMP AND OTHER DUTIES. The Company will pay all stamp and other duties, if any, to which, under the laws of the United States of America, the original issuance of the Warrant Certificates may be subject.

9.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by one of their respective authorized officers as of the day and year first above written.

UNOCAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

[NAME OF WARRANT AGENT]

By \_\_\_\_\_  
Name:  
Title:

ANNEX A  
to Warrant Agreement

[FORM OF WARRANT CERTIFICATE]

[FACE OF WARRANT CERTIFICATE]

[FORM OF LEGEND IF SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY  
DETACHABLE: PRIOR TO \_\_\_\_\_, 19\_\_ THIS WARRANT CERTIFICATE CANNOT BE  
TRANSFERRED OR EXCHANGED UNLESS ATTACHED TO A [TITLE OF OFFERED SECURITIES].]

EXERCISABLE ONLY IF COUNTERSIGNED BY THE WARRANT  
AGENT AS PROVIDED HEREIN

WARRANTS TO PURCHASE  
COMMON STOCK

Issued by

UNOCAL CORPORATION

VOID AFTER 5:00 P.M. NEW YORK CITY TIME ON \_\_\_\_\_, 19\_\_

[No.] \_\_\_\_\_ Warrants

This certifies that [the bearer is the] [\_\_\_\_\_] or registered assigns  
is the registered] owner of the above indicated number of Warrants, each Warrant  
entitling such [bearer] [registered owner] to purchase, at any time [after  
5:00 p.m. New York City time on \_\_\_\_\_, 19\_\_ and] at or before 5:00 p.m.  
New York City time on \_\_\_\_\_, 19\_\_ (or such later date as may be selected  
by Unocal Corporation, a Delaware corporation (the "Company") with notice to the  
holder hereof as provided in the Warrant Agreement (as hereinafter defined)),  
\_\_\_\_\_ shares of the Common Stock (the "Warrant Securities") of the Company, on  
the following basis: during the period from and including \_\_\_\_\_, 19\_\_,  
the exercise price of each Warrant will be [\$\_\_\_\_\_] per share of Common Stock;  
during the period from \_\_\_\_\_, 19\_\_, to and including  
\_\_\_\_\_, 19\_\_, the exercise price of each Warrant will be  
[\$\_\_\_\_\_] (the "Warrant Price"). The holder may exercise the Warrants evidenced  
hereby by delivery to the Warrant Agent (as hereinafter defined) of this Warrant  
Certificate, with the form of election to purchase on the reverse hereof  
properly completed and duly executed and by paying in full, [in lawful money of

the United States of America] [in the foreign currency or currency unit in which the Warrant Securities are denominated] by bank wire transfer in immediately available funds the Warrant Price for each Warrant exercised to the warrant agent, such delivery and payment to be made at the principal corporate trust office of [name of Warrant Agent], or its successor as warrant agent (the "Warrant Agent"), [or \_\_\_\_\_] currently at the address specified on the reverse hereof, and upon compliance with and subject to the conditions set forth herein and the Warrant Agreement.

Any whole number of Warrants evidenced by this Warrant Certificate may be exercised to purchase Warrant Securities. Upon any exercise of fewer than all of the Warrants evidenced by this Warrant Certificate, there shall be issued to the holder hereof a new Warrant Certificate evidencing the number of Warrants remaining unexercised, unless sufficient time does not exist to exercise such Warrants in accordance with the provisions of the Warrant Agreement before the Warrants become void.

1.

This Warrant Certificate is issued under and in accordance with the Warrant Agreement dated as of \_\_\_\_\_, 19\_\_ (the "Warrant Agreement") between the Company and the Warrant Agent and is subject to the terms and provisions contained in the Warrant Agreement, to all of which terms and provisions the holder of this Warrant Certificate consents by acceptance hereof. Copies of the Warrant Agreement are on file at the principal corporate trust office of the Warrant Agent specified on the reverse hereof [and at \_\_\_\_\_].

[IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--prior to \_\_\_\_\_, 19\_\_, this Warrant Certificate may be exchanged or transferred only together with the [Title of Offered Securities] (the "Offered Securities") to which this Warrant Certificate was initially attached, and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Securities. After such date, this] [IF OFFERED SECURITIES WITH BEARER WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--This] Warrant Certificate may be registered when this Warrant Certificate is surrendered at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_] by the registered owner or his assigns, in person or by his attorney duly authorized in writing, in the manner and subject to the limitations provided in the Warrant Agreement.]

[IF OFFERED SECURITIES WITH WARRANTS WHICH ARE NOT IMMEDIATELY DETACHABLE--Except as provided in the immediately preceding paragraph, after] [IF OFFERED SECURITIES WITH WARRANTS WHICH ARE IMMEDIATELY DETACHABLE OR WARRANTS ISSUED INDEPENDENT OF ANY OFFERED SECURITIES--After] countersignature by the Warrant Agent and prior to the expiration of this Warrant Certificate, this Warrant Certificate may be exchanged at the principal corporate trust office of the Warrant Agent [or \_\_\_\_\_] for Warrant Certificates, representing the same aggregate number of Warrants, [in registered form] [in bearer form] [in either registered or bearer form].

[IF NYSE LISTED, INSERT--; Warrants not exercised by 5 p.m. on the date specified above ("Expired Unexercised Warrants") shall have a residual value of one share of Common Stock of the Company per 100 Expired Unexercised Warrants.]

This Warrant Certificate shall not entitle the holder hereof to any of the rights of a holder of the Warrant Securities, including without limitation the right to receive any dividend payments on the Warrant Securities.

This Warrant Certificate shall be governed by, and construed in accordance with the laws of the State of New York without regard to any conflict of laws provisions.

2.

The Warrant Certificate shall not be valid or obligatory for any purpose until countersigned by the Warrant Agent.

Dated as of \_\_\_\_\_, 19\_\_.

UNOCAL CORPORATION

By \_\_\_\_\_

Name:

Title:

[SEAL]

Attest:

\_\_\_\_\_  
[Assistant] Secretary

[NAME OF WARRANT AGENT],

As Warrant Agent

By \_\_\_\_\_

Name:

Title:

## (REVERSE OF WARRANT CERTIFICATE)

## INSTRUCTIONS FOR EXERCISE OF WARRANT

To exercise the Warrants evidenced hereby, the holder must pay by bank wire transfer in immediately available funds the Warrant Price in full for Warrants exercised to [insert name of Warrant Agent], at its principal corporate trust office at [insert address of Warrant Agent], Attention: \_\_\_\_\_, [or \_\_\_\_\_] which wire transfer must specify the name of the holder and the number of Warrants exercised by such holder. In addition, the holder must complete the information required below and present this Warrant Certificate in person or by mail (registered mail is recommended) to the Warrant Agent at the addresses set forth below. This Warrant Certificate, completed and duly executed, must be received by the Warrant Agent together with such wire transfer. [If the undersigned is requesting delivery of Warrant Securities in bearer form, the person entitled to physical delivery of such Warrant Securities will be required to deliver a certificate (copies of which may be obtained from the Warrant Agent [or \_\_\_\_\_]) certifying that such Warrant Securities are not being acquired by or on behalf of a U.S. person or for resale to a U.S. person unless such U.S. person is qualified under United States tax laws and regulations.]

## TO BE EXECUTED UPON EXERCISE OF WARRANT

The undersigned hereby irrevocably elects to exercise \_\_\_\_\_ Warrants, evidenced by this Warrant Certificate, to purchase \_\_\_\_\_ shares of the Common Stock (the "Warrant Securities") of Unocal Corporation and represents that he has tendered payment for such Warrant Securities by bank wire transfer in immediately available funds to the order of Unocal Corporation, in care of (insert name and address of Warrant Agent)], in the amount of [\$\_\_\_\_\_\_] in accordance with the terms hereof. The undersigned requests that said number of shares of Warrant Securities be registered form in the authorized denominations, registered in such names and delivered], all as specified in accordance with the instructions set forth below.

If the number of Warrants exercised is less than all of the Warrants evidenced hereby, the undersigned requests that a new Warrant Certificate representing the remaining Warrants evidenced hereby be issued and delivered to the undersigned unless otherwise specified in the instructions below or unless sufficient time does not exist before the remaining Warrants become void.

Dated:

Name \_\_\_\_\_

(Please Print)

\_\_\_\_\_  
(Insert Social Security or Other  
Identifying Number of Holder)

Address \_\_\_\_\_  
\_\_\_\_\_

Signature \_\_\_\_\_

4.

The Warrants evidenced hereby may be exercised at the following addresses:

By hand at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By mail at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.

[IF REGISTERED WARRANT]

ASSIGNMENT

(FORM OF ASSIGNMENT TO BE EXECUTED IF HOLDER DESIRES  
TO TRANSFER WARRANTS EVIDENCED HEREBY)

FOR VALUE RECEIVED \_\_\_\_\_ hereby sells assigns and transfers unto

Please insert social security  
or other identifying number.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Please print name and address  
including zip code)

\_\_\_\_\_  
The Warrants represented by the within Warrant Certificate and does hereby  
irrevocably constitute and appoint \_\_\_\_\_, Attorney, to  
transfer said Warrant Certificate on the books of the Warrant Agent with full

power of substitution in the premises.

Dated:

---

Signature

(Signature must conform in all respects to the name of the holder as specified on the face of this Warrant Certificate and must bear a signature guarantee by a bank, trust company or member broker of the New York, Chicago or Pacific Stock Exchange.)

Signature Guaranteed:

---

6.

[Form of Senior and Subordinated Security]

[Form of Face]

[If in bearer form, insert-- ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]

NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS SECURITY SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON EXCEPT PURSUANT TO THE PROVISIONS HEREOF.]

[If an Original Issue Discount Security, insert-- FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE, THE ISSUE PRICE ("THE ISSUE PRICE") OF THIS SECURITY IS \_\_\_\_% OF ITS PRINCIPAL AMOUNT, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS SECURITY IS \_\_\_\_% OF ITS PRINCIPAL AMOUNT, THE ORIGINAL ISSUE DATE IS \_\_\_\_\_, 19\_\_\_\_, AND THE YIELD TO MATURITY IS \_\_\_\_%. THE METHOD USED TO DETERMINE THE YIELD IS \_\_\_\_\_, AND THE AMOUNT OF ORIGINAL ISSUE DISCOUNT APPLICABLE TO THE SHORT ACCRUAL PERIOD OF \_\_\_\_\_, 19\_\_\_\_, TO \_\_\_\_\_, 19\_\_\_\_, IS \_\_\_\_% OF THE PRINCIPAL AMOUNT OF THIS SECURITY. THE ECONOMIC YIELD COULD BE DIFFERENT FROM THE HYPOTHETICAL YIELD TO MATURITY FOR TAX PURPOSES.]

[If a Registered Global Security, insert-- UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

UNION OIL COMPANY OF CALIFORNIA

Payment of Principal, Interest and Premium, if any,

Guaranteed by

UNOCAL CORPORATION

[insert applicable title of Security]

[FORM OF SENIOR SECURITY]

[FORM OF SUBORDINATED SECURITY]

No. \$ \_\_\_\_\_

Union Oil Company of California, a corporation duly organized and existing under the laws of the State of California (the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to [if the Security is in registered form insert--\_\_\_\_\_, or registered assigns] [IF THE SECURITY IS IN BEARER FORM, INSERT--to the bearer] upon surrender hereof the principal sum of \_\_\_\_\_ Dollars on \_\_\_\_\_ [IF THE SECURITY IS CONVERTIBLE, EXCHANGEABLE OR REDEEMABLE, INSERT-- (unless converted, exchanged or redeemed)] [IF THE SECURITY IN REGISTERED FORM IS TO BEAR INTEREST PRIOR TO STATED MATURITY, INSERT--, and to pay interest thereon from \_\_\_\_\_ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, at the rate of \_\_\_\_\_% per annum, until the principal hereof is paid or made available for payment] [IF THE SECURITY IS IN BEARER FORM INSERT--, and to pay interest on each Interest Payment Date, commencing \_\_\_\_\_, on said principal sum until payment of said sum has been made or duly provided for but only, in the case of such interest due on or before the Stated Maturity, upon presentation and surrender of the interest Coupons attached hereto ("Coupon") as they shall severally mature.] [IF APPLICABLE INSERT--, and (to the extent that the payment of such interest shall be legally enforceable) at the rate of \_\_\_\_\_% per annum on any overdue principal and premium and on any overdue installment of interest]. [IF THE SECURITY IS IN REGISTERED FORM, INSERT--The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date shall, as provided in such Indenture, be paid to the Person in whose name this Security is registered at the close of business on the Regular Record Date for such interest, which shall be the \_\_\_ or \_\_\_\_\_ (whether or not such day is a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirement of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.]

[IF THE SECURITY IS NOT TO BEAR INTEREST PRIOR TO MATURITY, INSERT--  
The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal of this Security shall bear interest at the rate of \_\_\_\_\_% per annum, which shall accrue from the date of such default in payment to the date payment of such principal has been made or duly provided for. Interest on any overdue principal shall be payable on demand. Any such interest on any overdue principal that is not so paid on demand shall bear interest at the rate of \_\_\_\_\_% per annum (to the extent that the payment of such interest shall be legally enforceable), which shall

2

accrue from the date of such demand for payment to the date payment of such interest has been made or duly provided for, and such interest shall also be payable on demand.]

[IF THE SECURITY IS IN REGISTERED FORM, INSERT--payment of the principal (and premium, if any) and [IF APPLICABLE, INSERT--any such] interest on this Security will be made at the offices or agencies of the Company maintained for that purpose in the Borough of Manhattan, The City of New York,] [IF THIS SECURITY IS IN BEARER FORM, INSERT--Unless otherwise provided herein, payments of principal (including premium, if any) shall be made, subject to any laws or regulations applicable thereto and to the right of the Company (limited as provided in the Indenture) to rescind the designation of any such Paying Agent, at the offices of \_\_\_\_\_ in \_\_\_\_\_, or at such other offices or agencies outside the United States (as defined below) as the Company may designate, at the option of the Holder, by [United States Dollar] check drawn on a bank in The City of New York or by transfer of [United States Dollars] to an account maintained by the payee with a bank located outside the United States. No payment of principal of (including premium, if any) or interest on this Security shall be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to an account maintained in the United States; PROVIDED, HOWEVER, unless otherwise provided herein, that payment of principal of (including premium, if any) and interest on this Security (including any additional amounts that may be payable as provided below) shall be made at the offices or agencies of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, if (but only if) payment in United States dollars of such principal (including premium, if any), interest or additional amounts, as the case may be, at all offices or agencies outside the United States maintained for that purpose by the Company in accordance with the Indenture is illegal or effectively precluded by exchange controls or other similar restrictions.] Such payments with respect to this Security will be made [IF THIS SECURITY IS PAYABLE IN UNITED STATES DOLLARS, INSERT--in such coin or currency of the United States of America] [IF THIS SECURITY IS NOT PAYABLE IN UNITED STATES DOLLARS, INSERT--in such foreign currency or currency unit or ECU of \_\_\_\_\_] as at the time of payment is legal tender for payment of public and private debts [IF APPLICABLE, INSERT ; PROVIDED, HOWEVER, that at the option of the Company payment of interest may

be made by check mailed on the applicable Interest Payment Date to the address of the Person entitled thereto as such address shall appear in the Security Register]. The Company may also appoint additional paying agents.

[IF THE SECURITY IS IN BEARER FORM, INSERT--[The Company shall pay to the Holder of this Security who is a United States Alien (as defined below) such additional amounts as may be necessary in order that every net payment of the principal of (and premium, if any) and interest on this Security, after deduction or other withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States or any political subdivision or taxing authority thereof or therein, shall not be less than the amount provided for in this Security to be then due and payable; PROVIDED, HOWEVER, that the foregoing obligation to pay additional amounts will not apply to any one or more of the following:

(a) any tax, assessment or other governmental charge that would not have been so imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member, or shareholder of, or a person holding a power over, such Holder, if such Holder is an estate, a trust, a partnership, or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, person holding a power, member, or shareholder) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in a trade or business or present therein, or having or having had a permanent establishment therein, or (ii) such Holder's present or former status as a personal holding company, a foreign personal holding company, a controlled foreign corporation for United States tax purposes, a corporation that accumulates earnings to avoid United States Federal income tax or a tax exempt organization or private foundation;

(b) any tax, assessment or other governmental charge imposed by reason of such Holder owning, actually or constructively, 10% or more of the total combined voting power of all classes of stock of the Company entitled to vote or by reason of the fact such Holder is a controlled foreign corporation related to the Company through stock ownership;

3

(c) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States or with the Company or the Guarantor of the Holder or beneficial owner of this Security, if compliance is required by statute or by regulation of the United States Treasury Department as a precondition to exemption from such tax, assessment or other governmental charge;

(d) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, assessment or governmental charge;

(e) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from payments of principal of (and premium, if any) or interest on this Security; or

(f) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Security for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

nor shall additional amounts be paid with respect to any payment of principal of (and premium, if any) or interest on this Security to any United States Alien who is a fiduciary or partnership or other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the Holder of this Security. The term "United States Alien" means any Person who, for United States Federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust or a foreign partnership one or more of the members of which is, for United States Federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust, and the term "United States" means the United States of America (including the States and the District of Columbia) and its possessions, which include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island, and Northern Mariana Islands.]

[IF THE SECURITY IS IN BEARER FORM, INSERT--Notwithstanding the foregoing, if and so long as a certification, identification or other information reporting requirement referred to on the reverse hereof would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect, by so stating in the Determination Notice (as defined on the reverse hereof), to have the provisions of this paragraph apply in lieu thereof. In such event, the Company shall pay as additional amounts such amounts as may be necessary so that every net payment made following the effective date of such requirement outside the United States by the Company or any of its Paying Agents of principal (and premium, if any) or interest due in respect of this Security or any Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity, other than status as a United States Alien, of such beneficial owner be disclosed to the Company, any Paying Agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge other than a backup withholding tax or similar charge which is (i) the result of a certification, identification or information reporting requirement described in the second parenthetical clause of the first sentence of the preceding paragraph, or (ii) imposed as a result of the fact that the Company or any of

its Paying Agents has actual knowledge that the beneficial owner of this Security is within the category of Persons described in clause (a) of the second paragraph of this Security, or (iii) imposed as a result of presentation of this Security or Coupon for payment more than 15 days after the date on which such payment becomes due and payable or on which payment thereof is duly provided for, whichever occurs later, shall not be less than the amount provided for in this Security to be then due and payable.]

4

This Security is one of a duly authorized issuance of [INSERT-- \_\_\_\_\_] of the Company, which have been issued under and are governed by the terms of an indenture dated as of \_\_\_\_\_, 199\_\_ (the "Indenture") among the Company, Unocal Corporation, a corporation duly organized and existing under the laws of the State of Delaware, as Guarantor (the "Guarantor", which term includes any successor guarantor under the Indenture), and [IF THE SECURITY IS A SENIOR SECURITY, INSERT--Chemical Trust Company of California, a corporation duly organized and existing under the laws of the state of California] [IF THE SECURITY IS A SUBORDINATED SECURITY, INSERT--name of Subordinated Trustee], as Trustee (the "Trustee", which term includes any successor trustee under the Indenture), which incorporates the Standard Multiple-Series Indenture Provisions, January 1991, of the Issuer and the Guarantor, dated as of January 2, 1991, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the respective rights thereunder of the Company, the Guarantor, the Trustee and the Holders of the Securities, and the terms upon which the Securities are, and are to be, authenticated and delivered.

[IF APPLICABLE, INSERT--This Security is unsecured and the indebtedness of the Company evidenced by this Security, including the principal hereof and interest hereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment to the obligations of each of the Company and the Guarantor, respectively, to holders of Senior Debt of the Company, as defined in the Indenture, and each Holder of this Security or a Coupon, if any, appertaining to this Security, by accepting the same, agrees to and shall be bound by such provisions of the Indenture and all other provisions of the Indenture.]

The provisions of this Security are continued on the reverse hereof and the provisions there set forth shall for all purposes have the same effect as though fully set forth at this place.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, UNION OIL COMPANY OF CALIFORNIA has caused this

instrument to be executed in its corporate name by the manual or facsimile signature of its Chairman of the Board of Directors, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers, and impressed or imprinted with its corporate seal or facsimile thereof, attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

UNION OIL COMPANY OF CALIFORNIA

By \_\_\_\_\_  
Title:

[Seal]

Attest:

By \_\_\_\_\_  
[Assistant] Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Securities of the series designated herein issued under the within-mentioned Indenture.

Dated:

[ \_\_\_\_\_ ],  
As Trustee

By \_\_\_\_\_  
Authorized [Officer][Signatory]

[Form of Reverse of Security]

UNION OIL COMPANY OF CALIFORNIA  
Payment of Principal, Interest and Premium, if any,  
Guaranteed by  
UNOCAL CORPORATION

[insert applicable Title of Security]

[Form of Senior Security]

[Form of Subordinated Security]

This Security is one of a duly authorized issuance of securities of the Company designated as its \_\_\_\_\_ (the "Securities"), limited to an aggregate principal amount of \$ \_\_\_\_\_, subject to reduction or increase upon the determination of the Company, all issued or to be issued in one or more series under the Indenture among the Company, the Guarantor and the Trustee.

[IF THE SECURITY IS IN BEARER FORM, INSERT--The Securities of this series are issuable as Bearer Securities, with interest Coupons attached, in denominations of [U.S. \$ \_\_\_\_\_] [IF IN REGISTERED FORM, INSERT--The Securities of this series are issuable as Registered Securities, without Coupons, in denominations of [U.S. \$ \_\_\_\_\_] and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, [Bearer Securities] [Registered Securities] of this series are exchangeable for a like aggregate principal amount of Registered Securities of this series and of like tenor, of any authorized denominations, as requested by the Holder surrendering the same, upon surrender of the Security or Securities to be exchanged, with all unmatured Coupons and all matured Coupons in default thereto appertaining, at any office or agency described below where Registered Securities of this series may be presented for registration of transfer; [IF APPLICABLE, INSERT--PROVIDED, HOWEVER, that Bearer Securities surrendered in exchange for Registered Securities between the Regular Record Date (or Special Record Date) and the relevant Interest Payment Date (or Default Interest Payment Date) shall be surrendered without the Coupon relating to such Interest Payment Date. Bearer Securities may not be issued in exchange for Registered Securities.]

[IF APPLICABLE, INSERT--The Securities of this series are subject to redemption upon not less than 30 nor more than 60 days notice by mail, [IF APPLICABLE, INSERT--(1) on \_\_\_\_\_ commencing with the year \_\_\_\_\_ and ending with the year \_\_\_\_\_ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [on or after \_\_\_\_\_,

6

19\_\_\_\_], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [on or before \_\_\_\_\_, \_\_\_\_\_% and if redeemed] during the 12-month period beginning \_\_\_\_\_ of the years indicated,

Redemption

Redemption

Year  
----

Price  
-----

Year  
----

Price  
-----

and thereafter at a Redemption Price equal to \_\_\_% of the principal amount, together in the case of any such redemption [IF APPLICABLE, INSERT--(whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date, but interest payments whose Stated Maturity is on such Redemption Date shall be payable to the Holders of such Securities [IF IN REGISTERED FORM, INSERT--of record at the close of business on the relevant Regular Record Dates referred to on the face hereof, all as provided in the Indenture.] [IF IN BEARER FORM, INSERT--only upon presentation and surrender of Coupons for such interest at an office or agency located outside the United States, except as herein provided otherwise.]

[IF APPLICABLE, INSERT--The Securities of this series are subject to redemption upon not less than 30 nor more than 60 days notice by mail, (1) on \_\_\_\_\_ in any year commencing with the year \_\_\_\_\_ and ending with the year \_\_\_\_\_ through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [on or after \_\_\_\_\_], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning \_\_\_\_\_ of the years indicated,

Year	Redemption Price for Redemption Through Operation of the Sinking Fund	Redemption Price for Redemption Otherwise Than Through Operation of the Sinking Fund
----	-----	-----

and thereafter at a Redemption Price equal to \_\_\_\_\_% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest payments whose Stated Maturity is on such Redemption Date will be payable to the Holders of such Securities of record at the close of business on the relevant Regular Record Dates referred to on the face hereof, all as provided in the Indenture.]

[IF APPLICABLE INSERT--The Securities may be redeemed at the option of the Company as a whole, but not in part, at any time at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption, if the Company shall determine that as a result of (a) any change in or amendment to, the laws (or regulations or rulings promulgated thereunder) of the United States or of any political subdivision or taxing authority thereof or therein affecting taxation, or any change in application or official interpretation of such laws, regulations or rulings, or

(b) any action, including any of those specified in clause (a) of this sentence, taken by a taxing authority of the United States or any political subdivision or taxing authority thereof or therein affecting taxation, which action is generally applied or is taken with respect to the Company or the Guarantor, or (c) a decision rendered by a court of competent jurisdiction in the United States or any political subdivision thereof, whether or not such decision was rendered with respect to the Company or the Guarantor, or (d) a technical advice memorandum or other pronouncement issued by the National Office of the United States Internal Revenue Service on substantially the same facts as those affecting the Company or the Guarantor, there is a substantial likelihood that the Company or the Guarantor

7

will be required to pay additional amounts pursuant to the obligations of the Company evidenced on the face hereof with respect to the Securities.]

[The sinking fund for this series provides for the redemption on \_\_\_\_\_ in each year beginning with the year \_\_\_\_\_ and ending with the year \_\_\_\_\_ of [not less than] \$\_\_\_\_\_ ("mandatory sinking fund") and not more than \$\_\_\_\_\_ aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [mandatory] sinking fund payments may be credited against subsequent [mandatory] sinking fund payments otherwise required to be made--in the inverse order in which they become due.]

[IF APPLICABLE, INSERT--In addition, if the Company determines, based upon a written opinion of independent counsel, that any payment made or to be made outside the United States by the Company or any of its Paying Agents of the full or partial amount of principal (and premium, if any) or interest due with respect to any Bearer Security or Coupon would, under any present or future laws or regulations of the United States, be subject to any certification, identification or other information reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner of such Bearer Security or Coupon who is a United States Alien (as defined on the face hereof) (other than such a requirement (a) that would not be applicable to a payment made by the Company or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to any custodian, nominee or other agent of the beneficial owner, or (b) that can be satisfied by the custodian, nominee or other agent certifying that the beneficial owner is a United States Alien, PROVIDED that in each case referred to in Clauses (a)(ii) and (b) payment by such custodian, nominee or other agent of such beneficial owner is not otherwise subject to any such requirement), the Company at its election will either (x) redeem the Securities, as a whole but not in part, upon not less than 30 nor more than 60 days prior notice as described below, at a Redemption Price equal to 100% of their principal amount, together with interest accrued to the Redemption Date or (y) if and so long as certain conditions of the [fourth] paragraph (excluding the legends) on the face of this security are

satisfied, pay the additional amounts specified in such paragraph. The Company will make such determination and election and notify the Trustee thereof as soon as practicable, and the Trustee will promptly give notice of such determination (the "Determination Notice") in the manner described below in each case stating the effective date of such certification, identification or information reporting requirement, whether the Company will redeem the Securities or will pay the additional amounts specified in such paragraph and (if applicable) the last date by which the redemption of the Securities must take place. If the Company elects to redeem the Securities, such redemption shall take place on such Redemption Date, not later than one year after publication of the Determination Notice, as the Company elects by notice to the Trustee at least 75 days before such Redemption Date, unless shorter notice is acceptable to the Trustee. Notwithstanding the foregoing, the Company will not so redeem the Securities if the Company, based upon an opinion of independent counsel, subsequently determines, not less than 30 days prior to the Redemption Date that subsequent payments would not be subject to any such requirement, in which case the Company will notify the Trustee, which will promptly give notice of that determination in the manner described below, and any earlier redemption notice will thereupon be revoked and of no further effect. If the Company elects as provided in Clause (y) above to pay additional amounts, and as long as the Company is obligated to pay such additional amounts, the Company may subsequently redeem the Securities, at any time, as a whole but not in part, upon not less than 30 nor more than 60 days prior notice given in the manner described below, at a Redemption Price equal to 100% of their principal amount, together with interest accrued to the Redemption Date, but without reduction for applicable United States withholding taxes.]

[IF APPLICABLE, INSERT--Determination Notice will be given by publication in an Authorized Newspaper in The City of New York, London and, if the Securities of this series are then listed on the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, in Luxembourg or in any other city outside the United States or, if not practicable, elsewhere in Europe, and by mail to Holders of Registered Securities.]

[IF APPLICABLE, INSERT--Notice of redemption will be given by publication in an Authorized Newspaper in The City of New York, London and, if the Securities of this series are then listed on the

Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, in Luxembourg or in any other city outside the United States or, if not practicable, elsewhere in Europe, and by mail to Holders of Registered Securities, not less than 30 nor more than 60 days prior to the Redemption Date, all as provided in the Indenture.]

[IF APPLICABLE, INSERT--Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 or more than 60 days prior

to the Redemption Date, as provided in the Indenture.]

[IF APPLICABLE, INSERT--At any time after \_\_\_\_\_ the Securities of this series may be redeemed, as a whole or from time to time in part, at the option of the Company at a Redemption Price equal to their principal amount plus accrued interest to the Redemption Date.]

In case of redemption of less than all of the Securities of this series at the time outstanding, the Securities of this series to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem appropriate and fair, as provided in the Indenture.

[IF APPLICABLE, INSERT--In the event of redemption of this Security in part only, a new Security or Securities of this series for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.]

[IF APPLICABLE, INSERT--Subject to and upon compliance with the provisions of the Indenture (unless previously redeemed), this Security, if submitted for redemption, is subject to redemption, at the option of the Holder, [If Securities of the series are issuable as Bearer Securities, insert--on or after the Exchange Date]. The Holder's option to redeem is exercisable at a Redemption Price equal to 100% of the principal amount hereof plus accrued interest to the Redemption Date. For this Security to be submitted for such redemption, the Company must receive at the office of one of the Paying Agents, at least 30 days prior to the Redemption Date, this Security [If Securities of the series are issuable as Bearer Securities, insert--together with all Coupons maturing after the Redemption Date,] accompanied by written notice to the Company that the Holder hereof instructs the Company to redeem this Security. Such notice shall state (i) the CUSIP number of this Security; (ii) the portion of the principal amount of this Security to be purchased, which portion must be an integral multiple of \$1,000; and (iii) that this Security is to be purchased by the Company pursuant to the applicable provisions hereof. [If Securities of the series are issuable as Bearer Securities, insert--The Holder of this Security may elect to submit for redemption by the Company such Security as a whole but not in part.] Such notice duly received shall be irrevocable.]

[IF THE SECURITY IS [CONVERTIBLE] [EXCHANGEABLE] INTO [PREFERRED STOCK] [COMMON STOCK] OF THE GUARANTOR, INSERT- Subject to the provisions of the Indenture, the Holder of this Security is entitled, at its option, at any time on or before [insert date] (except that, in case this Security or any portion hereof shall be called for redemption, such right shall terminate with respect to this Security or portion hereof, as the case may be, so called for redemption at the close of business on the Redemption Date as provided in the Indenture unless the Guarantor defaults in making the payment due upon redemption), to [convert] [exchange] the principal amount of this Security (or any portion hereof which is [insert minimum denomination] or an integral multiple thereof), into fully paid and non-assessable shares (calculated as to each [conversion] [exchange] to the nearest 1/100th of a share) of the [Preferred Stock] [Common Stock] of the Guarantor, as said shares shall be constituted at the date of [conversion] [exchange], at the initial [conversion] [exchange] price of \$\_\_\_\_\_

principal amount of Securities for each share of [Preferred Stock] [Common Stock], or at the adjusted [conversion] [exchange] price in effect at the date of [conversion] [exchange], upon surrender of this Security, together with the [conversion] [exchange] notice hereon duly executed, to the Guarantor at the designated office or agency of the Guarantor in \_\_\_\_\_, accompanied (if so required by the Guarantor) by instruments of transfer, in form satisfactory to the Guarantor and to the Trustee, duly executed by the Holder or by its duly authorized attorney in writing. [Such surrender shall, if made during any period beginning at the close of business on a Regular Record Date and ending at the opening of business on the Interest Payment Date next following such Regular Record Date (unless this Security or the portion being [converted] [exchanged] shall have been called for redemption on a Redemption Date during such period), also be accompanied by payment in funds acceptable to the Guarantor

9

of an amount equal to the interest payable on such Interest Payment Date on the principal amount of this Security then being [converted] [exchange]. Subject to the aforesaid requirement of repayment and, in the case of a [conversion] [exchange] after the Regular Record Date next preceding any Interest Payment Date and on or before such Interest Payment Date, to the right of the Holder of this Security (or any Predecessor Security) of record at such Regular Record Date to receive an installment of interest (with certain exceptions provided in the Indenture), no adjustment is to be made on [conversion] [exchange] for interest accrued hereon or for dividends on shares of [Preferred Stock] [Common Stock] of the Guarantor issued on [conversion] [exchange].] The Guarantor [is] [is not] required to issue fractional shares upon any such [conversion] [exchange] [but shall make adjustment therefor in cash on the basis of the current market value of such fractional interest as provided in the Indenture.] [The [conversion] [exchange] price is subject to adjustment as provided in the following paragraph. In the event of [conversion] [exchange] of this Security in part only, a new Security or Securities for the [unconverted] [unexchanged] portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.]

[IF THE SECURITY IS [CONVERTIBLE] [EXCHANGEABLE] INTO [PREFERRED STOCK] [COMMON STOCK] OF THE GUARANTOR, INSERT APPLICABLE CONVERSION ADJUSTMENT AND ANTI-DILUTION PROVISIONS.]

[IF THE SECURITY IS AN "INDEXED" SECURITY, INSERT APPLICABLE PROVISIONS.]

[IF THE SECURITY IS AN "AMORTIZING" SECURITY, INSERT APPLICABLE PROVISIONS.]

[IF APPLICABLE, INSERT--The Indenture contains provisions permitting the Company and the Guarantor to terminate each of their obligations with respect to certain provisions of the Indenture and as to the payment of the principal of (and premium, if any) and interest on Securities of this series if

the Company or the Guarantor shall have deposited or caused to be deposited irrevocably with the Trustee as a trust fund specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Securities of this series (i) money in an amount (in such currency, currencies or currency unit or units in which any such Securities are payable) or (ii) in the case of such Securities, if any, denominated in U.S. Dollars, direct non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by, the United States of America for the payment of which guarantee or obligation the full faith and credit of the United States is pledged, or, in the case of such Securities, if any, denominated in a Foreign Currency, foreign government securities which are direct, non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by the government that issued the currency, for payment of which guarantee or obligation the full faith and credit of such government is pledged, which through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than the due date of any payment of principal (including any premium) and interest, if any, under such Securities, money in an amount or (iii) a combination of (i) and (ii) sufficient (in the opinion with respect to (ii) and (iii) of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee) to pay and discharge each installment of principal of (including any premium), and interest, if any, on, such Securities, on the dates such installments of interest or principal are due in the currency, currencies or currency unit or units, in which such Securities are payable; PROVIDED, HOWEVER, that for the purposes of this paragraph, Securities shall include Securities of this series which may be issued upon exercise of warrants; PROVIDED FURTHER, HOWEVER, that the Company or the Guarantor shall not make or cause to be made the deposit provided by this paragraph unless the Company or the Guarantor shall have delivered to the Trustee an Opinion of Counsel to the effect that there will not occur any violation of the Investment Company Act of 1940, as amended, on the part of the Company or the Guarantor, the trust funds representing such deposit or the Trustee as a result of such deposit and the related exercise of the Company's or the Guarantor's option under the Indenture.]

[IF THE SECURITY IS NOT AN ORIGINAL ISSUE DISCOUNT SECURITY,--If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[IF THE SECURITY IS AN ORIGINAL ISSUE DISCOUNT SECURITY,--If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may

be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to--INSERT FORMULA FOR DETERMINING THE AMOUNT. Upon payment (i) of the amount of principal so declared due and payable

and (ii) of interest on any overdue principal and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal (and premium, if any) of and interest, if any, on the Securities of this series shall terminate.]

The Indenture contains provisions permitting the Company, the Guarantor and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities of all affected series at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Securities of such series; PROVIDED, HOWEVER, that no such supplemental indenture may without the consent of the Holder of each Security so affected thereby (a) change the Stated Maturity of the principal, or any installment of principal, of any Securities of such series, (b) reduce the principal amount thereof, (c) reduce the rate of interest thereon, or premium payable upon redemption thereof, (d) reduce the principal amount of any Original Issue Discount Security payable upon acceleration of the Maturity thereof, (e) change the place of payment on or with respect to the Security or the currency or currency unit in which any Security or any premium or interest thereon is payable or the obligation to pay additional amounts, (f) impair the right to institute suit for the enforcement of any payment on or with respect to any Security on or after the Stated Maturity or Redemption Date thereof, (g) reduce the percentage in principal amount of Outstanding Securities of such series, the consent of which is required for any supplemental indenture or waiver (of compliance with certain Indenture provisions or certain defaults under the Indenture and their consequences), (h) change the obligation of the Company to maintain an office or agency in the places and for the purposes required by the Indenture, (i) make any change that would adversely affect the right to convert any convertible Securities. It is also provided in the Indenture that the Holders of a majority in aggregate principal amount of the Securities of such series at the time outstanding may on behalf of the Holders of all of the Securities of such series waive any past default under the Indenture and its consequences, except a default in the payment of the principal of (and premium, if any) or interest on any of the Securities of such series or in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of each affected Holder. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder [IF BEARER, INSERT--and upon all future Holders] of this Security and of any Security issued in exchange or substitution herefor [IF APPLICABLE, INSERT--and upon registration of transfer hereof,] whether or not any notation of such consent or waiver is made upon this Security. Holders of Securities may not enforce their rights pursuant to the Indenture or the Securities except as provided in the Indenture.]

Except for recourse against the Guarantor pursuant to the Guarantee, no recourse shall be had for the payment of the principal of (and premium, if any) or the interest on this Security, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any

indenture supplemental thereto, against any incorporator, stockholder, officer or director, employee as such, past, present or future, of the Company or the Guarantor, or of any respective successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issuance hereof, expressly waived and released.

[IF APPLICABLE, INSERT--The transfer of this Security is registrable by the registered owner hereof in person or by his attorney duly authorized in writing at the office of the Security Registrar or at the office of any transfer agent designated by the Company for such purpose. Subject to the terms of the Indenture, upon payment of a service charge and a sum sufficient to reimburse the Company for any tax or other governmental charge incident [IF APPLICABLE, INSERT--to transfer] [IF APPLICABLE, INSERT--or exchange of a bearer security for a registered security] (except the Company shall pay for such service charges if the securities are listed on a stock exchange that requires the Company to pay such charges as a condition to listing) and upon surrender and cancellation of this Security upon any such registration of transfer, a new Security or Securities of authorized denomination or denominations, for the same aggregate principal amount, shall be issued to the transferee in exchange herefor.]

11

[IF THE SECURITY IS IN REGISTERED FORM, INSERT--prior to due presentation of this Security for registration of transfer, the Company, the Guarantor, the Trustee, the Authenticating Agent, if any, any agent of the Company, the Guarantor or the Trustee, the Paying Agent and the Security Registrar shall deem and treat the person in whose name this Security is registered upon the Security Register of the Company as the absolute owner of this Security (whether or not this Security shall be overdue) for the purpose of receiving payment of or on account of the principal hereof and, subject to the provisions on the face hereof, interest due hereon and for all other purposes, and neither the Company, the Guarantor, the Trustee, any Paying Agent, the Security Registrar nor any agent of the Company, the Guarantor or the Trustee shall be affected by any notice or knowledge to the contrary.]

[IF THE SECURITY IS IN BEARER FORM, INSERT--Title to any Bearer Security and any Coupons appertaining thereto shall pass by delivery. The Company, the Trustee and any agent of the Company, the Guarantor, or the Trustee may treat the Holder of any Bearer Security and the Holder of any Coupon as the absolute owner of such Security or Coupon for the purpose of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Security or Coupon be overdue, and neither the Company, the Trustee nor the agent of the Company, the Guarantor or the Trustee shall be affected by notice or knowledge to the contrary.]

As set forth in, and subject to, the provisions of the Indenture, no

Holder of any Security of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in principal aggregate amount of the Outstanding Securities of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Securities of this series a direction inconsistent with such request and the Trustee shall have failed to institute such proceeding within 60 days; PROVIDED, HOWEVER, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and (premium, if any) or interest on this Security on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or provide for the payment of the principal of (and premium, if any) and interest (including additional amounts, as described on the face hereof) on this Security at the times, places and rate, and in the coin or currency, herein prescribed.

[IF APPLICABLE, INSERT--The transfer of this Security is registrable by the registered owner hereof in person or by his attorney duly authorized in writing at the office of the Security Registrar or at the office of any transfer agent designated by the Company for such purpose, subject to the terms of the Indenture, upon payment of a service charge for registration of transfer and payment of a sum sufficient to reimburse the Company for any tax or other governmental charge incident to transfer (except the Company will pay for such service charges if the Securities are listed on a stock exchange that requires the Company to pay such charges as a condition to listing), and upon surrender and cancellation of this Security upon any such registration of transfer, a new Security or Securities of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange herefor.]

[IF THE SECURITY IS A SENIOR SECURITY, INSERT--This Security and the Guarantee hereof will rank on a parity with all other unsecured and unsubordinated indebtedness of the Company and the Guarantor, respectively.]

The Indenture, the Guarantee, the Securities and any Coupons appertaining hereto shall be governed by and construed in accordance with the laws of the State of New York.

[If this Security is denominated in a currency other than U.S. Dollars, make appropriate changes to the foregoing.]

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

[FORM OF GUARANTEE]

FOR VALUE RECEIVED, UNOCAL CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor," which term includes any successor corporation under the Indenture (hereinafter called the "Indenture") referred to in the Security upon which this Guarantee is endorsed), hereby unconditionally guarantees to the Holders from time to time of the Securities (a) the full and prompt payment of the principal of and any premium on any Security when and as the same shall become due and payable, whether at the Stated Maturity thereof, by acceleration, redemption or otherwise and (b) the full and prompt payment of any interest on any Security when and as the same shall become due, according to the terms of such Security and the Indenture. In addition, the Guarantor hereby unconditionally agrees that upon default by the Company in the payment when due of the principal of (and premium, if any) and interest on the Securities (whether at Stated Maturity thereof, acceleration, redemption or otherwise) the Guarantor will forthwith pay the same, without further notice or demand.

The obligations of the Guarantor hereunder shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest and any premium on the Securities shall have been paid or provided for in accordance with the provisions of the Indenture, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantor:

(a) the waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Company under the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons], unless the waiver, surrender, compromise, settlement, release or termination is made specifically applicable to the Guarantor;

(b) the failure to give notice to the Guarantor of the occurrence of an Event of Default;

(c) the waiver, compromise or release of the payment, performance or observance by the Company of any or all of its obligations, covenants or agreements contained in the Indenture, unless such waiver, compromise or release is made specifically applicable to the Guarantor;

(d) the extension of the time for payment of any principal of (and premium, if any) or interest on any Security [IF APPLICABLE, INSERT--or Coupons] or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture;

(e) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Securities;

(f) the taking or the omission of any of the actions referred to in the Indenture and any of the actions under the Securities [IF APPLICABLE, INSERT--or Coupons];

(g) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other act or acts on the part of the Trustee or any of the Holders from time to time of the Securities [IF APPLICABLE, INSERT--or Coupons];

(h) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other

13

similar proceedings affecting the Guarantor, or the Company or any of the assets of any of them, or any allegation or contest of the validity of the Guarantee in any such proceeding;

(i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture, unless the Guarantor is also so released or discharged by operation of law;

(j) the default or failure of the Guarantor or the Trustee fully to perform any of its obligations set forth in the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons]; or

(k) the invalidity of the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons] or any part of any thereof.

No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may have against the Trustee shall be available hereunder to the Guarantor against the Trustee to reduce the payments of the Guarantor under this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication on the Security to which this Guarantee is endorsed has been executed by or on behalf of the Trustee, by the manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Guarantee shall not be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated:

UNOCAL CORPORATION

By

-----

Title:

[CORPORATE SEAL]

Attest:

\_\_\_\_\_  
[Assistant] Secretary

14

[Form of Coupon]

[Form of Face]

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

UNION OIL COMPANY OF CALIFORNIA  
Guaranteed by Unocal Corporation  
Security No.

Principal Amount  
(U.S. \$ \_\_\_\_\_)

Interest Payment Date:

Original Issuance Date of Security:

Interest Amount:

Maturity Date of Security:

This Coupon appertains to a Union Oil Company of California [NAME OF SECURITY] of the Principal Amount and with the Original Issuance Date and the Maturity Date specified above (the "Security"), the number of which is set forth above.

Unless the Security shall have been called for previous redemption and payment thereof shall have been duly provided for, on the Interest Payment Date set forth above, Union Oil Company of California (herein called the "Company") shall pay to bearer, upon surrender hereof, the Interest Amount shown above (together with any additional amounts in respect thereof that the Company may be required to pay according to the terms of said Security and the Indenture referred to therein) in the offices of the Paying Agents set out on the reverse hereof or at such other offices or agencies as otherwise provided in the Security to which this Coupon appertains, which shall be located outside the United States of America (including the States and the District of Columbia) or its possessions, which include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands (collectively the "United States") as the Company may designate from time to time, at the option of the Holder, by United States Dollar check drawn on a bank in The City of New York or by transfer of United States Dollars to an account maintained by the payee with a bank located outside the United States, being [one year] or [six months] or such other period as accrued interest then payable on said Security.

This Coupon shall be governed by, and construed in accordance with, the laws of the State of New York.

[If this Coupon is payable in a currency other than U.S. dollars, make appropriate changes to the foregoing.]

UNION OIL COMPANY OF CALIFORNIA

By

-----

Title:

[Form of Reverse]

[Identify Trustee and Paying Agents]

[Form of Temporary Global Bearer Fixed Rate Security]

[Form of Face]

Temporary Global Bearer Security

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

THIS SECURITY IS A TEMPORARY GLOBAL SECURITY, [WITHOUT COUPONS] [WITH COUPONS], EXCHANGEABLE FOR [A PERMANENT GLOBAL BEARER SECURITY] [DEFINITIVE SECURITIES], [WITHOUT COUPONS] [WITH COUPONS], AT THE PRINCIPAL OFFICE OF THE TRUSTEE (AS DEFINED HEREIN) IN LONDON ON OR AFTER THE ISSUANCE DATE HEREOF UPON PRESENTATION OF THE CERTIFICATION SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). THE RIGHTS ATTACHING TO THIS TEMPORARY GLOBAL SECURITY, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR [A PERMANENT GLOBAL BEARER SECURITY] [A DEFINITIVE SECURITY], ARE AS SPECIFIED HEREIN AND IN THE INDENTURE.

NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS TEMPORARY GLOBAL BEARER SECURITY SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON EXCEPT PURSUANT TO THE PROVISIONS HEREOF.

[IF AN ORIGINAL ISSUE DISCOUNT SECURITY, INSERT--FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE, THE ISSUE PRICE (THE "ISSUE PRICE") OF THIS SECURITY IS \_\_\_\_% OF ITS PRINCIPAL AMOUNT, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS SECURITY IS \_\_\_\_% OF ITS PRINCIPAL AMOUNT, THE ORIGINAL ISSUE DATE IS \_\_\_\_\_, 19\_\_\_\_, AND THE YIELD TO MATURITY IS \_\_\_\_%. THE METHOD USED TO DETERMINE THE YIELD IS \_\_\_\_\_, AND THE AMOUNT OF ORIGINAL ISSUE DISCOUNT APPLICABLE TO THE SHORT ACCRUAL PERIOD OF \_\_\_\_\_, 19\_\_\_\_, TO \_\_\_\_\_, 19\_\_\_\_, IS \_\_\_\_% OF THE PRINCIPAL AMOUNT OF THIS SECURITY. THE ECONOMIC YIELD COULD BE DIFFERENT FROM THE HYPOTHETICAL YIELD TO MATURITY FOR TAX PURPOSES.]

UNION OIL COMPANY OF CALIFORNIA  
 Payment of Principal, Interest and Premium, if any,  
 Guaranteed by  
 UNOCAL CORPORATION

[Form of Temporary Global Fixed Rate Security]  
 [Insert Title of Security]

No: \_\_\_\_\_

Principal Amount  
U.S.\$ \_\_\_\_\_

Original Issuance Date:

Stated Maturity:

Interest Rate:

This Temporary Global Security is a temporary global security in respect of a duly authorized issuance of \_\_\_\_\_ (the "Securities") of Union Oil Company of California, a corporation duly organized and existing under the laws of the State of California (the "Company," which term includes any successor corporation under the indenture hereinafter referred to), of the Principal Amount specified above (as adjusted on Schedule A hereto, referred to herein as the "Principal Amount"), with the Original Issuance Date specified above (the "Original Issuance Date") and the Stated Maturity specified above (the "Stated Maturity") and bearing interest on said Principal Amount at the per annum Interest Rate specified above (the "Interest Rate").

The Company, for value received, hereby promises to pay to the bearer upon surrender hereof the Principal Amount on the Stated Maturity specified above [IF SECURITY IS CONVERTIBLE, EXCHANGEABLE OR REDEEMABLE, INSERT-- (unless earlier converted, exchanged or redeemed)] and to pay interest on said Principal Amount at the per annum Interest Rate specified above on each succeeding Interest Payment Date (as defined below), until payment of said principal sum has been made or made available for payment commencing \_\_\_\_\_, but only, in the case of such interest due on or before maturity, upon presentation and surrender of the interest Coupons attached hereto ("Coupon") as they severally mature. Unless otherwise provided herein, such payments (including premium, if any) shall be made, subject to any laws or regulations applicable thereto and to the right of the Company (limited as provided in the Indenture hereinafter referred to) to rescind the designation of any such Paying Agent, at the offices of \_\_\_\_\_ in \_\_\_\_\_ or at such other offices or agencies outside the United States (as defined below) as the Company may designate, or at the option of the Holder, by United States dollar check drawn on a bank in The City of New York or by transfer of United States dollars to an account maintained by the payee with a bank located outside the United States. Interest on this Security shall be payable to Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euro-clear System ("Euro-clear"), or CEDEL, S.A. ("Cedel") (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) on such Interest Payment Date upon delivery by Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) to the Trustee of a certificate in the form provided in the Indenture for credit without further interest on or after such Interest Payment Date to the respective accounts of the Persons who are the beneficial owners of this Security (or to such other accounts as they may direct), and upon receipt by Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) of a certificate from such beneficial owner, as provided in the Indenture. No payment of principal of (including

premium, if any) or interest on this Security shall be made at any office

or agency of the Company in the United States or by check mailed to any address in the United States; or by transfer to an account maintained in the United States; PROVIDED, HOWEVER, unless otherwise provided herein, that payment of principal of (including premium, if any) and interest on this Security (including any additional amounts that may be payable as provided below) shall be made at the offices or agencies of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, if (but only if) payment in United States dollars of such principal (including premium, if any), interest or additional amounts, as the case may be, at all offices or agencies outside the United States maintained for that purpose by the Company in accordance with the Indenture is illegal or effectively precluded by exchange controls or other similar restrictions.

The Company shall pay to the Holder of this Security who is a United States Alien (as defined below) such additional amounts as may be necessary in order that every net payment of the principal of (and premium, if any) and interest on this Security, after deduction or other withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States or any political subdivision or taxing authority thereof or therein, shall not be less than the amount provided for in this Security to be then due and payable; PROVIDED, HOWEVER, that the obligation to pay additional amounts will not apply to any one or more of the following:

(a) any tax, assessment or other governmental charge that would not have been so imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or person holding a power over, such Holder, if such Holder is an estate, a trust, a partnership, or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in a trade or business or present therein, or having or having had a permanent establishment therein, or (ii) such Holder's present or former status as a personal holding company, a foreign personal holding company, a controlled foreign corporation for United States tax purposes, a corporation that accumulates earnings to avoid United States Federal income tax or a tax exempt organization or private foundation;

(b) any tax, assessment or other governmental charge imposed by reason of such Holder owning, actually or constructively, 10% or more of the total combined voting power of all classes of stock of the Company entitled to vote or by reason of the fact such Holder is a controlled foreign corporation related to the Company through stock ownership;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States or with the Company or the Guarantor of the Holder or beneficial owner of this Security, if compliance is required by statute or by regulation of the United States Treasury Department as a precondition to exemption from such tax, assessment or other governmental charge;

(d) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, assessment or governmental charge;

(e) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from payments of principal of (and premium, if any) or interest on this Security; or

(f) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of this Security for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

nor shall additional amounts be paid with respect to any payment of principal of (and premium, if any) or interest on this Security to any United States Alien who is a fiduciary or partnership or other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the Holder of this Security. The term "United States Alien" means any Person who, for United States Federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust or a foreign partnership one or more of the members of which is, for United States Federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust, and the term "United States" means the United States of America (including the States and the District of Columbia) and its possessions, which include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands.

Notwithstanding the foregoing, if and so long as a certification, identification or other information reporting requirement referred to herein would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect, by so stating in the Determination Notice (as defined on the reverse hereof), to have the provisions of this paragraph apply in lieu thereof. In such event, the Company shall pay as additional amounts such amounts as may be necessary so that every net payment made following the effective date of such requirement outside the United States by the Company or

any of its Paying Agents of principal (and premium, if any) or interest due in respect of this Security or any Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity, other than status as a United States Alien, of such beneficial owner be disclosed to the Company, any Paying Agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge other than a backup withholding tax or similar charge which is (i) the result of a certification, identification or information reporting requirement described in the second parenthetical clause of the first sentence of the preceding paragraph, or (ii) imposed as a result of the fact that the Company or any of its Paying Agents has actual knowledge that the beneficial owner of this Security is within the category of Persons described in clause (a) above, or (iii) imposed as a result of presentation of this Security or Coupon for payment more than 15 days after the date on which such payment becomes due and payable or on which payment thereof is duly provided for, whichever occurs later, shall not be less than the amount provided for in this Security to be then due and payable.

This Temporary Global Security is exchangeable in whole or from time to time in part for [a Permanent Global Bearer Security] [definitive [Bearer] [Registered] Securities] of the same series and of like tenor with the same Issuance Date, Stated Maturity and Interest Rate and, if this Temporary Global Security is an Original Issue Discount Security, with the same Issue Price specified in the legend above, following the Exchange Date when the beneficial owner or a financial institution or a clearing organization through which the beneficial owner directly holds his interest in this Temporary Global Security instructs Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) to request such an exchange on his behalf and delivers to Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) the certificate required under the Indenture dated as of a date no earlier than 15 days prior to the date on which Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) furnishes to the Common Depositary the certificate set forth in the Indenture. Upon exchange of any portion of this Temporary Global Security for [a Permanent Global Bearer Security] [definitive [Bearer] [Registered] Securities], the Trustee referred to on the reverse thereof shall endorse Schedule A of this Temporary Global Security to reflect the reduction of its Principal Amount by an amount equal to the aggregate principal amount to be [entered on the grid attached to the Permanent Global Bearer Security] [issued in definitive form], whereupon the Principal Amount hereof shall be reduced for all purposes by the amount so exchanged and noted. Except as otherwise provided herein or in the Indenture, until exchanged in full for [a Permanent Global Bearer Security] [definitive securities], this Temporary Global Security shall in all respects be subject to and entitled to the same benefits and conditions under the Indenture as the duly authenticated and delivered [Permanent Global Bearer Security] [definitive Security].

Interest, if any, payable in respect of an Interest Payment Date occurring prior to the Exchange Date will be paid to each of Euro-clear and Cedel (and such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) with respect to that portion of this Security held for its account by the Common Depository upon certification by Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion), as the case may be, to the Trustee, as required by the Indenture.

This Security has been issued under and is governed by the terms of an indenture dated as of \_\_\_\_\_, 199\_\_ (the "Indenture") among the Company, Unocal Corporation, a corporation duly organized and existing under the laws of the State of Delaware, as Guarantor (the "Guarantor," which term includes any successor guarantor under the Indenture) and [IF THE SECURITY IS A SENIOR SECURITY, INSERT--Chemical Trust Company of California, a corporation duly organized and existing under the laws of the state of California] [IF THE SECURITY IS A SUBORDINATED SECURITY, INSERT--name of Subordinated Trustee], as Trustee (the "Trustee," which term includes any successor trustee under the Indenture), which incorporates the Standard Multiple-Series Indenture Provisions, January 1991, of the Issuer and the Guarantor, dated as of January 2, 1991, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered.

[IF APPLICABLE, INSERT--this Security is unsecured and the indebtedness of the Company evidenced by this Security, including the principal hereof (and premium, if any) and interest hereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment to the obligations of each of the Company and the Guarantor, respectively, to Holders of Senior Debt of the Company or the Guarantor, as the case may be, as defined in the Indenture, and each Holder of this Security or a Coupon, if any, appertaining to this Security, by accepting the same, agrees to and shall be bound by such provisions of the Indenture and all other provisions of the Indenture.]

The provisions of this Security are continued on the reverse hereof and the provisions there set forth shall for all purposes have the same effect as though fully set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee under the Indenture, or its successor thereunder, by manual signature of one of its, or the Authenticating Agent's, authorized signatories, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[If this Security is not interest-bearing, or is denominated in a currency other than U.S. Dollars, make appropriate changes to the foregoing.]

IN WITNESS WHEREOF, the Company has caused this instrument to be executed in its corporate name by the manual or facsimile signature of its Chairman of the Board of Directors, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers and impressed or imprinted with its corporate seal or facsimile thereof, attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

UNION OIL COMPANY OF CALIFORNIA

By \_\_\_\_\_

Title:

[Seal]

Attest:

-----

[Assistant] Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Securities of the series designated herein issued under the within-mentioned Indenture.

Dated:

[ \_\_\_\_\_ ],  
As Trustee

By \_\_\_\_\_  
Authorized [Officer] [Signatory]

[Form of Reverse]

[Form of Temporary Global Fixed Rate Security]

UNION OIL COMPANY OF CALIFORNIA

Payment of Principal, Interest and Premium, if any,

Guaranteed by

UNOCAL CORPORATION

[Insert Title of Security]

This Security is one of a duly authorized issuance of securities of the Company designated as its \_\_\_\_\_ (the "Securities"), limited to an aggregate principal amount of U.S. \$ \_\_\_\_\_, subject to reduction or increase upon the determination of the Company, issued or to be issued in one or more series under the Indenture among the Company, the Guarantor and the Trustee. The Securities of this series are issuable as Bearer Securities, with interest Coupons attached, in denominations of [U.S. \$ \_\_\_\_\_] and as Registered Securities, without Coupons, in denominations of [U.S. \$ \_\_\_\_\_] and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Bearer Securities and Registered Securities of this series are exchangeable for a like aggregate principal amount of Registered Securities of this series and of like tenor, of any authorized denominations, as requested by the Holder surrendering the same, upon surrender of the Security or Securities to be exchanged, with all unmatured Coupons and all matured Coupons in default thereto appertaining, at any office or agency described below where Registered Securities of this series may be presented for registration of transfer; PROVIDED, HOWEVER, that Bearer Securities surrendered in exchange for Registered Securities between a Regular Record Date and the relevant Interest Payment Date shall be surrendered without the Coupon relating to such Interest Payment Date. Bearer Securities may not be issued in exchange for Registered Securities.

[IF APPLICABLE, INSERT--The Securities of this series are subject to redemption upon not less than 30 nor more than 60 days notice by mail, [(1)] [IF APPLICABLE INSERT--on \_\_\_\_\_ in any year commencing with the year \_\_\_\_\_ and ending with the year \_\_\_\_\_ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] [IF APPLICABLE, INSERT--at any time [on or after \_\_\_\_\_, 19\_\_\_\_], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount):

If redeemed [on or before \_\_\_\_\_, \_\_\_\_\_%, and if redeemed] during the 12-month period beginning \_\_\_\_\_ of the years indicated.

Year	Redemption Price	Year	Redemption Price
----	-----	----	-----

and thereafter at a Redemption Price equal to \_\_\_\_\_% of the principal amount, together in the case of any such redemption [IF APPLICABLE, INSERT--[whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date; but interest payments on this Security the Stated Maturity of which is on such Redemption Date will be payable only upon presentation and surrender of Coupons for such interest (at an office or agency located outside the United States, except as herein provided otherwise).]

[IF APPLICABLE, INSERT--The Securities of this series are subject to redemption upon not less than 30 nor more than 60 days notice by mail, (1) on \_\_\_\_\_ in any year commencing with the year \_\_\_\_\_ and ending with the year \_\_\_\_\_ through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [or after \_\_\_\_\_, 19\_\_\_\_], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below if redeemed during the 12-month period beginning \_\_\_\_\_ of the years indicated.

Year ----	Redemption Price for Redemption Through Operation of the Sinking Fund -----	Redemption Price for Redemption Otherwise Than Through Operation of the Sinking Fund -----
--------------	---	--

and thereafter at a Redemption Price equal to \_\_\_\_\_% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date; but interest payments on this Security the Stated Maturity of which is on such Redemption Date will be payable only upon presentation and surrender of Coupons for such interest (at an office or agency located outside the United States, except as herein provided otherwise).]

[IF APPLICABLE, INSERT--The Securities may be redeemed at the option of the Company as a whole, but not in part, at any time at a Redemption Price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption, if the Company shall determine that as a result of (a) any change in or amendment to, the laws (or regulations or rulings promulgated thereunder) of the United States or of any political subdivision or taxing authority thereof or therein affecting taxation, or any change in application or official interpretation of such laws, regulations or rulings, or (b) any action, including any of those specified in clause (a) of this sentence, taken by a taxing authority of the United States or any political subdivision or taxing authority thereof or therein affecting taxation, which action is generally applied or is taken with respect to the Company or the Guarantor, or (c) a decision rendered by a court of competent jurisdiction in the United States or any political subdivision thereof, whether or not such decision was

rendered with respect to the Company or the Guarantor, or (d) a technical advice memorandum or other pronouncement issued by the National Office of the United States Internal Revenue Service on substantially the same facts as those affecting the Company or the Guarantor, there is a substantial likelihood that the Company or the Guarantor will be required to pay additional amounts pursuant to the obligations of the Company evidenced on the face hereof with respect to the Securities.]

[IF APPLICABLE, INSERT--The sinking fund for this series provides for the redemption on \_\_\_\_\_ in each year, beginning with the year \_\_\_\_\_ and ending with the year \_\_\_\_\_ [not less than (U.S. \$ \_\_\_\_\_) ["mandatory sinking fund") and not more than [U.S. \$ \_\_\_\_\_]] aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [mandatory] sinking fund payments may be credited against subsequent [mandatory] sinking fund payments otherwise required to be made--in the inverse order in which they become due].

[IF APPLICABLE, INSERT--In addition, if the Company determines, based upon a written opinion of independent counsel, that any payment made or to be made outside the United States by the Company or any of its Paying Agents of the full or partial amount of principal (and premium, if any) or interest due with respect to any Bearer Security or Coupon would, under any present or future laws or regulations of the United States, be subject to any certification, identification or other information reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any Paying Agent or any governmental authority of the nationality, residence or identity of a beneficial owner of such Bearer Security or Coupon who is a United States Alien (as defined on the face hereof) (other than such a requirement (a) that would not be applicable to a payment made by the Company or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to any custodian, nominee or other agent of the beneficial owner, or (b) that can be satisfied by the custodian, nominee or other agent certifying that the beneficial owner is a United States Alien, PROVIDED that in each case referred to in Clauses (a)(ii) and (b) payment by such custodian, nominee or other agent of such beneficial owner is not otherwise subject to any such requirement), the Company at its election will either (x) redeem the Securities, as a whole but not in part, upon not less than 30 nor more than 60 days prior notice as described below, at a Redemption Price equal to 100% of their principal amount, together with interest accrued to the Redemption Date, or (y) if and so long as the conditions of the fourth paragraph (excluding the legends and chart) on the face of this Security are satisfied, pay the additional amounts specified in such paragraph. The Company will make such determination and election and notify the Trustee thereof as soon as practicable, and the Trustee will promptly give notice of such determination (the "Determination Notice") in the manner described below, in each case stating the effective date of such certification, identification or information reporting requirement, whether the Company will redeem the Securities or will pay the additional amounts specified in such paragraph and

(if applicable) the last date by which the redemption of the Securities must take place. If the Company elects to redeem the Securities, such redemption shall take place on such Redemption Date, not later than one year after publication of the Determination Notice, as the Company elects by notice to the Trustee at least 75 days before such date, unless shorter notice is acceptable to the Trustee. Notwithstanding the foregoing, the Company will not so redeem the Securities if the Company, based upon an opinion of independent counsel, subsequently determines, not less than 30 days prior to the Redemption Date, that subsequent payments would not be subject to any such requirement, in which case the Company will notify the Trustee, which will promptly give notice of that determination in the manner described below, and any earlier redemption notice will thereupon be revoked and of no further effect. If the Company elects as provided in Clause (y) above to pay additional amounts, and as long as the Company is obligated to pay such additional amounts, and as long as the Company is obligated to pay additional amounts, the Company may subsequently redeem the Securities, at any time, as a whole but not in part, upon not less than 30 nor more than 60 days prior notice given in the manner described below, at a Redemption Price equal to 100% of their principal amount, together with interest accrued to the Redemption Date, but without reduction for applicable United States withholding taxes.]

[IF APPLICABLE, INSERT--Determination of Notice will be given by publication in an Authorized Newspaper in The City of New York, London and, if the Securities of this series are then listed on the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, in Luxembourg or in any other city outside the United States or, if not practicable, elsewhere in Europe, and by mail to Holders of Registered Securities.]

[IF APPLICABLE, INSERT--Notice of redemption will be given by publication in an Authorized Newspaper in The City of New York, London and, if the Securities of this series are then listed on the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, in Luxembourg or in any other city outside the United States or, if not practicable,

9

elsewhere in Europe, and by mail to Holders of Registered Securities, not less than 30 nor more than 60 days prior to the Redemption Date, all as provided in the Indenture.]

[IF APPLICABLE, INSERT--Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, as provided in the Indenture.]

[IF APPLICABLE, INSERT--At any time after \_\_\_\_\_ the Securities of this series may be redeemed, as a whole or from time to time in part, at the option of the Company at a Redemption Price equal to their principal amount plus accrued interest to the Redemption Date.]

In case of redemption of less than all of the Securities of this series at the time outstanding, the Securities of this series to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem appropriate and fair, as provided in the Indenture.

[IF APPLICABLE, INSERT--In the event of redemption of this Security in part only, a new Security or Securities of this series for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.]

[IF APPLICABLE, INSERT--Subject to and upon compliance with the provisions of the Indenture (unless previously redeemed), this Security, if submitted for redemption, is subject to redemption, at the option of the Holder, [If Securities of the series are issuable as Bearer Securities, insert--on or after the Exchange Date]. The Holder's option so to redeem is exercisable at a Redemption Price equal to 100% of the principal amount hereof plus accrued interest to the Redemption Date. For this Security to be submitted for such redemption, the Company must receive at the office of one of the Paying Agents, at least 30 days prior to the Redemption Date, this Security [If Securities of the series are issuable as Bearer Securities, insert--together with all Coupons maturing after the Redemption Date,] accompanied by written notice to the Company that the Holder hereof instructs the Company to redeem this Security. Such notice shall state (i) the CUSIP number of this Security; (ii) the portion of the principal amount of this Security to be purchased, which portion must be an integral multiple of \$1,000; and (iii) that this Security is to be purchased by the Company pursuant to the applicable provisions hereof. [If Securities of the series are issuable as Bearer Securities, insert--The Holder of this Security may elect to submit for redemption by the Company such Security as a whole but not in part.] Such notice duly received shall be irrevocable.]

[IF THE SECURITY IS [CONVERTIBLE] [EXCHANGEABLE] INTO [PREFERRED STOCK] [COMMON STOCK] OF THE GUARANTOR, INSERT- Subject to the provisions of the Indenture, the Holder of this Security is entitled, at its option, at any time on or before [insert date] (except that, in case this Security or any portion hereof shall be called for redemption, such right shall terminate with respect to this Security or portion hereof, as the case may be, so called for redemption at the close of business on the Redemption Date as provided in the Indenture unless the Guarantor defaults in making the payment due upon redemption), to [convert] [exchange] the principal amount of this Security (or any portion hereof which is [insert minimum denomination] or an integral multiple thereof), into fully paid and non-assessable shares (calculated as to each [conversion] [exchange] to the nearest 1/100th of a share) of the [Preferred Stock] [Common Stock] of the Guarantor, as said shares shall be constituted at the date of [conversion] [exchange], at the initial [conversion] [exchange] price of \$\_\_\_\_\_ principal amount of Securities for each share of [Preferred Stock] [Common Stock], or at the adjusted [conversion] [exchange] price in effect at the date of [conversion] [exchange], upon surrender of this Security, together with the [conversion] [exchange] notice hereon duly executed, to the Guarantor at the designated office or agency of the Guarantor in \_\_\_\_\_, accompanied (if so required by the Guarantor) by instruments of transfer, in form satisfactory to the Guarantor and to the Trustee, duly executed by the

Holder or by its duly authorized attorney in writing. [Such surrender shall, if made during any period beginning at the close of business on a Regular Record Date and ending at the opening of business on the Interest Payment Date next following such Regular Record Date (unless this Security or the portion being [converted] [exchanged] shall have been called for redemption on a Redemption Date during such period), also be accompanied by payment in funds acceptable to the Guarantor of an amount equal to the interest payable on such Interest Payment Date on the principal amount of this Security then being [converted] [exchange]. Subject to the aforesaid requirement of repayment and, in the case

10

of a [conversion] [exchange] after the Regular Record Date next preceding any Interest Payment Date and on or before such Interest Payment Date, to the right of the Holder of this Security (or any Predecessor Security) of record at such Regular Record Date to receive an installment of interest (with certain exceptions provided in the Indenture), no adjustment is to be made on [conversion] [exchange] for interest accrued hereon or for dividends on shares of [Preferred Stock] [Common Stock] of the Guarantor issued on [conversion] [exchange].] The Guarantor [is] [is not] required to issue fractional shares upon any such [conversion] [exchange] [but shall make adjustment therefor in cash on the basis of the current market value of such fractional interest as provided in the Indenture.] [The [conversion] [exchange] price is subject to adjustment as provided in the following paragraph. In the event of [conversion] [exchange] of this Security in part only, a new Security or Securities for the [unconverted] [unexchanged] portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.]

[IF THE SECURITY IS [CONVERTIBLE] [EXCHANGEABLE] INTO [PREFERRED STOCK] [COMMON STOCK] OF THE GUARANTOR, INSERT APPLICABLE CONVERSION ADJUSTMENT AND ANTI-DILUTION PROVISIONS.]

[IF THE SECURITY IS AN "INDEXED" SECURITY, INSERT APPLICABLE PROVISIONS.]

[IF THE SECURITY IS AN "AMORTIZING" SECURITY, INSERT APPLICABLE PROVISIONS.]

[IF APPLICABLE, INSERT--The Indenture contains provisions permitting the Company and the Guarantor to terminate each of their obligations with respect to certain provisions of the Indenture and as to the payment of the principal of (and premium, if any) and interest on Securities of this series if the Company or the Guarantor shall have deposited or caused to be deposited irrevocably with the Trustee as a trust fund specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Securities of this series (i) money in an amount (in such currency, currencies or currency unit or units in which any such Securities are payable) or (ii) in the case of such Securities, if any, denominated in U.S. Dollars, direct non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations

guaranteed by, the United States of America for the payment of which guarantee or obligation the full faith and credit of the United States is pledged, or, in the case of such Securities, if any, denominated in a Foreign Currency, foreign government securities which are direct, non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by the government that issued the currency, for payment of which guarantee or obligation the full faith and credit of such government is pledged, which through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than the due date of any payment of principal (including any premium) and interest, if any, under such Securities, money in an amount or (iii) a combination of (i) and (ii) sufficient (in the opinion with respect to (ii) and (iii) of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee) to pay and discharge each installment of principal of (including any premium), and interest, if any, on, such Securities, on the dates such installments of interest or principal are due in the currency, currencies or currency unit or units, in which such Securities are payable; PROVIDED, HOWEVER, that for the purposes of this paragraph, Securities shall include Securities of this series which may be issued upon exercise of warrants; PROVIDED FURTHER, HOWEVER, that the Company or the Guarantor shall not make or cause to be made the deposit provided by this paragraph unless the Company or the Guarantor shall have delivered to the Trustee an Opinion of Counsel to the effect that there will not occur any violation of the Investment Company Act of 1940, as amended, on the part of the Company or the Guarantor, the trust funds representing such deposit or the Trustee as a result of such deposit and the related exercise of the Company's or the Guarantor's option under the Indenture.]

[IF THE SECURITY IS NOT AN ORIGINAL ISSUE DISCOUNT SECURITY,--If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[IF THE SECURITY IS AN ORIGINAL ISSUE DISCOUNT SECURITY,--If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to--INSERT FORMULA FOR DETERMINING THE AMOUNT. Upon payment (i) of the amount of principal so

11

declared due and payable and (ii) of interest on any overdue principal and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal (and premium, if any) of and interest, if any, on the Securities of this series shall terminate.]

The Indenture contains provisions permitting the Company, the Guarantor and the Trustee, with the consent of the Holders of not less than a

majority in aggregate principal amount of the Securities of all affected series at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Securities of such series; PROVIDED, HOWEVER, that no such supplemental indenture may without the consent of the Holder of each Security so affected thereby (a) change the Stated Maturity of the principal, or any installment of principal, of any Securities of such series, (b) reduce the principal amount thereof, (c) reduce the rate of interest thereon, or premium payable upon redemption thereof, (d) reduce the principal amount of any Original Issue Discount Security payable upon acceleration of the Maturity thereof, (e) change the place of payment on or with respect to the Security or the currency or currency unit in which any Security or any premium or interest thereon is payable or the obligation to pay additional amounts, (f) impair the right to institute suit for the enforcement of any payment on or with respect to any Security on or after the Stated Maturity or Redemption Date thereof, (g) reduce the percentage in principal amount of Outstanding Securities of such series, the consent of which is required for any supplemental indenture or waiver (of compliance with certain Indenture provisions or certain defaults under the Indenture and their consequences), (h) change the obligation of the Company to maintain an office or agency in the places and for the purposes required by the Indenture, (i) make any change that would adversely affect the right to convert any convertible Securities. It is also provided in the Indenture that the Holders of a majority in aggregate principal amount of the Securities of such series at the time outstanding may on behalf of the Holders of all of the Securities of such series waive any past default under the Indenture and its consequences, except a default in the payment of the principal of (and premium, if any) or interest on any of the Securities of such series or in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of each affected Holder. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued in exchange or substitution herefor and upon registration of transfer hereof, whether or not any notation of such consent or waiver is made upon this Security. Holders of Securities may not enforce their rights pursuant to the Indenture or the Securities except as provided in the Indenture.

Except for recourse against the Guarantor pursuant to the Guarantee, no recourse shall be had for the payment of the principal (and premium, if any) of or the interest on this Security, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer, director or employee, as such, past, present or future, of the Company or the Guarantor, or of any respective successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issuance hereof, expressly waived and released.

As set forth in, and subject to, the provisions of the Indenture, no

Holder of any Security of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in aggregate principal amount of the Outstanding Securities of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Securities of this series a direction inconsistent with such request and the Trustee shall have failed to institute such proceeding within 60 days; PROVIDED, HOWEVER, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and (premium, if any) or interest on this Security on or after the respective due dates expressed herein.

12

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or provide for the payment of the principal of (and premium, if any) and interest (including additional amounts, as described on the face hereof) on this Security at the times, places and rate, and in the coin or currency, herein prescribed.

Subject to the terms of the Indenture, upon payment of a service charge and a sum sufficient to reimburse the Company for any tax or other governmental charge incident to transfer (except the Company will pay for such service charges if the securities are listed on a stock exchange that requires the Company to pay such charges as a condition to listing) and upon surrender and cancellation of this Security upon any such transfer, a new Security or Securities of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange herefor.

Title to Bearer Securities and any Coupons appertaining thereto shall pass by delivery. The Company, the Trustee and any agent of the Company or the Trustee may treat the bearer of a Bearer Security of any series and any Coupon appertaining thereto, as the absolute owner thereof for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Security or such Coupon is overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice or knowledge to the contrary.

Interest payments for this Security will include interest accrued to but excluding the Interest Payment Date. Interest payments for this Security shall be computed and paid on the basis of a 360-day year of twelve 30-day months.

The interest rate on this Security will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general applicability. Under present New York law, the maximum

rate of interest is 25% per annum on a simple interest basis. This limit may not apply if \$2,500,000 or more has been invested in this Security.

[IF APPLICABLE, INSERT--This Security and the Guarantee hereof will rank on a parity with all other unsecured and unsubordinated indebtedness of the Company and the Guarantor, respectively.]

The Indenture, the Guarantee, the Securities and any Coupons appertaining hereto shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

-----

[FORM OF GUARANTEE]

FOR VALUE RECEIVED, UNOCAL CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor," which term includes any successor corporation under the Indenture (hereinafter called the "Indenture") referred to in the Security upon which this Guarantee is endorsed), hereby unconditionally guarantees to the Holders from time to time of the Securities (a) the full and prompt payment of the principal of and any premium on any Security when and as the same shall become due and payable, whether at the Stated Maturity thereof, by acceleration, redemption or otherwise and (b) the full and prompt payment of any interest on any Security when and as the same shall become due, according to the terms of such Security and the Indenture. In addition, the Guarantor hereby unconditionally agrees that upon default by the Company in the payment when due of the principal of (and premium, if any) and interest on the Securities (whether at Stated Maturity thereof, acceleration, redemption or otherwise) the Guarantor will forthwith pay the same, without further notice or demand.

The obligations of the Guarantor hereunder shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest and any premium on the Securities shall have been paid or provided for in accordance with the provisions of the Indenture, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantor:

(a) the waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Company under the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons], unless the waiver, surrender, compromise, settlement, release or

termination is made specifically applicable to the Guarantor;

(b) the failure to give notice to the Guarantor of the occurrence of an Event of Default;

(c) the waiver, compromise or release of the payment, performance or observance by the Company of any or all of its obligations, covenants or agreements contained in the Indenture, unless such waiver, compromise or release is made specifically applicable to the Guarantor;

(d) the extension of the time for payment of any principal of (and premium, if any) or interest on any Security [IF APPLICABLE, INSERT--or Coupons] or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture;

(e) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Securities;

(f) the taking or the omission of any of the actions referred to in the Indenture and any of the actions under the Securities [IF APPLICABLE, INSERT--or Coupons];

(g) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other act or acts on the part of the Trustee or any of the Holders from time to time of the Securities [IF APPLICABLE, INSERT--or Coupons];

(h) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantor, or the Company or any of the assets of any of them, or any allegation or contest of the validity of the Guarantee in any such proceeding;

(i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture, unless the Guarantor is also so released or discharged by operation of law;

(j) the default or failure of the Guarantor or the Trustee fully to perform any of its obligations set forth in the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons]; or

(k) the invalidity of the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons] or any part of any thereof.

No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may have against

the Trustee shall be available hereunder to the Guarantor against the Trustee to reduce the payments of the Guarantor under this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

14

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication on the Security to which this Guarantee is endorsed has been executed by or on behalf of the Trustee, by the manual signature of one of its, or its Authenticating Agent's, authorized officers, this Guarantee shall not be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated:

UNOCAL CORPORATION

By

-----

Title:

[CORPORATE SEAL]

Attest:

-----

[Assistant] Secretary

15

SCHEDULE A  
INTEREST PAYMENTS AND EXCHANGES  
FOR PERMANENT SECURITIES

The following exchanges of a part of this Temporary Global Fixed Rate Security for one or more Permanent Securities and the following payments of interest in respect of this Temporary Global Fixed Rate Security have been made:



[Form of Coupon]

[Form of Face]

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

UNION OIL COMPANY OF CALIFORNIA  
Guaranteed by Unocal Corporation  
Security No.

Principal Amount  
(U.S. \$ \_\_\_\_\_)

Interest Payment Date:

Original Issuance Date of Security:

Interest Amount:

Maturity Date of Security:

This Coupon appertains to a Union Oil Company of California [NAME OF SECURITY] of the Principal Amount and with the Original Issuance Date and the Maturity Date specified above (the "Security"), the number of which is set forth above.

Unless the Security shall have been called for previous redemption and payment thereof shall have been duly provided for, on the Interest Payment Date set forth above, Union Oil Company of California (herein called the "Company") shall pay to bearer, upon surrender hereof, the Interest Amount shown above (together with any additional amounts in respect thereof that the Company may be required to pay according to the terms of said Security and the Indenture referred to therein) in the offices of the Paying Agents set out on the reverse hereof or at such other offices or agencies as otherwise provided in the Security to which this Coupon appertains, which shall be located outside the United States of America (including the States and the District of Columbia) or its possessions, which include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands (collectively the "United States") as the Company may designate from time to time, at the option of the Holder, by United States Dollar check drawn on a bank in The City of New York or by transfer of United States Dollars to an account maintained by the payee with a bank located outside the United States, being [one year] or [six months] or such other period as accrued interest then payable on said Security.

This Coupon shall be governed by, and construed in accordance with, the laws of the State of New York.

[If this Coupon is payable in a currency other than U.S. dollars, make appropriate changes to the foregoing.]

UNION OIL COMPANY OF CALIFORNIA

By \_\_\_\_\_

Title:

[Form of Reverse]

[Identify Trustee and Paying Agents]

17

[Form of Permanent Global Bearer Fixed Rate Security]

[Form of Face]

Permanent Global Bearer Security

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

THIS SECURITY IS A PERMANENT GLOBAL BEARER SECURITY, [WITHOUT COUPONS,] [WITH COUPONS] EXCHANGEABLE FOR DEFINITIVE SECURITIES, [WITH COUPONS,] [WITHOUT COUPONS] IF APPLICABLE, AT THE PRINCIPAL OFFICE OF THE TRUSTEE (AS DEFINED HEREIN) IN LONDON UPON NOTICE TO THE TRUSTEE. THE RIGHTS ATTACHING TO THIS PERMANENT GLOBAL BEARER SECURITY, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR DEFINITIVE SECURITIES, ARE AS SPECIFIED HEREIN AND IN THE INDENTURE (AS DEFINED HEREIN).

NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS PERMANENT GLOBAL BEARER SECURITY SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON EXCEPT PURSUANT TO THE PROVISIONS HEREOF.

[If an Original Issue Discount Security, insert--FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE, THE ISSUE PRICE ("THE ISSUE PRICE") OF THIS SECURITY IS \_\_\_\_% OF ITS PRINCIPAL AMOUNT, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS SECURITY IS \_\_\_\_% OF ITS PRINCIPAL AMOUNT, THE ORIGINAL ISSUE DATE IS \_\_\_\_\_, 19\_\_\_\_, AND THE YIELD TO MATURITY IS \_\_\_\_%. THE METHOD USED TO DETERMINE THE YIELD IS \_\_\_\_\_, AND THE AMOUNT OF ORIGINAL ISSUE DISCOUNT APPLICABLE TO THE SHORT ACCRUAL PERIOD OF \_\_\_\_\_, 19\_\_\_\_, TO \_\_\_\_\_, 19\_\_\_\_, IS \_\_\_\_% OF THE PRINCIPAL AMOUNT OF THIS SECURITY. THE ECONOMIC YIELD COULD BE DIFFERENT FROM THE HYPOTHETICAL YIELD TO MATURITY FOR TAX PURPOSES.]

UNION OIL COMPANY OF CALIFORNIA

Payment of Principal, Interest and Premium, if any,

Guaranteed by

UNOCAL CORPORATION

[Insert Title of Security]

No: Principal Amount  
U.S.\$

Original Issuance Date: Stated Maturity:

Interest Rate:

This Permanent Global Security is a permanent global security in respect of a duly authorized issuance of \_\_\_\_\_ (the "Securities") of Union Oil Company of California, a corporation duly organized and existing under the laws of the State of California (the "Company", which term includes any successor corporation under the Indenture hereinafter referred to) of the Principal Amount specified above (as adjusted on Schedule A hereto, referred to herein as the "Principal Amount"), with the Original Issuance Date specified above (the "Original Issuance Date") and the Stated Maturity specified above (the "Stated Maturity") and bearing interest on said Principal Amount at the per annum Interest Rate specified above (the "Interest Rate").

The Company, for value received, hereby promises to pay to the bearer upon surrender hereof, the Principal Amount on the Stated Maturity specified above [IF THE SECURITY IS CONVERTIBLE, EXCHANGEABLE OR REDEEMABLE, INSERT-- (unless earlier converted, exchanged or redeemed)] and to pay interest on said Principal Amount at the per annum Interest Rate specified above on each succeeding Interest Payment Date (as defined below), until payment of said principal sum has been made or made available for payment commencing \_\_\_\_\_, but only, in the case of such interest due on or before maturity, upon presentation and surrender of the interest Coupons attached hereto ("Coupon") as they severally mature. Unless otherwise provided herein, such payments (including premium, if any) shall be made, subject to any laws or regulations applicable thereto and by the right of the Company (limited as provided in the Indenture hereinafter referred to) to rescind the designation of any such Paying Agent, at the main offices of \_\_\_\_\_ in \_\_\_\_\_, or at such other offices or agencies outside the United States (as defined below) as the Company may designate, or at the option of the Holder, or by United States dollar check drawn on a bank in The City of New York, or by transfer of United States dollars to an account maintained by the payee with a bank located outside the United States. No payment of principal of (including premium, if any) or interest on this Security shall be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to an account maintained in the United States; PROVIDED, HOWEVER, unless otherwise provided herein, that payment of principal of (including premium, if any) and interest on this Security (including any additional amounts that may be payable as provided below) shall be made at the offices or agencies of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, if (but only if) payment in United States dollars of the full amount of such principal (including premium, if any),

interest or additional amounts, as the case may be, at all offices or agencies outside the United States maintained for that purpose by the Company in accordance with the Indenture is illegal or effectively precluded by exchange controls or other similar restrictions.

2

The Company shall pay to the Holder of this Security who is a United States Alien (as defined below) such additional amounts as may be necessary in order that every net payment of the principal of (and premium, if any) and interest on this Security, after deduction or other withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (as defined below) or any political subdivision or taxing authority thereof or therein, shall not be less than the amount provided for in this Security to be then due and payable; PROVIDED, HOWEVER, that the obligation to pay additional amounts will not apply to any one or more of the following:

(a) any tax, assessment or other governmental charge that would not have been so imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or person holding a power over, such Holder, if such Holder is an estate, a trust, a partnership, or a corporation) and the United States, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in a trade or business or present therein, or having or having had a permanent establishment therein, or (ii) such Holder's present or former status as a personal holding company, a foreign personal holding company, a controlled foreign corporation for United States tax purposes, a corporation that accumulates earnings to avoid United States Federal income tax or a tax exempt organization or private foundation;

(b) any tax, assessment or other governmental charge imposed by reason of such Holder owning, actually or constructively, 10% or more of the total combined voting power of all classes of stock of the Company entitled to vote or by reason of the fact such Holder is a controlled foreign corporation related to the Company through stock ownership;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States or with the Company or the Guarantor of the Holder or beneficial owner of this Security, if compliance is required by statute or by regulation of the United States Treasury Department as a precondition to exemption from such tax, assessment or other governmental charge;

(d) any estate, inheritance, gift, sales, transfer, personal property

or any similar tax, assessment or governmental charge;

(e) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from payments of principal of (and premium if any) or interest on this Security; or

(f) any tax, assessment or other governmental charge that would not have been so imposed but for the presentation by the Holder of this Security for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

nor shall additional amounts be paid with respect to any payment of principal of (and premium, if any) or interest on this Security to any United States Alien who is a fiduciary or partnership or other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the Holder of this Security. The term "United States Alien" means any Person who, for United States Federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust or a foreign partnership one or more of the members of which is, for United States Federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust, and the term "United States" means the United States of America (including the States and the District of Columbia) and its

possessions, which include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island, and Northern Mariana Islands.

Notwithstanding the foregoing, if and so long as a certification, identification or other information reporting requirement referred to herein would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect, by so stating in the Determination Notice (as defined on the reverse hereof), to have the provisions of this paragraph apply in lieu thereof. In such event, the Company shall pay as additional amounts such amounts as may be necessary so that every net payment made following the effective date of such requirement outside the United States by the Company or any of its Paying Agents of principal (and premium, if any) or interest due in respect of any Bearer Security or any Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity, other than status as a United States Alien, of such beneficial owner be disclosed to the Company, any Paying Agent or any governmental authority, after deduction or withholding for or on account of such backup withholding tax or similar charge other than a backup withholding tax or similar charge which is (i) the result of a certification, identification or information reporting requirement described in the second parenthetical clause of the first

sentence of the preceding paragraph, or (ii) imposed as a result of the fact that the Company or any of its Paying Agents has actual knowledge that the beneficial owner of such Bearer Security is within the category of Persons described in clause (a) above, or (iii) imposed as a result of presentation of such Bearer Security or Coupon for payment more than 15 days after the date on which such payment becomes due and payable or on which payment thereof is duly provided for, whichever occurs later, shall not be less than the amount provided for in such Bearer Security to be then due and payable.

This Permanent Global Bearer Security is exchangeable in whole or from time to time in part for a definitive Security or Securities, with Coupons, if applicable, attached, of the same series and of like tenor with the same Original Issuance Date, Stated Maturity and Interest Rate and, if this Permanent Global Bearer Security is an Original Issue Discount Security, with the same Issue Price specified in the legend above, upon 30 days notice from Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euro-clear System ("Euro-clear"), or CEDEL, S.A. ("Cedel") (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion), at the office of the Trustee referred to on the reverse hereof in London in accordance herewith. Upon exchange of any portion of this Permanent Global Bearer Security for a definitive Security or Securities, the Trustee referred to on the reverse hereof shall endorse Schedule A of this Permanent Global Bearer Security to reflect the reduction of its Principal Amount by an amount equal to the aggregate principal amount of such definitive Security or Securities, whereupon the Principal Amount hereof shall be reduced for all purposes by the amount so exchanged and noted. Except as otherwise provided herein or in the Indenture, until exchanged in full for a definitive Security or Securities, this Permanent Global Bearer Security shall in all respects be subject to and entitled to the same benefits and conditions under the Indenture as the duly authenticated and delivered definitive Security or Securities.

Interest, if any, payable in respect of an Interest Payment Date will be paid to each of Euro-clear and Cedel (and such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) with respect to that portion of this Security held for its account by the Common Depositary upon certification by Euro-clear or Cedel (or such other entity performing similar functions as selected by the Company and approved by the Trustee in its reasonable discretion) as the case may be, to the Trustee, as required by the Indenture.

This Security has been issued under and is governed by the terms of an indenture dated as of \_\_\_\_\_, 199\_\_ (the "Indenture") among the Company, Unocal Corporation, a corporation duly organized and existing under the laws of the State of Delaware, as guarantor (the "Guarantor," which term includes any successor guarantor under the Indenture) and [IF THE SECURITY IS A SENIOR SECURITY, INSERT--Chemical Trust Company of California, a corporation duly organized and existing under the laws of the state of California] [IF THE SECURITY IS A SUBORDINATED SECURITY, INSERT--name of Subordinated Trustee], as Trustee (the "Trustee," which term includes any successor trustee under the indenture) which incorporates the Standard Multiple-Series Indenture Provisions, January 1991, of the Issuer and the Guarantor, dated as of January 2, 1991, to

which

Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations or rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Securities of the terms upon which the Securities are, and are to be authenticated and delivered.

[IF APPLICABLE, INSERT--This Security is unsecured and the indebtedness of the Company evidenced by this Security, including the principal hereof (and premium, if any) and interest hereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment to the obligations of each of the Company and the Guarantor, respectively, to Holders of Senior Debt of the Company or the Guarantor, as the case may be, as defined in the Indenture, and each Holder of this Security or a Coupon, if any, appertaining to this Security, by accepting the same, agrees to and shall be bound by such provisions of the Indenture and all other provisions of the Indenture.]

The provisions of this Security are continued on the reverse hereof and the provisions there set forth shall for all purposes have the same effect as though fully set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee under the Indenture, or its successor thereunder, by manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[If this Security is not interest-bearing or is denominated in a currency other than U.S. Dollars, make appropriate changes to the foregoing.]

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed in its corporate name by the manual or facsimile signature of its Chairman of the Board of Directors, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers and impressed or imprinted with its corporate seal or facsimile thereof, attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

UNION OIL COMPANY OF CALIFORNIA

By

-----

Title:

[Seal]

Attest:

-----  
[Assistant] Secretary

5

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Securities of the series designated herein issued under the within-mentioned Indenture.

Dated:

[ \_\_\_\_\_ ],  
As Trustee

By \_\_\_\_\_  
Authorized [Officer] [Signatory]

[Form of Reverse]

[see Form of Reverse set forth  
as part of the Form of Temporary Global  
Fixed Rate Security except for certain  
exchange provisions in the last  
sentence of the first paragraph thereof]

[FORM OF GUARANTEE]

FOR VALUE RECEIVED, UNOCAL CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor," which term includes any successor corporation under the Indenture (hereinafter called the "Indenture") referred to in the Security upon which this Guarantee is endorsed), hereby unconditionally guarantees to the Holders from time to time of the Securities (a) the full and prompt payment of the principal of and any premium on any Security when and as the same shall become due and payable, whether at the Stated Maturity thereof, by acceleration, redemption or otherwise and (b) the full and prompt payment of any interest on any Security when and as the same shall become due, according to the terms of such Security and the Indenture. In addition, the Guarantor hereby unconditionally agrees that upon default by the Company in the payment when due of the principal of (and premium, if any) and interest on the Securities (whether at Stated Maturity thereof, acceleration, redemption or otherwise) the Guarantor will forthwith pay

the same, without further notice or demand.

The obligations of the Guarantor hereunder shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest and any premium on the Securities shall have been paid or provided for in accordance with the provisions of the Indenture, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantor:

(a) the waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Company under the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons], unless the waiver, surrender, compromise, settlement, release or termination is made specifically applicable to the Guarantor;

(b) the failure to give notice to the Guarantor of the occurrence of an Event of Default;

6

(c) the waiver, compromise or release of the payment, performance or observance by the Company of any or all of its obligations, covenants or agreements contained in the Indenture, unless such waiver, compromise or release is made specifically applicable to the Guarantor;

(d) the extension of the time for payment of any principal of (and premium, if any) or interest on any Security [IF APPLICABLE, INSERT--or Coupons] or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture;

(e) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Securities;

(f) the taking or the omission of any of the actions referred to in the Indenture and any of the actions under the Securities [IF APPLICABLE, INSERT--or Coupons];

(g) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other act or acts on the part of the Trustee or any of the Holders from time to time of the Securities [IF APPLICABLE, INSERT--or Coupons];

(h) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or

readjustment of, or other similar proceedings affecting the Guarantor, or the Company or any of the assets of any of them, or any allegation or contest of the validity of the Guarantee in any such proceeding;

(i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture, unless the Guarantor is also so released or discharged by operation of law;

(j) the default or failure of the Guarantor or the Trustee fully to perform any of its obligations set forth in the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons]; or

(k) the invalidity of the Indenture or the Securities [IF APPLICABLE, INSERT--or Coupons] or any part of any thereof.

No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may have against the Trustee shall be available hereunder to the Guarantor against the Trustee to reduce the payments of the Guarantor under this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication on the Security to which this Guarantee is endorsed has been executed by or on behalf of the Trustee, by the manual signature of one of its, or its Authenticating Agent's, authorized officers, this Guarantee shall not be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated:

UNOCAL CORPORATION

By

-----  
Title:

[CORPORATE SEAL]

Attest:

[Form of Coupon]

[Form of Face]

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

UNION OIL COMPANY OF CALIFORNIA  
Guaranteed by Unocal Corporation  
Security No.

Principal Amount  
(U.S. \$ \_\_\_\_\_)

Interest Payment Date:

Original Issuance Date of Security:

Interest Amount:

Stated Maturity of Security:

This Coupon appertains to a Union Oil Company of California [name of Security] of the Principal Amount and with the Original Issuance Date and the Stated Maturity specified above (the "Security"), the number of which is set forth above.

Unless the Security shall have been called for previous redemption and payment thereof shall have been duly provided for, on the Interest Payment Date set forth above, Union Oil Company of California (herein called the "Company") shall pay to bearer, upon surrender hereof, the Interest Amount shown above (together with any additional amounts in respect thereof that the Company may be required to pay according to the terms of said Security and the Indenture referred to therein) in the offices of the Paying Agents set out on the reverse hereof or at such other offices or agencies as otherwise provided in the Security to which this Coupon appertains, which shall be located outside the United States of America (including the States and the District of Columbia) and its possessions, which include Puerto Rico, the U.S. Virgin Islands, Guam,

American Samoa, Wake Island, and Northern Mariana Islands (collectively the "United States") as the Company may designate from time to time, at the option of the Holder, by United States dollar check drawn on a bank in The City of New York or by transfer of United States dollars to an account maintained by the payee with a bank located outside the United States, being [one year] or [six months] or such other period as accrued interest then payable on said Security.

This Coupon shall be governed by, and construed in accordance with, the laws of the State of New York.



-----

-----

-----

-----

-----

-----

-----

-----

-----

-----

[Form of Fixed Rate Registered Medium-Term Note]

[Form of Face]

IF THIS CERTIFICATE IS DESIGNATED BELOW AS ``BOOK-ENTRY'' THEN, UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

IF THIS NOTE IS DESIGNATED BELOW AS A ``DISCOUNT NOTE,'' FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE, THE ISSUANCE PRICE (THE ``ISSUANCE PRICE'') OF THIS NOTE IS \_\_\_% OF ITS PRINCIPAL AMOUNT, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS SECURITY IS \_\_\_% OF ITS PRINCIPAL AMOUNT, THE ORIGINAL ISSUANCE DATE IS \_\_\_\_\_, 19\_\_, AND THE YIELD TO MATURITY IS \_\_\_%. THE METHOD USED TO DETERMINE THE YIELD IS \_\_\_\_\_, AND THE AMOUNT OF ORIGINAL ISSUE DISCOUNT APPLICABLE TO THE SHORT ACCRUAL PERIOD OF \_\_\_\_\_, 19\_\_, TO \_\_\_\_\_, 19\_\_, IS \_\_\_% OF THE PRINCIPAL AMOUNT OF THIS NOTE. THE ECONOMIC YIELD COULD BE DIFFERENT FROM THE HYPOTHETICAL YIELD TO MATURITY FOR TAX PURPOSES.

REGISTERED

REGISTERED

UNION OIL COMPANY OF CALIFORNIA  
 Payment of Principal, Interest and Premium, if any,  
 Guaranteed by  
 UNOCAL CORPORATION  
 MEDIUM-TERM NOTE, SERIES C

NO. \_\_\_\_\_

CUSIP NO. \_\_\_\_\_ Registered Holder: \_\_\_\_\_ Principal Amount: \_\_\_\_\_  
 U.S.\$ \_\_\_\_\_

Trade Date: \_\_\_\_\_ Original Issuance Date: \_\_\_\_\_ Interest Rate: \_\_\_\_\_ %  
 Issue Price: \_\_\_\_\_ Stated Maturity: \_\_\_\_\_  
 Selling Agent's Discount or Commission: \_\_\_\_\_  
 Net Proceeds to Issuer: \_\_\_\_\_

Form:  
 / / Book-Entry  
 / / Certificated

Redemption:

/ / This Note cannot be redeemed prior to maturity

/ / This Note may be redeemed prior to maturity

Earliest Redemption Date:

Redemption Price: \_\_\_\_\_%

Annual Redemption Price Reduction: \_\_\_\_\_%

Sinking Fund Redemption Dates:

Sinking Fund Amount:

Repayment:

/ / This Note cannot be repaid prior to maturity

/ / This Note may be repaid prior to maturity at the option of the holder of the Note

Repayment Date(s):

Repayment Price: \_\_\_\_\_%

Discount Note: / / Yes / / No / / Indexed (see attached)

Total Amount of OID: / / Amortizing (see attached)

Yield to Maturity:

Initial Accrual Period:

Other Provisions:

UNION OIL COMPANY OF CALIFORNIA, a corporation duly organized and existing under the laws of the State of California (the ``Company,' ' which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to \_\_\_\_\_ or registered assigns, the principal amount specified above (the ``Principal Amount' ' ) on the Stated Maturity specified above (unless earlier redeemed or repaid) and to pay to the registered holder hereof as hereinafter provided interest on said Principal Amount at the per annum Interest Rate specified above on each succeeding Interest Payment Date (as defined below), until payment of said principal sum has been made or made available for payment; provided, however, if the Original Issuance Date is after the Regular Record Date (as defined below) and before the next succeeding Interest Payment Date, then interest hereon shall be paid on the Interest Payment Date following the next succeeding Regular Record Date. Interest hereon shall accrue from the Original Issuance Date or, if later, the Interest Payment Date next preceding the date hereof to which interest has been paid or duly provided for, unless the date hereof is an Interest Payment Date to which interest has been paid or duly provided for on this Note (or a predecessor Note in exchange, registration of transfer or substitution for which this Note was issued) in which case from the date hereof, or unless the date hereof is not the Original Issuance Date and is after a Regular Record Date and before the immediately succeeding Interest Payment Date, then from such next succeeding Interest Payment Date. The term ``Interest Payment Date' ' for any regular payment of interest shall mean January 31 or July 31 and the date fixed for redemption pursuant to the Indenture (as defined below) (the ``Redemption Date' ' ) and the Stated Maturity. The term ``Regular Record Date' ' for any regular payment of interest, other than any Redemption Date or the Stated Maturity, shall mean the January 15 or July 15 next preceding such January 31 and July 31 (whether or not a Business Day), as the case may be. The interest so payable, and punctually paid or duly provided for, on any

Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or a Predecessor Note in exchange for or transfer of which this Note was issued between the Regular Record Date for payment of such interest and the Interest Payment Date) is registered at the close of business on the Regular Record Date for such interest; PROVIDED, HOWEVER, that interest payable at the Stated Maturity, the date fixed for repayment at the option of the holder pursuant to the fourth paragraph on the reverse of this Note or the Redemption Date shall be paid to the person to whom the Principal Amount is paid. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirement of any securities exchange on which the Notes of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Payment of the principal (and premium, if any) of this Note shall be made in immediately available funds at the corporate trust office or agency of Chemical Trust Company of California in the Borough of Manhattan, The City of New York, and interest hereon shall be paid upon delivery of instructions in advance to facilitate such payment in accordance with normal procedures of the Trustee. Alternatively, such payments shall be made at such other office or agency of the Company as may be designated by it for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States as at the time of payment is legal tender for payment of public and private debts; PROVIDED, HOWEVER, that at the option of the Company payment of interest may be made by United States dollar check mailed on the applicable interest payment date to the address of the Person entitled thereto as such address shall appear in the Security Register. The Company may also appoint additional paying agents. For interest payments on a Note of U.S. \$10,000,000 or more in principal amount, the Holder may elect at any time to have payment made in immediately available funds; where the principal of the Note is less than U.S. \$10,000,000, payment will be made in immediately available funds only if agreed to on a case-by-case basis by the Company. Interest payments shall not be made in immediately available funds unless written instructions have been presented to Chemical Trust Company of California (or other paying agent) at least 15 days prior to the relevant Regular Record Date.

This Note is one of a duly authorized issuance of Medium-Term Notes, Series C, of the Company (the ``Notes''), which have been issued under and are governed by the terms of an indenture dated as of \_\_\_\_\_, 1994 (the ``Indenture'') among the Company, Unocal Corporation, a corporation duly organized and existing under the laws of the State of Delaware, as Guarantor (the ``Guarantor,' ' which term includes any successor guarantor under the Indenture), and Chemical Trust Company of California, a corporation duly organized and existing under the laws of the state of California, as Trustee (the ``Trustee,' ' which term includes any successor trustee under the Indenture), which incorporates the Standard Multiple-Series Indenture

Provisions, January 1991 of the Issuer and Guarantor dated as of January 2, 1991, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the respective rights thereunder of the Company, the Guarantor, the Trustee and the Holders of the Notes, and the terms upon which the Notes are, and are to be, authenticated and delivered.

The provisions of this Note are continued on the reverse hereof and the provisions there set forth shall for all purposes have the same effect as though fully set forth at this place. References herein to ``this Note,`` ``hereof,`` ``herein`` and comparable terms shall include an Addendum hereto if an Addendum is specified under ``Other Provisions`` above.

Unless the certificate of authentication hereon has been executed by or on behalf of Chemical Trust Company of California, the Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Note shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

Any provision contained herein with respect to the calculation of the rate of interest applicable to this Note, its payment dates or any other matter relating hereto may be modified as specified in an Addendum relating hereto if so specified above.

IN WITNESS WHEREOF, UNION OIL COMPANY OF CALIFORNIA has caused this instrument to be executed in its corporate name by the manual or facsimile signature of its Chairman of the Board of Directors, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers, and impressed or imprinted with its corporate seal or facsimile thereof, attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

UNION OIL COMPANY OF CALIFORNIA

[Seal]

By

-----

Title:

Attest:

-----

[Assistant] Secretary

This is one of the Securities of the series designated herein issued under the within-mentioned Indenture.

Dated:

CHEMICAL TRUST COMPANY OF CALIFORNIA,  
As Trustee

By

-----  
Authorized Signatory

4

[Form of Reverse of Note]

UNION OIL COMPANY OF CALIFORNIA  
Payment of Principal, Interest and Premium, if any,  
Guaranteed by  
UNOCAL CORPORATION  
MEDIUM-TERM NOTE, SERIES C

(For Offerings Within the United States)

This Note is one of a duly authorized series of securities of the Company designated as its Medium-Term Notes, Series C (the ``Notes''), limited to an aggregate principal amount of \$\_\_\_\_\_, subject to reduction or increase upon the determination of the Company all issued or to be issued in one or more series under the Indenture among the Company, the Guarantor and the Trustee. The Notes will be issued only in fully registered form in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.

This Note may not be redeemed before the Earliest Redemption Date, if any, stated on the face hereof. If no Earliest Redemption Date is indicated hereon, this Note is not redeemable prior to the Stated Maturity hereof. On or after the Earliest Redemption Date, this Note may be redeemed at the option of the Company as a whole or from time to time in part in increments of \$1,000 (provided that any remaining principal amount of this Note shall be at least \$1,000) upon notice given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the date fixed for redemption as provided in the Indenture, at the redemption price of 100% of the principal amount or such other amount as is set forth above, together with accrued interest to the Redemption Date. This Company shall redeem the principal amount of this Note set forth on the face hereof (``Sinking Fund Amount'') on the sinking fund redemption dates set forth on the face hereof (``Sinking Fund Redemption

Dates'') together with accrued interest to the applicable Sinking Fund Redemption Date. If no Sinking Fund Amount is set forth, the Company shall not have any obligation to redeem this Note before its Stated Maturity. The Company may reduce the Sinking Fund Amount to be redeemed on any Sinking Fund Redemption Date by subtracting 100% of the principal amount (excluding premium) of any Note surrendered to the Trustee for cancellation of which the Company becomes the beneficial owner and has so notified the Trustee on or before the applicable Sinking Fund Redemption Date or that the Company has redeemed or repaid other than pursuant to the second preceding sentence. The Company may so credit the same principal amount of the Note only once. Notice of any redemption pursuant to this paragraph will be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the date fixed for redemption as provided in the Indenture. In the event of redemption of this Note in part only, a new Note or Notes of this series for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

In case of redemption of less than all of the Notes of this series at the time outstanding, the Notes of this series to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem appropriate and fair, as provided in the Indenture.

This Note is subject to repayment in whole or in part in any whole multiple of \$1,000 (provided that any remaining principal amount of this Note shall be at least \$1,000) on the Repayment Dates set forth on the face hereof at the option of the holder hereof, at a price (the ``Repayment Price'') set forth on the face hereof or if no Repayment Price is so set forth, at 100% of the principal amount, in each case together with interest payable to the date of repayment. To be repaid at the option of the holder this Note must be received, with the form at the foot of this Note titled ``Option to Elect Repayment'' duly completed, by the Company at any office or agency of the Company maintained for the payment of principal and interest, transfer and exchange in the Borough of Manhattan, The City of New York, State of New York (or at such additional addresses of which the Company shall notify the holders of the Notes of this series) not less than 30 nor more than 60 days prior to the date of repayment. Effective exercise of the repayment option by the holder of this Note shall be irrevocable. In any case where the Repayment Dates set forth on the face hereof are not a Business Day, then (notwithstanding any other provision of the Indenture or the Notes of this series) payment of the Repayment Price and interest need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and, if such payment is so made, no interest shall accrue for the period from and after such Repayment Date. If no Repayment Dates are indicated, the Note is not subject to repayment at the option of the holder. The term ``Business Day'' shall mean any day which is not a Saturday or Sunday and which in the City of New York is neither a legal holiday nor a day on which banking institutions are authorized by law or regulation to close.

The Indenture contains provisions permitting the Company and the

Guarantor to terminate each of their obligations with respect to certain provisions of the Indenture and as to the payment of the principal of (and premium, if any) and interest on Notes of this series if the Company or the Guarantor shall have deposited or caused to be deposited irrevocably with the Trustee as a trust fund specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Notes of this series (i) money in an amount (in such currency, currencies or currency unit or units in which any such Notes are payable) or (ii) in the case of such Notes, if any, denominated in U.S. Dollars, direct non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by, the United States of America for the payment of which guarantee or obligation the full faith and credit of the United States is pledged, or, in the case of such Notes, if any, denominated in a Foreign Currency, foreign government securities which are direct, non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by the government that issued the currency, for payment of which guarantee or obligation the full faith and credit of such government is pledged, which through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than the due date of any payment of principal (including any premium) and interest, if any, under such Notes, money in an amount or (iii) a combination of (i) and (ii) sufficient (in the opinion with respect to (ii) and (iii) of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee) to pay and discharge each installment of principal of (including any premium), and interest, if any, on, such Notes, on the dates such installments of interest or principal are due in the currency, currencies or currency unit or units, in which such Notes are payable; PROVIDED, HOWEVER, that for the purposes of this paragraph, Notes shall include Notes of this series which may be issued upon exercise of warrants; PROVIDED FURTHER, HOWEVER, that the Company or the Guarantor shall not make or cause to be made the deposit provided by this paragraph unless the Company or the Guarantor shall have delivered to the Trustee an Opinion of Counsel to the effect that there will not occur any violation of the Investment Company Act of 1940, as amended, on the part of the Company or the Guarantor, the trust funds representing such deposit or the Trustee as a result of such deposit and the related exercise of the Company's or the Guarantor's option under the Indenture.

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of the series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions permitting the Company, the Guarantor and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes of all affected series at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Notes of such series; PROVIDED, HOWEVER, that no such supplemental indenture may without the consent of the Holder of each Note so affected thereby (a) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Notes of such series, (b) reduce the principal amount thereof, (c) reduce

the rate of interest thereon, or premium payable upon redemption thereof, (d) reduce the principal amount of any Original Issue Discount Note payable upon acceleration of the Maturity thereof, (e) change the place of payment on or with respect to the Note or the currency or currency unit in which any Note or any premium or interest thereon is payable or the obligation to pay additional amounts, (f) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity or Redemption Date thereof, (g) reduce the percentage of aggregate principal amount of Outstanding Notes of such series, the consent of the Holders of which is required for any such supplemental indenture or for waiver of compliance with certain Indenture provisions or waivers of defaults and their consequences under the Indenture, (h) change the obligation of the Company to maintain an office or agency in the places and for the purposes required by the Indenture, or (i) make any change that would materially adversely affect the right to convert any convertible Notes. It is also provided in the Indenture that the Holders of a majority in aggregate principal amount of the Notes of such series at any time outstanding may on behalf of the Holders of all of the Notes of such series outstanding waive any past default under the Indenture and its consequences, except a default in the payment of the principal of (and premium, if any) or interest on any of the Notes of such series or in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of each affected Holder. Any such consent or waiver by the Holder of this Note (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued in exchange or substitution hereof or upon registration of transfer hereof, whether or not any notation of such consent or waiver is made upon this Note. Holders of Notes may not enforce their rights pursuant to the Indenture or the Notes except as provided in the Indenture.

Except for recourse against the Guarantor pursuant to the Guarantee, no recourse shall be had for the payment of the principal of (and premium, if any) or the interest on this Note, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental

6

thereto, against any incorporator, stockholder, officer, director or employee, as such, past, present or future, of the Company or the Guarantor, or of any respective successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issuance hereof, expressly waived and released.

The transfer of this Note is registrable by the registered owner hereof in person or by his attorney duly authorized in writing at the office of the Security Registrar or at the office of any transfer agent designated by the Company for such purpose. Subject to the terms of the Indenture, upon payment of a service charge for registration of transfer and payment of a sum sufficient to reimburse the Company for any tax or other governmental charge incident to

transfer (except the Company will pay for such service charges if the Notes are listed on a stock exchange that requires the Company to pay such charges as a condition to listing), and upon surrender of this Note upon any such registration of transfer, a new Note or Notes of authorized denomination or denominations, for the same aggregate principal amount and having endorsed thereon a Guarantee duly created by the Guarantor, will be issued to the transferee in exchange hereof.

Prior to due presentation of this Note for registration of transfer, the Company, the Guarantor, the Trustee, the Authenticating Agent, if any, and any agent of the Company, the Guarantor or the Trustee may treat the Person in whose name this Note shall be registered upon the Security Register as the absolute owner of this Note (whether or not this Note shall be overdue and notwithstanding any notation of ownership or other writing hereon) for the purpose of receiving payment of or on account of the principal hereof (and premium, if any) and, subject to the provisions on the face hereof, interest due hereon and for all other purposes, and neither the Company, the Guarantor, the Trustee, the Authenticating Agent, if any, nor any agent of the Company, the Guarantor or the Trustee shall be affected by any notice or knowledge to the contrary.

As set forth in, and subject to, the provisions of the Indenture, no Holder of any Note of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in aggregate principal amount of the Outstanding Notes of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Notes of this series a direction inconsistent with such request and the Trustee shall have failed to institute such proceeding within 60 days; PROVIDED, HOWEVER, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of (and premium, if any) or interest on this Note on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or provide for the payment of the principal of (and premium, if any) and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed.

This Note and the Guarantee hereof will rank on a parity with all other unsecured and unsubordinated indebtedness of the Company and the Guarantor, respectively.

The Indenture, the Guarantee and the Notes shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

[FORM OF GUARANTEE]

FOR VALUE RECEIVED, UNOCAL CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (herein called the ``Guarantor,' ' which term includes any successor corporation under the Indenture (hereinafter called the ``Indenture'') referred to in the Note upon which this Guarantee is endorsed), hereby unconditionally guarantees to the Holders from time to time of the Notes (a) the full and prompt payment of the principal of and any premium on any Note when and as the same shall become due and payable, whether at the Stated Maturity thereof, by acceleration, redemption or otherwise and (b) the full and prompt payment of any interest on any Note when and as the same shall become due, according to the terms of such Note and the Indenture. In addition, the Guarantor hereby unconditionally agrees that upon default by the Company in the payment when due of the principal of (and premium, if any) and interest on the Notes (whether at Stated Maturity thereof, acceleration, redemption or otherwise) the Guarantor will forthwith pay the same, without further notice or demand.

7

The obligations of the Guarantor hereunder shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest and any premium on the Notes shall have been paid or provided for in accordance with the provisions of the Indenture, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantor:

- (a) the waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Company under the Indenture or the Notes unless the waiver, surrender, compromise, settlement, release or termination is made specifically applicable to the Guarantor;
- (b) the failure to give notice to the Guarantor of the occurrence of an Event of Default;
- (c) the waiver, compromise or release of the payment, performance or observance by the Company of any or all of its obligations, covenants or agreements contained in the Indenture, unless such waiver, compromise or release is made specifically applicable to the Guarantor;
- (d) the extension of the time for payment of any principal of (and premium, if any) or interest on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture;
- (e) the modification or amendment (whether material or otherwise) of

any obligation, covenant or agreement set forth in the Indenture or the Notes;

(f) the taking or the omission of any of the actions referred to in the Indenture and any of the actions under the Notes;

(g) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other act or acts on the part of the Trustee or any of the Holders from time to time of the Notes;

(h) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantor, or the Company or any of the assets of any of them, or any allegation or contest of the validity of the Guarantee in any such proceeding;

(i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture, unless the Guarantor is also so released or discharged by operation of law;

(j) the default or failure of the Guarantor or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; or

(k) the invalidity of the Indenture or the Notes or any part of any thereof.

No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may have against the Trustee shall be available hereunder to the Guarantor against the Trustee to reduce the payments of the Guarantor under this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication on the Note to which this Guarantee is endorsed has been executed by or on behalf of the Trustee, by the manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Guarantee shall not be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated:

UNOCAL CORPORATION

By \_\_\_\_\_

Title:

[CORPORATE SEAL]

Attest:

-----  
[Assistant] Secretary

OPTION TO ELECT REPAYMENT

The undersigned hereby requests and irrevocably instructs the Company to repay the within Note on the first Repayment Date set forth on the face hereof occurring not less than 30 nor more than 60 days after the date of receipt of the within Note by the Company at an office or agency of the Company maintained for the payment of principal and interest, transfer and exchange in The City of New York, State of New York (or at such other addresses of which the Company shall notify the registered holders of the Notes of this series).

( ) In whole

( ) In part equal to \$\_\_\_\_\_ (must be a whole multiple of \$1,000; remaining principal amount must be at least \$1,000)

at a price equal to the Repayment Price set forth on the face hereof, or if no Repayment Price is so set forth, at 100% of the principal amount, in each case, together with interest accrued to the date of repayment.

Signature

Please print or type name and address:

NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of the within instrument in every particular without alteration or enlargement or any change whatever.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

Please insert Social Security or  
other identifying number of assignee:

\_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee, including  
Zip Code, must be printed or typewritten)

the within Note, and all rights thereunder, hereby irrevocably constituting and  
appointing

\_\_\_\_\_ Attorney to transfer said Note on the  
Security Register of the Company, with full power of substitution in the  
premises.

Dated:

\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name  
as it appears upon the face of the within Note in every particular, without  
alteration or enlargement or any change whatever.

[Form of Floating Rate Registered Medium-Term Note]  
 [Form of Face]

IF THIS CERTIFICATE IS DESIGNATED BELOW AS "BOOK-ENTRY" THEN, UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & COMPANY, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

IF THIS NOTE IS DESIGNATED BELOW AS "DISCOUNT NOTE," FOR PURPOSES OF SECTIONS 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE, THE ISSUANCE PRICE (THE "ISSUANCE PRICE") OF THIS NOTE IS \_\_\_% OF ITS PRINCIPAL AMOUNT, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS SECURITY IS \_\_\_% OF ITS PRINCIPAL AMOUNT, THE ORIGINAL ISSUANCE DATE IS \_\_\_\_\_, 19\_\_\_, AND THE YIELD TO MATURITY IS \_\_\_%. THE METHOD USED TO DETERMINE THE YIELD IS \_\_\_\_\_, AND THE AMOUNT OF ORIGINAL ISSUE DISCOUNT APPLICABLE TO THE SHORT ACCRUAL PERIOD OF \_\_\_\_\_, 19\_\_\_, TO \_\_\_\_\_, 19\_\_\_, IS \_\_\_% OF THE PRINCIPAL AMOUNT OF THIS NOTE. THE ECONOMIC YIELD COULD BE DIFFERENT FROM THE HYPOTHETICAL YIELD TO MATURITY FOR TAX PURPOSES.

REGISTERED

REGISTERED

UNION OIL COMPANY OF CALIFORNIA

Payment of Principal, Interest and Premium, if any,

Guaranteed By

UNOCAL CORPORATION

<TABLE>  
 <CAPTION>

MEDIUM-TERM NOTE, SERIES C

<S>	<C>	<C>
NO. _____		
CUSIP NO. _____	Registered Holder: _____	Principal Amount: U.S.\$ _____

Trade Date:	Original Issuance Date:	Initial Interest Rate: _____%
Issue Price:	Stated Maturity:	Regular Record Dates:
Selling Agent's Discount or Commission:		Interest Payment Dates:
Net Proceeds to Issuer:		

Form:	// Book-Entry	// Certificated
Interest Rate Basis:	Index Maturity:	Spread:
// Commercial Paper Rate	// 1 Month	+/-
// Prime Rate	// 3 Months	Spread Multiplier:
// LIBOR (check Designated LIBOR Page)	// 6 Months	_____%
// LIBOR Reuters	// 1 Year	
// LIBOR Telerate	// Other	
// Treasury Rate		
// CD Rate	// Indexed (see attached)	
// CMT Rate		
Designated CMT Telerate Page:	// Amortizing (see attached)	
// 7055		
// 7052 If Page 7052:		
// Week/ // Month		
Designated CMT Maturity Index: _____ years(s)		
// Federal Funds Effective Rate		
// Other (see attached)		
Interest Determination Dates:		
Interest Calculation Dates:		
Calculation Agent:		
Interest Payment Period:	// Monthly	// Quarterly
	// Semi-annually	// Annually
First Interest Reset Date:		
Interest Reset Date:		
// Daily	// Weekly	// Monthly
// Quarterly	// Semi-annually during the months of _____ and _____	// Annually during the month of _____

<CAPTION>

<S>

Maximum Interest Rate:  
Minimum Interest Rate:  
Redemption:  
    // This Note cannot be redeemed prior to maturity  
    // This Note may be redeemed prior to maturity  
        Earliest Redemption Date:  
        Redemption Price: \_\_\_\_\_%  
        Annual Redemption Price Reduction: \_\_\_\_\_%  
Sinking Fund Redemption Dates:  
Sinking Fund Amount:  
Discount Note:  
    // Yes    // No  
        Total Amount of OID:  
        Yield to Maturity:  
        Initial Accrual Period:  
Other Provisions:

<C>

Repayment:  
    // This Note cannot be repaid prior to maturity  
    // This Note may be repaid prior to maturity  
        at the option of the holder of the Note  
Repayment Date(s):  
Repayment Price: \_\_\_\_\_%

</TABLE>

UNION OIL COMPANY OF CALIFORNIA, a corporation duly organized and existing under the laws of the State of California (the "Company" which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, the principal amount specified above (the "Principal Amount") on the Stated Maturity specified above (unless earlier redeemed or repaid) and to pay to the registered holder hereof as hereinafter provided interest on said Principal Amount at the per annum Initial Interest Rate specified above until the first Interest Reset Date specified above following the Original Issuance Date specified above and thereafter at a rate determined in accordance with the provisions on the reverse hereof under the heading "Determination of Commercial Paper Rate," "Determination of Prime Rate," "Determination of LIBOR," "Determination of Treasury Rate," "Determination of CD Rate," "Determination of CMT Rate" or "Determination of Federal Funds Effective Rate" depending upon whether the Interest Rate Basis specified above is the Commercial Paper Rate, Prime Rate, LIBOR, Treasury Rate, Certificate of Deposit Rate ("CD Rate"), CMT Rate or Federal Funds Effective Rate, which rate may be adjusted by adding or subtracting the Spread or by multiplying the Spread Multiplier (as such terms are defined below) depending on whether a Spread or Spread Multiplier is designated above, until the principal hereof is paid or duly made available for payment. The "Spread," if any, is the number of basis points designated above, and the "Spread Multiplier," if any, is the percentage designated above. The Company will pay interest monthly, quarterly, semiannually or annually as specified above under "Interest Payment Period," commencing with the first Interest Payment Date specified above next succeeding the Original Issuance Date, thereafter on the Interest Payment Dates specified above and on the Stated Maturity Date; PROVIDED, HOWEVER, that if the Original Issuance Date falls between a Regular Record Date and an Interest Payment Date, the first payment of interest will be made on the Interest Payment Date following the next succeeding Regular Record Date. The "Regular Record Date" shall be 15 calendar days prior to each Interest Payment Date, whether or not such days shall be Business Days. The rate of interest payable on this Note shall be reset daily, weekly, monthly, quarterly, semiannually or annually, as specified on the face hereof (the "Interest Reset Date"). The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date shall, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Notes, in exchange for or transfer of which this Note was issued between the Regular Record Date for payment of such interest and the Interest Payment Date), is registered at the close of business on the Regular Record Date for payment of such interest; PROVIDED, HOWEVER, that interest payable at the Stated Maturity, the date fixed for repayment at the option of the holder pursuant to the third paragraph on the reverse of this Note or the date fixed for redemption pursuant to the Indenture (the "Redemption Date") shall be paid to the person to whom the Principal Amount is paid. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. Interest shall be calculated on the basis of actual days elapsed and a year of 360 days, except that interest for Treasury Rate Notes will be calculated on the basis of actual number of days in the year. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Payment of the principal of (and premium, if any) on this Note will be made in immediately available funds at the corporate trust office or agency of Chemical Trust Company of California in the Borough of Manhattan, The City of New York, upon presentation of this Note, and interest hereon shall be paid upon delivery of instructions in advance to facilitate such payment in accordance with normal procedures of the Trustee. Alternatively, such payments shall be made at such other office or agency of the Company as may be designated by it for such purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States as at the time of payment is legal tender for payment of public and private debts; PROVIDED, HOWEVER, that at the option of the Company payment of interest may be made by United States dollar check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register. The Company may also appoint additional paying agents. For interest payments on a Note of U.S. \$10,000,000 or more in principal amount, the Holder may elect at any time to have payment made in immediately available funds; where the principal of the Note is less than U.S. \$10,000,000, payment will be made in immediately available funds only if agreed to on a case-by-case basis by the Company. Interest payments shall not be made in immediately

2

available funds unless written instructions have been presented to Chemical Trust Company of California (or other paying agent) at least 15 days prior to the relevant Regular Record Date.

This Note is one of a duly authorized issuance of Medium-Term Notes, Series C, of the Company (the "Notes"), which have been issued under and are governed by the terms of an indenture dated as of \_\_\_\_\_, 1994 (the "Indenture") among the Company, Unocal Corporation, a corporation duly organized and existing under the laws of the State of Delaware, as Guarantor (the "Guarantor," which term includes any successor guarantor under the Indenture), and Chemical Trust Company of California, a corporation duly organized and existing under the laws of the State of California, as Trustee (the "Trustee," which term includes any successor trustee under the Indenture), which incorporates the Standard Multiple Series Indenture Provisions, January 1991 of the Issuer and Guarantor dated as of January 2, 1991, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the respective rights thereunder of the Company, the Guarantor, the Trustee and the Holders of the Notes, and the terms upon which the Notes are, and are to be, authenticated and delivered.

The provisions of this Note are continued on the reverse hereof and the provisions thereof set forth shall for all purposes have the same effect as though fully set forth at this place. References herein to "this Note," "hereof," "herein" and comparable terms shall include an Addendum hereto if an Addendum is specified under "Other Provisions" above.

Unless the certificate of authentication hereon has been executed by or on behalf of Chemical Trust Company of California, as Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Any provision contained herein with respect to the calculation of the rate of interest applicable to this Note, its payment dates or any other matter relating hereto may be modified as specified in an Addendum relating hereto if so specified above.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed in its corporate name by the manual or facsimile signature of its Chairman of the Board of Directors, its Chief Executive Officer, its President, its Chief Operating Officer, its Chief Financial Officer, one of its Vice Presidents, its Treasurer, or one of its Assistant Treasurers and impressed or imprinted with its corporate seal or facsimile thereof, attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

UNION OIL COMPANY OF  
CALIFORNIA

[Seal]

By \_\_\_\_\_  
Title:

Attest:

\_\_\_\_\_  
[Assistant] Secretary

## [FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Securities of the series designated herein issued under the within-mentioned Indenture.

Dated:

CHEMICAL TRUST COMPANY OF CALIFORNIA,  
As Trustee

By \_\_\_\_\_  
Authorized Signatory

4

[Form of Reverse]

[Form of Floating Rate Registered Note]

UNION OIL COMPANY OF CALIFORNIA  
Payment of Principal, Interest and Premium, if any,  
Guaranteed by  
UNOCAL CORPORATION

MEDIUM-TERM NOTE, SERIES C  
Floating Rate Registered  
(For Offerings Within the United States)

This Note is one of a duly authorized issuance of securities of the Company designated as its Medium-Term Notes, Series C (the "Notes"), limited (except as otherwise provided in the Indenture) to an aggregate principal amount of \$\_\_\_\_\_ subject to a reduction or increase upon the determination of the Company, all issued or to be issued in one or more series under the Indenture among the Company, the Guarantor and the Trustee. The Notes will be issued only in fully registered form in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.

This Note may not be redeemed before the Earliest Redemption Date, if any, stated on the face hereof. If no Earliest Redemption Date is indicated hereon, this Note is not redeemable prior to the Stated Maturity hereof. On or after the Earliest Redemption Date, this Note may be redeemed at the option of the Company as a whole or from time to time in part in increments of \$1,000 (provided that any remaining principal amount of this Note shall be at least \$1,000) upon notice given by first class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the date fixed for redemption as provided in the Indenture, at the redemption price of 100% of the principal amount, or such other amount as is set forth above, together with accrued interest to the Redemption Date. This Company shall redeem the principal amount of this Note set forth on the face hereof ("Sinking Fund Amount") on the sinking fund redemption dates set forth on the face hereof ("Sinking Fund Redemption Dates") together with accrued interest to the applicable Sinking Fund Redemption Date. If no Sinking Fund Amount is set forth, the Company shall not have any obligation to redeem this Note before its Stated Maturity. The Company may reduce the Sinking Fund Amount to be redeemed on any Sinking Fund Redemption Date by subtracting 100% of the principal amount (excluding premium) of any Note surrendered to the Trustee for cancellation of which the Company becomes the beneficial owner and has so notified the Trustee on or before the applicable Sinking Fund Redemption Date or that the Company has redeemed or repaid other than pursuant to the second preceding sentence. The Company may so credit the same principal amount of the Note only once. Notice of any redemption pursuant to this paragraph will be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the date fixed for redemption as provided in the Indenture. In the event of redemption of this Note in part only, a new Note or Notes of this series for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

In case of redemption of less than all of the Notes of this series at the time outstanding, the Notes of this series to be redeemed shall be selected by the Trustee in such manner as the Trustee shall deem appropriate and fair, as provided in the Indenture.

This Note is subject to repayment in whole or in part in any whole multiple of \$1,000 (provided that any remaining principal amount of this Note

shall be at least \$1,000) on the Repayment Dates set forth on the face hereof at the option of the holder hereof, at a price (the "Repayment Price") set forth on the face hereof or if no Repayment Price is so set forth, at 100% of the principal amount, in each case together with interest payable to the date of repayment. To be repaid at the option of the holder this Note must be received, with the form at the foot of this Note titled "Option to Elect Repayment" duly completed, by the Company at

5

any office or agency of the Company maintained for the payment of principal and interest, transfer and exchange in the Borough of Manhattan, The City of New York, State of New York (or at such additional addresses of which the Company shall notify the holders of the Notes of this series) not less than 30 nor more than 60 days prior to the date of repayment. Effective exercise of the repayment option by the holder of this Note shall be irrevocable. In any case where the Repayment Dates set forth on the face hereof are not a Business Day, then (notwithstanding any other provision of the Indenture or the Notes of this series) payment of the Repayment Price and interest need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and, if such payment is so made, no interest shall accrue for the period from and after such Repayment Date. If no Repayment Dates are indicated, the Note is not subject to repayment at the option of the holder. The term "Business Day" shall mean (a) with respect to any Note, any day which is not a Saturday or Sunday and which, in the City of New York, is neither a legal holiday nor a day on which banking institutions are authorized by law or regulation to close, and (b) with respect to LIBOR Notes only, any such day on which dealings in deposits in U.S. dollars are transacted in the London interbank market (a "London Business Day").

Commencing with the first Interest Reset Date specified on the face hereof following the Original Issuance Date, the Date at which interest on this Note is payable shall be adjusted daily, weekly, monthly, quarterly, semi-annually or annually as shown on the face hereof under "Interest Reset Date"; PROVIDED, HOWEVER, that the interest rate in effect hereon for the 10 days immediately prior to the Maturity hereof shall be that in effect on the 10th day preceding the Maturity hereof. Each such adjusted rate shall be applicable on and after the Interest Reset Date to which it relates to but not including the next succeeding Interest Reset Date or until such Redemption Date, Repayment Date or the Stated Maturity, as the case may be. Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date, the rate of interest on this Note shall be the rate determined in accordance with the provisions of the applicable heading below.

The Interest Reset Dates will be, in the case of Notes which reset daily, each Business Day; in the case of Notes (other than Treasury Rate Notes) which reset weekly, the Wednesday of each week; in the case of Treasury Rate Notes which reset weekly, the Tuesday of each week (except as set forth in the last sentence of the next succeeding paragraph below); in the case of Notes which reset monthly, the third Wednesday of each month; in the case of Notes which reset quarterly, the third Wednesday of March, June, September and December; in the case of Notes which reset semi-annually, the third Wednesday of two months of each year, as specified on the face hereof; and in the case of Notes which reset annually, the third Wednesday of one month of each year, as specified on the face hereof; PROVIDED, HOWEVER, that (a) the interest rate in effect from the Original Issuance Date to the first Interest Reset Date with respect to a Note will be the Initial Interest Rate and (b) the interest rate in effect for the 10 days immediately prior to Maturity will be that in effect on the 10th day preceding such Maturity. If any Interest Reset Date for any Note would otherwise be a day that is not a Business Day for such Note, the Interest Reset Date for such Note shall be postponed to the next day that is a Business Day for such Note, except that in the case of a LIBOR Note, if such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the immediately preceding Business Day.

The Interest Determination Date pertaining to an Interest Reset Date for (a) a Commercial Paper Rate Note (the "Commercial Paper Rate Interest Determination Date"), (b) a Prime Rate Note (the "Prime Rate Interest Determination Date"), (c) a CD Rate Note (the "CD Rate Interest Determination Date"), (d) a CMT Rate Note (the "CMT Rate Interest Determination Date"), and (e) a Federal Funds Rate Note (the "Federal Funds Rate Interest Determination Date") will be the second Business Day preceding the Interest Reset Date with respect to such Note. The Interest Determination Date pertaining to an Interest Reset Date for a LIBOR Note (the "LIBOR Interest Determination Date") will be the second London Business Day (as defined below) preceding such Interest Reset Date. The Interest Determination Date pertaining to an Interest Reset Date for a Treasury Rate Note (the "Treasury Rate Interest Determination Date") will be the day of the week in which such Interest Reset Date falls on which Treasury Bills would normally be auctioned. Treasury Bills are usually sold at auction on Monday of each week, unless that day is a legal holiday, in which case the

auction is usually held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as a result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Interest Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week.

6

If an auction date shall fall on any Interest Reset Date for a Treasury Rate Note, then such Interest Reset Date shall instead be the first Business Day immediately following such auction date.

Unless otherwise indicated herein interest will be payable, in the case of Notes which reset daily, weekly or monthly, on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year; in the case of Notes which reset quarterly, on the third Wednesday of March, June, September and December of each year; in the case of Notes which reset semi-annually, on the third Wednesday of the two months of each year specified on the face hereof; and in the case of Notes which reset annually, on the third Wednesday of the month specified on the face hereof (each an "Interest Payment Date"), and in each case, at any Redemption Date or Repayment Date and any Stated Maturity. If an Interest Payment Date with respect to any Note would otherwise fall on a day that is not a Business Day with respect to such Note, such Interest Payment Date will be the following day that is a Business Day with respect to such Note, except that in the case of a LIBOR Note, if such day falls in the next calendar month, such Interest Payment Date will be the preceding day that is a Business Day with respect to such LIBOR Note.

Interest payments shall be for the amount of interest accrued to, but excluding, the Interest Payment Date; PROVIDED, HOWEVER, that if the Interest Reset Dates with respect to any Note are weekly, interest payable on any Interest Payment Date, other than interest payable on any date on which principal on any such Note is payable, will include interest accrued to and including the immediately preceding Regular Record Date. With respect to this Note, accrued interest from the date of issue or from the last date to which interest has been paid is calculated by multiplying the face amount of such Note by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day from the date of issue, or from the last date to which interest has been paid, to the date for which accrued interest is being calculated. The interest factor (expressed as a decimal rounded upwards if five one hundred-thousandths or more of a percentage point and rounded downwards if less than five one hundred-thousandths of a percentage point, if necessary, to the next higher or lower, as the case may be, one hundred-thousandth of a percentage point (E.G., 9.876546% or .09876546 being rounded to 9.87655% or .0987655, respectively)) for each such day is computed by dividing the interest rate (expressed as a decimal rounded off in the same manner as the interest factor) applicable to such date by 360, in the case of Commercial Paper Rate Notes, Prime Rate Notes, LIBOR Notes, CD Rate Notes, CMT Rate Notes or Federal Funds Rate Notes, or by the actual number of days in the year, in the case of Treasury Rate Notes. All dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

Notwithstanding the foregoing, if this Note is designated above as having an Addendum attached, this Note shall bear interest in accordance with the terms described in such Addendum.

Upon the request of the Holder of any Note, the Calculation Agent will provide the interest rate then in effect, and, if different, the interest rate which will become effective as a result of a determination made on the most recent Interest Determination Date with respect to such Note. Unless otherwise specified on the face hereof, the "Interest Calculation Date," where applicable, pertaining to any Interest Determination Date will be the earlier of (a) the 10th calendar day after such Interest Determination Date, or, if any such day is not a Business Day, the next succeeding Business Day, or (b) the Business Day preceding the applicable Interest Payment Date, Redemption Date, Repayment Date or Stated Maturity, as the case may be.

**DETERMINATION OF COMMERCIAL PAPER RATE.** The interest rate payable with respect to this Note shall be calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any, specified on the face hereof. "Commercial Paper Rate" means, with respect to each Commercial Paper Rate Interest Determination Date specified on the face hereof, the Money Market Yield (calculated as described below) of the rate on such date for commercial paper having the Index Maturity specified on the face hereof as published by Board of Governors of the Federal Reserve System in "Statistical Release H.15(519), Selected Interest Rates" or any successor publication of the Board of Governors of the Federal Reserve System ("H.15(519)") under the heading "Commercial Paper." In the event that such rate is not published prior to 3:00 P.M., New York City time, on the Interest Calculation Date pertaining to

such Commercial Paper Rate Interest Determination Date, then the Commercial Paper Rate shall be the Money

Market Yield of the rate on such Commercial Paper Rate Interest Determination Date for commercial paper having the Index Maturity specified on the face hereof as published by the Federal Reserve Bank of New York in its daily statistical release "Composite 3:30 P.M. Quotations for U.S. Government Securities" ("Composite Quotations") under the heading "Commercial Paper." If by 3:00 P.M., New York City time, on such Interest Calculation Date such rate is not yet published in either H. 15(519) or Composite Quotations, the rate for that Commercial Paper Rate Interest Determination Date shall be calculated by the Calculation Agent and shall be the Money Market Yield of the arithmetic mean (rounded to the next higher one hundred-thousandth of a percentage point) of the offered rates, as of 11:00 A.M., New York City time, on that Commercial Paper Rate Interest Determination Date, of three leading dealers of commercial paper (which may include one or more of the Agents) in The City of New York selected by the Calculation Agent (after consulting with the Company) for commercial paper of the Index Maturity specified on the face hereof placed for an industrial issuer whose bond rating is "AA," or the equivalent, from a nationally recognized rating agency; PROVIDED, HOWEVER, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Commercial Paper Rate will remain the Commercial Paper Rate in effect on such Commercial Paper Rate Interest Determination Date.

"Money Market Yield" means a yield (expressed as a percentage rounded to the next higher one hundred-thousandth of a percentage point) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the interest period for which interest is being calculated.

DETERMINATION OF PRIME RATE. The interest rate payable with respect to this Note shall be calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any, specified on the face hereof. "Prime Rate" means, with respect to each Prime Rate Interest Determination Date specified on the face hereof, the rate set forth on such date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 9:00 A.M., New York City time, on the Interest Calculation Date pertaining to such Prime Rate Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen NYMF Page (as defined below) as such bank's prime rate or base lending rate as in effect for that Prime Rate Interest Determination Date. If fewer than four such rates but more than one such rate appear on the Reuters Screen NYMF Page for the Prime Rate Interest Determination Date, the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by four major money center banks in the City of New York selected by the Calculation Agent (after consultation with the Company). If fewer than two such rates appear on the Reuters Screen NYMF Page, the Prime Rate will be determined by the Calculation Agent on the basis of the rates furnished in The City of New York by the appropriate number of substitute banks (which may include one or more of the Agents) or trust companies organized and doing business under the laws of the United States, or any State thereof, having total equity capital of at least U.S. \$500,000,000 and being subject to supervision or examination by Federal or State authority, selected by the Calculation Agent (after consultation with the Company) to provide such rate or rates; PROVIDED, HOWEVER, that if the banks selected as aforesaid are not quoting as mentioned in this sentence, the Prime Rate will remain the Prime Rate in effect on such Prime Rate Interest Determination Date. "Reuters Screen NYMF Page" means the display designated as page "NYMF" on the Reuters Monitor Money Rates Service (or such other page as may replace the NYMF page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

DETERMINATION OF LIBOR. The interest rate payable with respect to this Note shall be calculated with reference to LIBOR and the Spread or Spread Multiplier, if any, specified on the face hereof.

"LIBOR" will be determined with respect to each LIBOR Interest Determination Date specified on the face hereof by the Calculation Agent in accordance with the following provisions:

(i) With respect to each LIBOR Interest Determination Date specified on the face hereof, either, as specified on the face hereof: (a) the arithmetic mean of the offered rates for deposits in U.S. dollars for the period of the Index Maturity specified on the face hereof, commencing on the second London Business Day immediately following such LIBOR Interest Determination Date, which appear on the Reuters Screen LIBO Page as of 11:00 A.M., London time, on the LIBOR Interest Determination Date, if at least two such offered rates appear on the Reuters Screen LIBO Page ("LIBOR Reuters"), or (b) the rate for deposits in U.S. dollars having the Index Maturity specified on the face hereof, commencing on the second London Business Day immediately following that LIBOR Interest Determination Date, that appears on the Telerate Page 3750 as of 11:00 A.M., London time, on that LIBOR Interest Determination Date ("LIBOR Telerate"). Unless otherwise indicated on the face hereof, "Reuters Screen LIBO Page" means the display designated as Page "LIBO" on the Reuters Monitor Money Rate Service (or such other page as may replace the LIBO page on that service for the purpose of displaying London interbank offered rates of major banks). "Telerate Page 3750" means the display designated as page "3750" on the Telerate Service (or such other page as may replace the 3750 page on that service or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits). If neither LIBOR Reuters nor LIBOR Telerate is specified on the face hereof, LIBOR will be determined as if LIBOR Telerate had been specified. If fewer than two offered rates appear on the Reuters Screen LIBO Page, or if no rate appears on the Telerate Page 3750, as applicable, LIBOR in respect of that LIBOR Interest Determination Date will be determined as if the parties had specified the rate described in (ii) below.

(ii) With respect to a LIBOR Interest Determination Date on which fewer than two offered rates appear on the Reuters Screen LIBO Page, as described in (i)(a) above, or on which no rate appears on the Telerate Page 3750, as specified in (i)(b) above, as applicable, LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars having the Index Maturity specified on the face hereof are offered at approximately 11:00 A.M., London time, on such LIBOR Interest Determination Date by four major banks ("Reference Banks") in the London interbank market selected by the Calculation Agent (after consultation with the Company) to prime banks in the London interbank market commencing on the second London Business Day immediately following such LIBOR Interest Determination Date and in a principal amount of not less than U.S. \$1,000,000 that is representative for a single transaction in such market at such time. The Calculation Agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, LIBOR for such LIBOR Interest Determination Date will be the arithmetic mean (rounded to the nearest one hundred-thousandth of a percentage point) of such quotations. If fewer than two quotations are provided, LIBOR for such LIBOR Interest Determination Date will be the arithmetic mean (rounded to the nearest one hundred-thousandth of a percentage point) of the rates quoted at approximately 11:00 A.M., New York City time, on such LIBOR Interest Determination Date by three major banks (which may include one or more of the Agents) in The City of New York selected by the Calculation Agent (after consultation with the Company) for loans in U.S. dollars to leading European banks having the Index Maturity specified on the face hereof commencing on the second London Business Day immediately following such LIBOR Interest Determination Date and in a principal amount equal to an amount of not less than U.S. \$1,000,000 that is representative for a single transaction in such market at such time; PROVIDED, HOWEVER, that if the banks selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, LIBOR will remain LIBOR in effect on such LIBOR Interest Determination Date.

DETERMINATION OF TREASURY RATE. The interest rate payable with respect to this Note shall be calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any, specified on the face hereof. "Treasury Rate" means, with respect to each Treasury Rate Interest Determination Date specified on the face hereof, the rate for the most recent auction of direct obligations of the United States

("Treasury Bills") having the Index Maturity specified on the face hereof as published in H. 15(519) under the heading "U.S. Government Securities--Treasury Bills-Auction Average (Investment)" or, if not so published by 3:00 P.M., New York City time, on the Interest Calculation Date pertaining to such Treasury

Rate Interest Determination Date, the auction average rate, expressed as a Bond Equivalent Yield (calculated as described below), for such auction as otherwise announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Bills having the Index Maturity specified on the face hereof are not published or reported as provided above by 3:00 P.M., New York City time, on such Treasury Rate Interest Calculation Date, or if no such auction is held in a particular week, then the Treasury Rate shall be calculated by the Calculation Agent and shall be a yield to maturity, expressed as a Bond Equivalent Yield, of the arithmetic mean of the secondary market bid rates as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three leading primary United States government securities dealers (which may include one or more of the Agents) selected by the Calculation Agent (after consultation with the Company), for the issue of Treasury Bills with a remaining maturity closest to the specified Index Maturity; PROVIDED, HOWEVER, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate will remain the Treasury Rate in effect on such Treasury Rate Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage rounded to the next higher one-hundred thousandth of a percentage point) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills, quoted on a bank discount basis and expressed as a decimal; "N" refers to 365 or 366, as the case may be; and "M" refers to the actual number of days in the interest period for which interest is being calculated.

**DETERMINATION OF CERTIFICATE OF DEPOSIT RATE.** The interest rate payable with respect to this Note shall be calculated with reference to the CD Rate and the Spread and/or Spread Multiplier, if any, specified on the face hereof. "CD Rate" means, with respect to each CD Rate Interest Determination Date specified on the face hereof, the rate on such date for negotiable certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) under the heading "CDs (Secondary Market)." In the event that such rate is not so published by 3:00 P.M., New York City time, on the Interest Calculation Date pertaining to such CD Rate Interest Determination Date, as specified above, the CD Rate will be the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit having the Index Maturity specified on the face hereof as published in Composite Quotations under the heading "Certificates of Deposit." If such rate is neither published in H.15(519) nor in Composite Quotations by 3:00 P.M., New York City time, on such CD Rate Interest Calculation Date, the CD Rate for such CD Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers of negotiable U.S. dollar certificates of deposit (which may include one or more of the Agents) in The City of New York selected by the Calculation Agent (after consultation with the Company) for negotiable certificates of deposit of major United States money center banks (in the market for negotiable certificates of deposit) with a remaining maturity closest to the Index Maturity specified indicated hereon in a denomination of U.S. \$5,000,000; PROVIDED, HOWEVER, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the CD Rate will remain the CD Rate in effect on such CD Rate Interest Determination Date.

**DETERMINATION OF CMT RATE.** The interest rate payable with respect to this Note shall be calculated with reference to the CMT Rate and the Spread and/or Spread Multiplier, if any, specified on the face hereof. "CMT Rate" means, with respect to each CMT Rate Interest Determination Date specified on the face hereof, the rate displayed on the Designated CMT Telerate Page under the caption ". . . Treasury Constant Maturities . . . Federal Reserve Board Release H.15 . . . Mondays Approximately 3:45 P.M.," under the column for the Designated CMT Maturity Index for (i) if the Designated CMT Telerate Page is 7055, the rate on such

CMT Rate Interest Determination Date and (ii) if the Designated CMT Telerate Page is 7052, the rate for the week, or the month, as applicable, ended immediately preceding the week in which the related CMT Rate Interest Determination Date occurs. If such rate is no longer displayed on the relevant page, or if not displayed by 3:00 P.M., New York City time, on the related Interest Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index as published in the relevant H.15(519). If such

rate is no longer published, or if not published by 3:00 P.M., New York City time, on the related Interest Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Rate Interest Determination Date with respect to such Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate Page and published in the relevant H.15(519). If such information is not provided by 3:00 P.M., New York City time, on the related Interest Calculation Date, then the CMT Rate for the CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity, based on the arithmetic mean (rounded to the nearest one hundred-thousandth of a percentage point) of the secondary market closing offer side prices as of approximately 3:30 P.M., New York City time, on the CMT Rate Interest Determination Date reported, according to their written records, by three leading primary United States government securities dealers (which may include one or more of the Agents) (each, a "Reference Dealer") in The City of New York selected by the Calculation Agent (from five such Reference Dealers selected by the Calculation Agent (after consultation with the Company) and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for the most recently issued direct noncallable fixed rate obligations of the United States ("Treasury Note") with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent cannot obtain three such Treasury Note quotations, the CMT Rate for such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean (rounded to the nearest one hundred-thousandth of a percentage point) of the secondary market offer side prices as of approximately 3:30 P.M., New York City time, on the CMT Rate Interest Determination Date of three Reference Dealers in The City of New York (from five such Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in an amount of at least \$100,000,000. If three or four (and not five) of such Reference Dealers are quoting as described above, then the CMT Rate will be based on the arithmetic mean (rounded to the nearest one hundred - thousandth of a percentage point) of the offer prices obtained and neither the highest nor lowest of such quotes will be eliminated; PROVIDED, HOWEVER, that if fewer than three Reference Dealers selected by the Calculation Agent are quoting as described herein, the CMT Rate will remain the CMT Rate in effect on such CMT Rate Interest Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the CMT Rate Note with the shorter remaining term to maturity will be used.

"Designated CMT Telerate Page" means the display on the Dow Jones Telerate Service on the page specified on the face hereof (or any other page as may replace such page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519)), for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified on the face hereof, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified on the face hereof with respect to which the CMT Rate will be calculated. If no such maturity is specified on the face hereof, the Designated CMT Maturity Index shall be 2 years.

DETERMINATION OF FEDERAL FUNDS EFFECTIVE RATE. The interest rate payable with respect to this Note shall be calculated with reference to the Federal Funds Effective Rate and the Spread and/or Spread Multiplier, if any, specified on the face hereof. "Federal Funds Effective Rate" means, with respect to each Federal Funds Rate Interest Determination Date, the rate on that date for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)." In the event that such rate is not so published by 3:00 P.M., New York City time, on the Interest Calculation Date pertaining to such Federal Funds Rate Interest Determination Date, as specified above, the Federal Funds Effective Rate will be the rate on such Federal Funds Rate Interest Determination Date as published in Composite Quotations under the heading "Federal Funds/Effective Rate." If such rate is neither published in H.15(519) nor in Composite Quotations by 3:00 P.M., New York City time, on such Interest Calculation Date, the Federal Funds Effective Rate for such Federal

Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates as of 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date of the last transaction in overnight Federal Funds arranged by three leading brokers of Federal Funds transactions (which may include one or more of the Agents) in The City of New York selected by the Calculation Agent (after consultation with the Company); PROVIDED, HOWEVER, that if the brokers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Effective Rate will remain the Federal Funds Effective Rate in effect on such Federal Funds Rate Interest Determination Date.

Notwithstanding the foregoing, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, shown on the face hereof. The Calculation Agent shall calculate the interest rate on this Note in accordance with the foregoing on or before each Interest Calculation Date.

The Calculation Agent shall, upon the request of the Holder of this Note, provide to such Holder the interest rate hereon then in effect and, if different, the interest rate which shall become effective as of the next Interest Reset Date.

Interest payments for this Note shall include interest accrued to but excluding the Interest Payment Date; PROVIDED, HOWEVER, that if the Interest Reset Dates with respect to such Note are weekly, interest payable on any Interest Payment Date, other than interest payable on any date on which principal hereof is payable, shall include interest accrued to and including the immediately preceding Regular Record Date. Accrued interest hereon from the Original Issuance Date or from the last date to which interest hereon has been paid, as the case may be, shall be an amount calculated by multiplying the face amount hereof by an accrued interest factor. Such accrued interest factor shall be computed by adding the interest factor calculated for each day from the Original Issuance Date or from the last date to which interest shall have been paid, as the case may be, to the date for which accrued interest is being calculated. The interest factor (expressed as a decimal rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for each such day shall be computed by dividing the interest rate (expressed as a decimal, rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) applicable to such day by 360, in the case of Commercial Paper Rate Notes, Prime Rate Notes, LIBOR Notes, CD Rate Notes, CMT Rate Notes or Federal Funds Rate Notes, or by the actual number of days in the year in the case of the Treasury Rate Notes.

The interest rate on this Note will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general applicability. Under present New York law, the maximum rate of interest is 25% per annum on a simple interest basis. This limit may not apply if \$2,500,000 or more has been invested in this Note.

The Indenture contains provisions permitting the Company and the Guarantor to terminate each of their obligations with respect to certain provisions of the Indenture and as to the payment of the principal of (and premium, if any) and interest on Notes of this series if the Company or the Guarantor shall have deposited or caused to be deposited irrevocably with the Trustee as a trust fund specifically pledged as security for, and dedicated solely to, the benefit of the holders of the Notes of this series (i) money in an amount (in such currency, currencies or currency unit or units in which any such Notes are payable) or (ii) in the case of such

Notes, if any, denominated in U.S. Dollars, direct non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by, the United States of America for the payment of which guarantee or obligation the full faith and credit of the United States is pledged, or, in the case of such Notes, if any, denominated in a Foreign Currency, foreign government securities which are direct, non-callable and non-redeemable obligations of, or non-callable and non-redeemable obligations guaranteed by the government that issued the currency, for payment of which guarantee or obligation the full faith and credit of such government is pledged, which through the payment of interest and principal in respect thereof in accordance with their terms will provide, not later than the due date of any payment of principal (including any premium) and interest, if any, under such Notes, money in an amount or (iii) a combination of (i) and (ii) sufficient (in the opinion with respect to (ii) and (iii) of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee) to pay and discharge each installment of principal of (including any premium), and interest, if any, on, such Notes, on the dates such installments of interest or principal are due in the currency, currencies or currency unit or units, in which such Notes are payable; PROVIDED, HOWEVER, that for the purposes

of this paragraph, Notes shall include Notes of this series which may be issued upon exercise of warrants; PROVIDED FURTHER, HOWEVER, that the Company or the Guarantor shall not make or cause to be made the deposit provided by this paragraph unless the Company or the Guarantor shall have delivered to the Trustee an Opinion of Counsel to the effect that there will not occur any violation of the Investment Company Act of 1940, as amended, on the part of the Company or the Guarantor, the trust funds representing such deposit or the Trustee as a result of such deposit and the related exercise of the Company's or the Guarantor's option under the Indenture.

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions permitting the Company, the Guarantor and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes of all affected series at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Notes of such series; PROVIDED, HOWEVER, that no such supplemental indenture may without the consent of the Holder of each Note so affected thereby (a) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Notes of such series, (b) reduce the principal amount thereof, (c) reduce the rate of interest thereon, or premium payable upon redemption thereof, (d) reduce the principal amount of any Original Issue Discount Note payable upon acceleration of the Maturity thereof, (e) change the place of payment on or with respect to the Note or the currency or currency unit in which any Note or any premium or interest thereon is payable or the obligation to pay additional amounts, (f) impair the right to institute suit for the enforcement of any payment on or with respect to any Note on or after the Stated Maturity or Redemption Date thereof, (g) reduce the percentage in principal amount of Outstanding Notes of such series, the consent of which is required for any supplemental indenture or waiver (of compliance with certain Indenture provisions or certain defaults under the Indenture and their consequences), (h) change the obligation of the Company to maintain an office or agency in the places and for the purposes required by the Indenture, (i) make any change that would adversely affect the right to convert any convertible Notes. It is also provided in the Indenture that the Holders of a majority in aggregate principal amount of the Notes of such series at the time outstanding may on behalf of the Holders of all of the Notes of such series waive any past default under the Indenture and its consequences, except a default in the payment of the principal of (and premium, if any) or interest on any of the Notes of such series or in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of all affected Holders. Any such consent or waiver by the Holder of this Note (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued in exchange or substitution hereof and upon registration of transfer hereof, whether or not any notation of such consent or waiver is made upon this Note. Holders of Notes may not enforce their rights pursuant to the Indenture or the Notes except as provided in the Indenture.

13

Except for recourse against the Guarantor pursuant to the Guarantee, no recourse shall be had for the payment of the principal of (and premium, if any) or the interest on this Note, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer, director or employee, as such, past, present or future, of the Company or the Guarantor, or of any respective successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issuance hereof, expressly waived and released.

The transfer of this Note is registrable by the registered owner hereof in person or by his attorney duly authorized in writing at the office of the Security Registrar or at the office of any transfer agent designated by the Company for such purpose. Subject to the terms of the Indenture upon payment of a service charge for registration of transfer and payment of a sum sufficient to reimburse the Company for any tax or other governmental charge incident to transfer (except the Company will pay for such service charges if the Notes are listed on a stock exchange that requires the Company to pay such charges as a condition to listing), and upon surrender and of this Note upon any such registration of transfer, a new Note or Notes of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange hereof.

Prior to due presentation of this Note for registration of transfer, the Company, the Guarantor, the Trustee, the Authenticating Agent, if any, and any agent of the Company, the Guarantor or the Trustee may treat the Person in whose name this Note is registered upon the Security Register as the absolute owner of this Note (whether or not this Note shall be overdue and notwithstanding any notation of ownership or other writing hereon) for the purpose of receiving payment of or on account of the principal hereof (and premium, if any) and, subject to the provisions on the face hereof, interest due hereon and for all other purposes, and neither the Company, the Guarantor, the Trustee, the Authenticating Agent, if any, nor any agent of the Company, the Guarantor or the Trustee shall be affected by any notice or knowledge to the contrary.

As set forth in, and subject to, the provisions of the Indenture, no Holder of any Note of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in aggregate principal amount of the Outstanding Notes of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Notes of this series a direction inconsistent with such request and the Trustee shall have failed to institute such proceeding within 60 days; PROVIDED, HOWEVER, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of (premium, if any) or interest on this Note on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or provide for the payment of the principal of (and premium, if any) and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed.

This Note and the Guarantee hereof will rank on a parity with all other unsecured and unsubordinated indebtedness of the Company and the Guarantor, respectively.

The Indenture, the Guarantee and the Notes shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

14

[FORM OF GUARANTEE]

FOR VALUE RECEIVED, UNOCAL CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor," which term includes any successor corporation under the Indenture (hereinafter called the "Indenture") referred to in the Note upon which this Guarantee is endorsed), hereby unconditionally guarantees to the Holders from time to time of the Notes (a) the full and prompt payment of the principal of and any premium on any Note when and as the same shall become due and payable, whether at the Stated Maturity thereof, by acceleration, redemption or otherwise and (b) the full and prompt payment of any interest on any Note when and as the same shall become due, according to the terms of such Note and the Indenture. In addition, the Guarantor hereby unconditionally agrees that upon default by the Company in the payment when due of the principal of (and premium, if any) and interest on the Notes (whether at Stated Maturity thereof, acceleration, redemption or otherwise) the Guarantor will forthwith pay the same, without further notice or demand.

The obligations of the Guarantor hereunder shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest and any premium on the Notes shall have been paid or provided for in accordance with the provisions of the Indenture, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantor:

(a) the waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Company under the Indenture or the Notes unless the waiver, surrender, compromise, settlement, release or termination is made specifically applicable to the Guarantor;

(b) the failure to give notice to the Guarantor of the occurrence of an Event of Default;

(c) the waiver, compromise or release of the payment, performance or observance by the Company of any or all of its obligations, covenants or agreements contained in the Indenture, unless such waiver, compromise or release is made specifically applicable to the Guarantor;

(d) the extension of the time for payment of any principal of or interest or any premium on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture;

(e) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Notes;

(f) the taking or the omission of any of the actions referred to in the Indenture and any of the actions under the Notes;

(g) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other act or acts on the part of the Trustee or any of the Holders from time to time of the Notes;

(h) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantor, or the Company or any of the assets of any of them, or any allegation or contest of the validity of the Guarantee in any such proceeding;

(i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture, unless the Guarantor is also so released or discharged by operation of law;

15

(j) the default or failure of the Guarantor or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; or

(k) the invalidity of the Indenture or the Notes or any part of any thereof.

No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may have against the Trustee shall be available hereunder to the Guarantor against the Trustee to reduce the payments of the Guarantor under this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication on the Note to which this Guarantee is endorsed has been executed by or on behalf of the Trustee, by the manual signature of one of its, or its Authenticating Agent's, authorized signatories, this Guarantee shall not be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated:

UNOCAL CORPORATION

By \_\_\_\_\_  
Title:

[CORPORATE SEAL]

Attest:

\_\_\_\_\_  
[Assistant] Secretary

OPTION TO ELECT REPAYMENT

The undersigned hereby requests and irrevocably instructs the Company to repay the within Note on the first Repayment Date set forth on the face hereof occurring not less than 30 nor more than 60 days after the date of receipt of the within Note by the Company at an office or agency of the Company maintained for the payment of principal and interest, transfer and exchange in The City of New York, State of New York (or at such other addresses of which the Company shall notify the registered holders of the Notes of this series).

( ) In whole

( ) In part equal to \$\_\_\_\_\_ (must be a whole multiple of \$1,000; remaining principal amount must be at least \$1,000)

at a price equal to the Repayment Price set forth on the face hereof, or if no Repayment Price is so set forth, at 100% of the principal amount, in each case, together with interest accrued to the date of repayment.

Signature

Please print or type name and address:

NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of the within instrument in every particular without alteration or enlargement or any change whatever.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

Please insert Social Security or other identifying number of assignee:

\_\_\_\_\_

(Name and Address of Assignee, including Zip Code, must be printed or typewritten)

the within Note, and all rights thereunder, hereby irrevocably constituting and appointing \_\_\_\_\_ Attorney to transfer said Note on the Security Register of the Company, with full power of substitution in the premises.

Dated:

\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

UNOCAL CORPORATION  
1201 West 5th Street, P.O. Box 7600  
Los Angeles, California 90051  
Telephone (213) 977-6124

[UNOCAL LOGO]

EXHIBIT 5

DENNIS P. R. CODON  
Vice President, General Counsel  
and Corporate Secretary

July 29, 1994

Union Oil Company of California  
Unocal Corporation  
1201 West 5th Street  
Los Angeles, California 90017

RE: REGISTRATION STATEMENT ON FORM S-3

Ladies and Gentlemen:

As Vice President and General Counsel of Union Oil Company of California, a California corporation (the "Company"), and Unocal Corporation, a Delaware corporation ("Unocal"), I have examined, or caused to be examined by attorneys working under my direction, the Registration Statement on Form S-3 (the "Registration Statement"), including the exhibits thereto, which the Company and Unocal propose to file with the Securities and Exchange Commission (the "Commission"). The Registration Statement relates to the registration under the Securities Act of 1933, as amended (the "Securities Act"), for offering and sale from time to time on a continuous or delayed basis pursuant to Rule 415 under the Securities Act, of up to \$1,000,000,000 aggregate public offering price, without allocation as to class of securities, of (i) debt securities of the Company, consisting of unsecured notes, debentures or other evidences of indebtedness, which may be either senior (the "Senior Debt Securities") or subordinated (the "Subordinated Debt Securities") and issuable in one or more series, together with guarantees as to the payment of principal, interest and premium, if any, thereof (the "Guarantees") of Unocal (the Senior Debt Securities and Subordinated Debt Securities, in each case together with the related Guarantees, being hereinafter collectively referred to as the "Debt Securities"); (ii) warrants of the Company and Unocal to purchase Debt Securities (the "Debt Warrants"), which may be issued independently or together with any series of Debt Securities; (iii) shares of Preferred Stock, par value \$0.10 per share, of Unocal (the "Unocal Preferred Stock"), issuable in one or more series; (iv) shares of Common Stock, par value \$1.00 per share, of Unocal

(the "Unocal Common Stock"), together with associated Preferred Stock Purchase Rights of Unocal (the "Rights"); and (v) warrants of Unocal to purchase Unocal Preferred Stock and Unocal Common Stock (the "Equity Warrants"), which may be issued independently or together with shares of Unocal Preferred Stock or Unocal Common Stock. The shares of Unocal Preferred Stock and Unocal Common Stock may be issued either directly, upon

Union Oil Company of California  
Unocal Corporation  
July 29, 1994  
Page 2

the conversion or exchange of Debt Securities, upon the exercise of Equity Warrants or, in the case of shares of Unocal Common Stock, upon the conversion of shares of Unocal Preferred Stock. The Rights will be issued only with, and initially represented by the certificates for and transferrable only with, shares of Unocal Common Stock. All of the foregoing securities are hereinafter referred to collectively as the "Securities".

The Securities will be offered and sold in the manner described in the Registration Statement, the prospectus contained therein (the "Prospectus") and applicable supplements to the Prospectus describing in detail the particular issue or series of Securities subject thereto (each a "Prospectus Supplement"). The Senior Debt Securities and related Guarantees will be issued under an indenture (the "Senior Indenture") to be entered into among the Company, Unocal and Chemical Trust Company of California, as Trustee, and the Subordinated Debt Securities and related Guarantees will be issued under an indenture (the "Subordinated Indenture" and, together with the Senior Indenture, the "Indentures") to be entered into among the Company, Unocal and a Trustee to be determined in the future. The Indentures will incorporate by reference the Standard Multiple-Series Indenture Provisions, January 1991, of the Company and Unocal, dated as of January 2, 1991 (the "Standard Indenture Provisions"). The Debt Warrants and Equity Warrants will be issued pursuant to warrant agreements (each a "Warrant Agreement") to be entered into among the Company and/or Unocal and one or more Warrant Agents to be determined in the future. The Rights will be issued pursuant to the Rights Agreement dated as of January 29, 1990 (the "Rights Agreement"), between Unocal and Chemical Trust Company of California, as Rights Agent. Forms of the Indentures, the Standard Indenture Provisions, the Debt Securities and the Warrant Agreements (including annexed forms of warrant certificates) and the Rights Agreement are included as exhibits to the Registration Statement.

This opinion is rendered in accordance with the requirements of Item 601(b)(5)(i) of Regulation S-K of the Commission.

I am familiar with the actions heretofore taken by the Boards of Directors and officers of the Company and Unocal in connection with the preparation and filing of the Registration Statement, the authorization of the Indentures and

certain related matters. I have examined, or caused to be examined by such attorneys working under my direction, and have considered such questions of law and fact and such instruments, documents and records as I or they have deemed relevant and necessary for the basis of the opinions expressed below.

I am licensed to practice law in the State of California and, although I am not licensed to practice law in the State of Delaware, I am generally familiar with the Delaware General Corporation Law. Therefore, the opinions expressed below are limited to the laws of the State

Union Oil Company of California

Unocal Corporation

July 29, 1994

Page 3

of California, the Delaware General Corporation Law and the Federal laws of the United States, all as currently in effect, to the exclusion of all other jurisdictions.

The opinions expressed below are subject to the conditions that the Registration Statement shall have become effective under the Securities Act, that the applicable Indenture shall have been qualified under the Trust Indenture Act of 1939, as amended, and that all applicable provisions of the "Blue Sky" and securities laws of the various states and other jurisdictions in which the Securities may be offered and sold shall have been complied with.

The opinions expressed in Paragraphs 1, 2, 3 and 6 below, relating to whether the Securities described therein will be validly issued and binding obligations of the Company and/or Unocal, are subject to the exception that enforcement thereof may be limited by (i) bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, (ii) general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law, and, in the case of the Debt Securities, (iii) requirements that a claim with respect to any Debt Securities denominated other than in United States dollars (or a judgment denominated other than in United States dollars in respect of such a claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law, and (iv) governmental authority to limit, delay or prohibit the making of payments outside the United States or in a foreign currency, composite currency or currency unit. In addition, I express no opinion with respect to the validity and binding nature of the obligations of the Company and Unocal with respect to any Debt Securities that may be indexed or linked to any foreign currency, composite currency, currency unit, commodity price, financial or non-financial index or other factors.

Based upon and subject to the foregoing, I am of the opinion that:

1. When the applicable Indenture under which any Debt Securities of

any series are to be issued has been duly executed and delivered by the parties thereto, all requisite corporate action has been taken by the Company and Unocal to establish the terms of and to authorize the issuance of such Debt Securities under the applicable Indenture and the consideration to be received therefor, and such Debt Securities have been duly completed and duly executed, authenticated, issued and delivered, against payment therefor of the consideration specified by such corporate action, in accordance with the applicable Indenture and in the manner described in such corporate action and in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, such Debt Securities will be validly issued and binding obligations of the Company and Unocal.

Union Oil Company of California  
Unocal Corporation  
July 29, 1994  
Page 4

2. When all requisite corporate action has been taken by the Company and Unocal to establish the terms of and to authorize the issuance of any series of Debt Warrants and to authorize a Warrant Agreement relating thereto, the applicable Indenture under which Debt Securities of any series are to be issued upon the exercise of such Debt Warrants has been duly executed and delivered by the parties thereto, all requisite corporate action has been taken to establish the terms of and to authorize the issuance of such Debt Securities under the applicable Indenture upon the exercise of such Debt Warrants and the consideration to be received therefor upon such exercise, the applicable Warrant Agreement has been duly executed and delivered by the parties thereto and certificates evidencing such Debt Warrants have been duly completed and duly executed, countersigned, issued and delivered, against payment therefor of the consideration specified by such corporate action, in accordance with the applicable Warrant Agreement and in the manner described in such corporate action and in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, such Debt Warrants will be validly issued and binding obligations of the Company and Unocal.

3. When the applicable Indenture under which Debt Securities of any series are to be issued upon the exercise of any series of Debt Warrants has been duly executed and delivered by the parties thereto, all requisite corporate action has been taken by the Company and Unocal to establish the terms of and to authorize the issuance of such Debt Securities under the applicable Indenture upon the exercise of such Debt Warrants and the consideration to be received therefor upon such exercise, such Debt Warrants have been duly and validly issued in the manner contemplated by Paragraph 2 above and exercised in accordance with their terms and the terms of the applicable Warrant Agreement and in the manner described in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, and such Debt Securities have been duly completed and duly

executed, authenticated, issued and delivered, against payment therefor of the consideration specified by such corporate action, upon such exercise in accordance with the applicable Indenture and the applicable Warrant Agreement and in the manner described in such corporate action and in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, such Debt Securities will be validly issued and binding obligations of the Company and Unocal.

4. When all requisite corporate action, including the adoption of appropriate resolutions by the Board of Directors and/or a duly authorized committee thereof (the "Board Resolutions"), has been taken by Unocal to establish the terms of and to authorize the issuance of any shares of any series of Unocal Preferred Stock, the consideration to be received therefor and a form of certificate evidencing such shares of such series, a

Union Oil Company of California  
Unocal Corporation  
July 29, 1994  
Page 5

certificate setting forth the voting powers, designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions (the "Certificate of Designations") of such series has been duly executed and filed with the Secretary of State of the State of Delaware, and certificates evidencing such shares have been duly executed, countersigned, issued and delivered, against payment therefor of the consideration specified in such Board Resolutions, in the manner described in such Board Resolutions and in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, such shares of such series of Unocal Preferred Stock will be validly issued, fully paid and nonassessable.

5. When all requisite corporate action, including the adoption of appropriate Board Resolutions, has been taken by Unocal to authorize the issuance of any shares of Unocal Common Stock and the consideration to be received therefor, and certificates evidencing such shares have been duly executed, countersigned, issued and delivered, against payment therefor of the consideration specified in such Board Resolutions, in the manner described in such Board Resolutions and in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, such shares of Unocal Common Stock will be validly issued, fully paid and nonassessable.

6. When all requisite corporate action, including the adoption of appropriate Board Resolutions, has been taken by Unocal to establish the terms of and to authorize the issuance of any series of Equity Warrants and to authorize a Warrant Agreement relating thereto, to establish the terms of and to authorize the issuance of shares of any series of Unocal Preferred Stock or to authorize the issuance of any shares of Unocal Common

Stock, as the case may be, upon the exercise of such Equity Warrants and the consideration to be received therefor upon such exercise, and to authorize a form of certificate evidencing such shares of any such series of Unocal Preferred Stock, the Certificate of Designations of any such series of Unocal Preferred Stock has been duly executed and filed with the Secretary of State of the State of Delaware, the applicable Warrant Agreement has been duly executed and delivered by the parties thereto and certificates evidencing such Equity Warrants have been duly completed and duly executed, countersigned, issued and delivered, against payment therefor of the consideration specified in such Board Resolutions, in accordance with the applicable Warrant Agreement and in the manner described in such Board Resolutions and in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, such Equity Warrants will be validly issued and binding obligations of Unocal.

Union Oil Company of California  
Unocal Corporation  
July 29, 1994  
Page 6

7. When all requisite corporate action, including the adoption of appropriate Board Resolutions, has been taken by Unocal to establish the terms of and to authorize the issuance of any shares of any series of Unocal Preferred Stock or to authorize the issuance of any shares of Unocal Common Stock, as the case may be, upon the conversion or exchange of Debt Securities of any series providing for such conversion or exchange and the consideration to be received therefor upon such conversion or exchange, and to authorize a form of certificate evidencing any such shares of any such series of Unocal Preferred Stock, the Certificate of Designations of any such series of Unocal Preferred Stock has been duly executed and filed with the Secretary of State of the State of Delaware, such Debt Securities have been duly and validly issued in the manner contemplated by Paragraph 1 or 3 above and surrendered to Unocal or its duly authorized agent for conversion or exchange, as the case may be, in accordance with their terms and the terms of the applicable Indenture, and certificates evidencing such shares of such series of Unocal Preferred Stock or such shares of Unocal Common Stock, as the case may be, have been duly executed, countersigned, issued and delivered, against receipt by Unocal of the consideration specified in such Board Resolutions, upon such conversion or exchange in accordance with the terms of such Debt Securities and the terms of the applicable Indenture, such shares of such series of Unocal Preferred Stock or such shares of Unocal Common Stock, as the case may be, will be validly issued, fully paid and nonassessable.

8. When all requisite corporate action, including the adoption of appropriate Board Resolutions, has been taken by Unocal to establish the terms of and to authorize the issuance of any shares of any series of

Unocal Preferred Stock or to authorize the issuance of any shares of Unocal Common Stock, as the case may be, upon the exercise of any series of Equity Warrants and the consideration to be received therefor upon such exercise, and to authorize a form of certificate evidencing any such shares of any such series of Unocal Preferred Stock, the Certificate of Designations of any such series of Unocal Preferred Stock has been duly executed and filed with the Secretary of State of the State of Delaware, such Equity Warrants have been duly and validly issued in the manner contemplated by Paragraph 6 above and exercised in accordance with their terms and the terms of the applicable Warrant Agreement and in the manner described in the Registration Statement, the Prospectus and the applicable Prospectus Supplement, and certificates evidencing such shares of such series of Unocal Preferred Stock or such shares of Unocal Common Stock, as the case may be, have been duly executed, countersigned, issued and delivered, against payment therefor of the consideration specified in such Board Resolutions, upon such exercise in accordance with the applicable Warrant Agreement and in the manner described in such Board Resolutions and in the Registration Statement, the

Union Oil Company of California  
Unocal Corporation  
July 29, 1994  
Page 7

Prospectus and the applicable Prospectus Supplement, such shares of such series of Unocal Preferred Stock or such shares of Unocal Common Stock, as the case may be, will be validly issued, fully paid and nonassessable.

9. When all requisite corporate action, including the adoption of appropriate Board Resolutions, has been taken by Unocal to authorize the issuance of any shares of Unocal Common Stock upon the conversion of any shares of any series of Unocal Preferred Stock providing for such conversion and the consideration to be received therefor upon such conversion, such shares of such series of Unocal Preferred Stock have been duly and validly issued in the manner contemplated by Paragraph 4, 7 or 8 above and surrendered to Unocal or its duly authorized agent for conversion in accordance with their terms and the terms of the Certificate of Designations of such series, and certificates evidencing such shares of Unocal Common Stock have been duly executed, countersigned, issued and delivered, against receipt by Unocal of the consideration specified in such Board Resolutions, upon such conversion in accordance with the Certificate of Designations of such series of Unocal Preferred Stock, such shares of Unocal Common Stock will be validly issued, fully paid and nonassessable.

10. The Rights have been duly authorized and, when such Rights are issued in accordance with the Rights Agreement, together with shares of Unocal Common Stock duly and validly issued in the manner contemplated by Paragraph 5, 7, 8 or 9 above, such Rights will be validly issued.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to me under the caption "Legal Matters" therein. In giving this consent, I do not thereby admit that I am included in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Dennis P. R. Codon

## EXHIBIT 12.1

## UNION OIL COMPANY OF CALIFORNIA AND CONSOLIDATED SUBSIDIARIES

## COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(Dollars in Millions)

	Six Months Ended June 30,		Year Ended December 31,					
	1994	1993	1993	1992	1991	1990	1989	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
Earnings from continuing operations . . . . .	\$ 104	\$ 229	\$ 344	\$ 197	\$ 75	\$ 491	\$ 329	
Provision for income taxes . . . . .	97	181	268	153	139	84	218	
Minority interest . . . . .	--	--	--	5	6	26	36	
Earnings subtotal (a) . . . . .	201	410	612	355	220	601	583	
Fixed charges included in earnings:								
Interest expense . . . . .	141	157	304	379	395	419	421	
Interest portion of rentals (b) . . . . .	28	31	55	61	67	60	55	
Subtotal . . . . .	169	188	359	440	462	479	476	
Earnings available before fixed charges	\$ 370	\$ 598	\$ 971	\$ 795	\$ 682	\$1,080	\$1,059	
Fixed charges:								
Fixed charges included in earnings . . . . .	\$ 169	\$ 188	\$ 359	\$ 440	\$ 462	\$ 479	\$ 476	
Capitalized interest . . . . .	18	17	30	34	40	10	23	
Total fixed charges . . . . .	\$ 187	\$ 205	\$ 389	\$ 474	\$ 502	\$ 489	\$ 499	
Ratio of earnings to fixed charges (a) . . . . .	2.0	2.9	2.5	1.7	1.4	2.2	2.1	
<FN>								
(a)	Includes pretax asset write-downs of: The ratio of earnings, excluding asset write-downs, to fixed charges would be:	\$ 30 2.1	\$-- 2.9	\$ 19 2.5	\$ 50 1.8	\$106 1.6	\$127 2.5	\$ 62 2.3
(b)	Calculated as one-third of operating rental expense.							

&lt;/TABLE&gt;

## EXHIBIT 12.2

## UNOCAL CORPORATION AND CONSOLIDATED SUBSIDIARIES

## COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(Dollars in Millions)

	Six Months Ended June 30,		Year Ended December 31,				
	1994	1993	1993	1992	1991	1990	1989
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Earnings from continuing operations . . . . .	\$ 104	\$ 229	\$ 343	\$ 196	\$ 73	\$ 401	\$ 358
Provision for income taxes . . . . .	97	181	268	153	139	84	218
Minority interest . . . . .	--	--	--	5	6	21	13
Earnings subtotal (a) . . . . .	201	410	611	354	218	506	589
Fixed charges included in earnings:							
Interest expense . . . . .	141	157	304	379	395	419	421
Interest portion of rentals (b) . . . . .	28	31	55	61	67	60	55
Subtotal . . . . .	169	188	359	440	462	479	476
Earnings available before fixed charges	\$ 370	\$ 598	\$ 970	\$ 794	\$ 680	\$ 985	\$1,065
Fixed charges:							
Fixed charges included in earnings . . . . .	\$ 169	\$ 188	\$ 359	\$ 440	\$ 462	\$ 479	\$ 476
Capitalized interest . . . . .	18	17	30	34	40	10	23
Total fixed charges . . . . .	\$ 187	\$ 205	\$ 389	\$ 474	\$ 502	\$ 489	\$ 499
Ratio of earnings to fixed charges (a) . . . . .	2.0	2.9	2.5	1.7	1.4	2.0	2.1
<FN>							
(a) Includes pretax asset write-downs of:	\$ 30	\$ --	\$ 19	\$ 50	\$106	\$127	\$ 62
The ratio of earnings, excluding asset write-downs, to fixed charges would be:	2.1	2.9	2.5	1.8	1.6	2.3	2.3
(b) Calculated as one-third of operating rental expense.							
</TABLE>							

## EXHIBIT 12.3

## UNOCAL CORPORATION AND CONSOLIDATED SUBSIDIARIES

## COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND

## PREFERRED STOCK DIVIDENDS

(Dollars in Millions)

&lt;TABLE&gt;

&lt;CAPTION&gt;

	Six Months Ended June 30,		Year Ended December 31,				
	1994	1993	1993	1992	1991	1990	1989
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Earnings from continuing operations . . . . .	\$ 104	\$ 229	\$ 343	\$ 196	\$ 73	\$ 401	\$ 358
Provision for income taxes . . . . .	97	181	268	153	139	84	218
Minority interest . . . . .	--	--	--	5	6	21	13
Earnings subtotal (a) . . . . .	201	410	611	354	218	506	589
Fixed charges included in earnings:							
Interest expense . . . . .	141	157	304	379	395	419	421
Interest portion of rentals (b) . . . . .	28	31	55	61	67	60	55
Subtotal . . . . .	169	188	359	440	462	479	476
Earnings available before fixed charges	\$ 370	\$ 598	\$ 970	\$ 794	\$ 680	\$ 985	\$1,065
Fixed charges and preferred stock dividends:							
Fixed charges included in earnings . . . . .	\$ 169	\$ 188	\$ 359	\$ 440	\$ 462	\$ 479	\$ 476
Capitalized interest . . . . .	18	17	30	34	40	10	23
Preferred stock dividends, pre-tax basis . . . . .	29	29	58	26	--	--	--
Total fixed charges and preferred stock dividends . . . . .	\$ 216	\$ 234	\$ 447	\$ 500	\$ 502	\$ 489	\$ 499
Ratio of earnings to fixed charges and preferred stock dividends (a) . . . . .	1.7	2.6	2.2	1.6	1.4	2.0	2.1

&lt;FN&gt;

(a) Includes pretax asset write-downs of: The ratio of earnings, excluding asset write-downs, to fixed charges and preferred stock dividends would be:	\$ 30	\$--	\$ 19	\$ 50	\$106	\$127	\$ 62
	1.9	2.6	2.2	1.7	1.6	2.3	2.3
(b) Calculated as one-third of operating rental expense.							

&lt;/TABLE&gt;

## CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in (i) this Registration Statement on Form S-3 of Union Oil Company of California and Unocal Corporation and (ii) Post-Effective Amendment No. 1 to the Registration Statement on Form S-3 of Union Oil Company of California and Unocal Corporation (File Nos. 33-38505 and 33-38505-01, respectively) of (a) our report dated February 14, 1994, on our audits of the consolidated financial statements and financial statement schedules of Union Oil Company of California and its subsidiaries as of December 31, 1993 and 1992 and for each of the three years in the period ended December 31, 1993, which report is included in Union Oil Company of California's Annual Report on Form 10-K for the year ended December 31, 1993; and (b) our report dated February 14, 1994, on our audits of the consolidated financial statements and financial statement schedules of Unocal Corporation and its subsidiaries as of December 31, 1993 and 1992 and for each of the three years in the period ended December 31, 1993, which report is included in Unocal Corporation's Annual Report on Form 10-K for the year ended December 31, 1993. Each of our reports for Union Oil Company of California and Unocal Corporation includes an explanatory paragraph with respect to the changes in methods of accounting for income taxes in 1992 and for postretirement benefits other than pensions and for postemployment benefits in 1993. We also consent to the reference to our firm under the caption "Experts."

/s/ COOPERS & LYBRAND

Los Angeles, California  
July 29, 1994

## CONSENT OF ENGINEER

I hereby consent to the reference to me in this Registration Statement on Form S-3 of Union Oil Company of California and Unocal Corporation as having certified the estimates of proved of oil and gas and geothermal reserves attributable to Union Oil Company of California and Unocal Corporation, all as prepared by Union Oil Company of California's petroleum engineering staff, which estimates are included in the 1993 Annual Reports on Form 10-K of Union Oil Company of California and Unocal Corporation incorporated by reference in this Registration Statement.

/s/ John F. Imle, Jr.  
John F. Imle, Jr.  
President,  
Unocal Corporation  
Union Oil Company of California

Los Angeles, California  
July 29, 1994

---

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

---

FORM T-1

STATEMENT OF ELIGIBILITY  
UNDER THE TRUST INDENTURE ACT OF 1939 OF  
A CORPORATION DESIGNATED TO ACT AS TRUSTEE

---

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF  
A TRUSTEE PURSUANT TO SECTION 305(B) (2)

---

CHEMICAL TRUST COMPANY OF CALIFORNIA  
(formerly Manufacturers Hanover Trust Company of California)  
(Exact name of trustee as specified in its charter)

CALIFORNIA  
(State of incorporation  
if not a national bank)

94-2926573  
(I.R.S. employer  
identification No.)

50 California Street  
San Francisco, California  
(Address of principal executive offices)

94111  
(Zip Code)

---

UNION OIL COMPANY OF CALIFORNIA  
(Exact name of obligor as specified in its charter)

CALIFORNIA  
(State or other jurisdiction of  
incorporation or organization)

95-1315450  
(I.R.S. employer  
identification No.)

1201 West Fifth Street  
Los Angeles, California  
(Address of principal executive offices)

90017  
(Zip Code)

---

Senior Debt Securities  
(Title of the indenture securities)

---

GENERAL

ITEM 1. GENERAL INFORMATION.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Superintendent of Banks of the State of California,  
235 Montgomery Street, San Francisco, California 94104-2980.  
Board of Governors of the Federal Reserve System,  
Washington, D.C. 20551

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

ITEM 16. LIST OF EXHIBITS

List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the Articles of Incorporation of the Trustee as now in effect, including the Restated Articles of Incorporation dated December 23, 1986 and the Certificate of Amendment dated March 26, 1992 (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 33-55136, which is incorporated by reference).

2. A copy of the Certificate of Authority of the Trustee to Commence Business (See Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 33-55136, which is incorporated by reference).

3. Authorization to exercise corporate trust powers (Contained in Exhibit 2).

4. A copy of the existing By-Laws of the Trustee (see Exhibit 4 to Form T-1 filed in connection with Registration Statement No. 33-55136, which is incorporated by reference).

5. Not applicable.

6. The consent of the Trustee required by Section 21(b) of the Act (See

7. A copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority.

8. Not applicable.

9. Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, Chemical Trust Company of California, a corporation organized and existing under the laws of the State of California, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Los Angeles and State of California, on the 29th day of July, 1994.

CHEMICAL TRUST COMPANY OF CALIFORNIA

By /s/ Paula Oswald  
-----  
PAULA OSWALD  
Assistant Vice President

EXHIBIT 7. REPORT OF CONDITION OF THE TRUSTEE.

TRUST COMPANY

CONSOLIDATED REPORT OF CONDITION OF Chemical Trust Company of California

-----  
(Legal Title)

LOCATED AT San Francisco San Francisco CA 94111

-----  
(City) (County) (State) (Zip)

AS OF CLOSE OF BUSINESS ON March 31, 1994 BANK NO. 1476  
-----

<TABLE>  
<CAPTION>

-----  
-----  
-----  
-----  
ASSETS DOLLAR AMOUNT IN THOUSANDS  
<S> <C>

1. Cash and due from banks	2,097
2. U.S. Treasury securities	7,943
3. Obligations of other U.S. Government agencies and corporations	
4. Obligations of States and political subdivisions	
5. Other securities (including \$ _____ corporate stock	
(a) Loans	
(b) Less: Reserve for possible loan losses	
(c) Loans (Net)	
7. Bank Premises, furniture and fixtures and other assets representing bank premises (including \$ -0- capital leases)	256
8. Real estate owned other than bank premises	
9. Investments in subsidiaries not consolidated	
10. Other assets (complete schedule on reverse) (including \$ 2,611 intangibles)	7,638
-----	
11. TOTAL ASSETS	17,934
	-----
	-----

LIABILITIES

12. Liabilities For borrowed money	
13. Mortgage indebtedness (including \$ _____ capital leases)	
14. Other liabilities (complete on schedule on reverse)	2,971
15. TOTAL LIABILITIES	2,971
	-----
	-----

16. Capital notes and debentures

SHAREHOLDERS EQUITY

17. Preferred stock--  
(Number shares outstanding \_\_\_\_\_) Amount \$

18. Common stock--		
(Number shares authorized	100	) Amount \$
	-----	
(Number shares outstanding	100	) Amount \$ 10
	-----	
19. Surplus	Amount \$	9,990
20. TOTAL CONTRIBUTED CAPITAL		10,000
21. Retained earnings and other capital reserves		4,963
22. TOTAL SHAREHOLDERS EQUITY		14,963
23. TOTAL LIABILITIES AND CAPITAL ACCOUNTS		17,934
		-----
		-----

</TABLE>

MEMORANDA

- Assets deposited with State Treasurer to qualify for exercise of fiduciary powers (market value) 605

The undersigned,  
 Andrew Wilcox, Managing Director and Patrick D. Fleck, Vice President & CFO  
 -----  
 (Name and Title) (Name and Title)

of the above named trust company, each declares, for himself alone and not for the other: I have a personal knowledge of the matters contained in this report (including the reverse side hereof), and I believe that each statement in said report is true. Each of the undersigned, for himself alone and not for the other, certifies under penalty of perjury that the foregoing is true and correct.

Executed on 4/26/94, at San Francisco, California  
 -----  
 (Date) (City)

s/Andrew Wilcox s/Patrick D. Fleck  
 -----  
 (Signature) (Signature)

<TABLE>  
 <CAPTION>

SCHEDULE OF OTHER ASSETS

<S>

<C>

Cost of Business Acquisitions	2,611
Accounts Receivable	4,286
Accrued Interest	86
Deferred Taxes	318
Other	337
Total (same as Item 10)	7,638

</TABLE>

<TABLE>

<CAPTION>

SCHEDULE OF OTHER LIABILITIES

<S>	<C>
Accrued Income Taxes	1,144
Accrued Expenses & A/P	194
Accrued Inter company Exp/Pay	829
Accrued Pension & Benefits	784
Other	23
Total (same as Item 14)	2,971

</TABLE>