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OFFICE OF CHIEF COUNSEL
CORPORATION FINANCE

1251 AVENUE OF THE AMERICAS, NEW YORK, N.Y. 10020

December 3, 1987

United States
Securities and Exchange Commission
450 Fifth Street, N.W.
Judiciary Plaza
Washington, D.C. 20549

PUBLIC AVAILABILITY DATE: 12-16-87		
ACT	SECTION	RULE
1934	14(a)	14a- 8

Attention: Ms. Cecilia D. Blye
Special Counsel
Division of Corporation Finance

Dear Ms. Blye:

Re: Shareholder Proposal - George Gibson

Exxon Corporation has received from George Gibson a directors' compensation proposal and statement in support thereof for inclusion in the proxy material for its 1988 annual meeting of shareholders. As Exxon intends to omit the proposal and statement from such proxy material, this letter and its enclosures are being sent to the Commission for filing, pursuant to paragraph (d) of Rule 14a-8.

1. The Proposal

Enclosure 1 hereto is a copy of the 17 April 1987 proposal to which this letter is addressed.

2. Proponent's Statement in Support

Enclosure 1 hereto is also a copy of the 17 April 1987 statement in support of the proposal, as received from the proponent.

3. Statement of Reasons for Omission

Exxon believes that it may properly omit the proponent's proposal and statement from its 1988 proxy material pursuant to paragraphs (c)(1) and (c)(7) of Rule 14a-8, for the reasons set forth below:

Paragraph (c)(1) - Not a Proper Subject for Shareholder Action

Exxon is incorporated under the laws of the State of New Jersey. Those laws specifically state that:

> The board, by the affirmative vote of a majority of directors in office and irrespective of any personal interest of any of them, shall have authority to establish reasonable compensation of directors for services to the corporation as directors, officers, or otherwise; provided that the approval of the shareholders shall be required if the by-laws so provide. N.J.S. 14A:6-8(3)

Exxon's by-laws contain no provision requiring shareholder approval of compensation of directors. Consequently, the proposal to establish a restricted stock program for non-employee directors is not a proper subject for shareholder action and may be omitted pursuant to paragraph (c)(1) of Rule 14a-8.

Paragraph (c)(7) - Relates to Conduct of Ordinary Business Operations

The proponent's proposal and statement plainly reflect an intention annually to reward, i.e., compensate, non-employee directors. Executive compensation, including that of directors, has routinely been regarded by the Commission staff as relating to the conduct of the ordinary business operations of a registrant. See, e.g., American Telephone and Telegraph Co., January 28, 1983. In Exxon's view, therefore, the proponent's proposal is properly omitted pursuant to paragraph (c)(7) of Rule 14a-8.

* * * *

Pursuant to paragraph (d) of Rule 14a-8, enclosed are five additional copies of this letter and six copies of the above-mentioned enclosure, and a copy of this letter is being sent to the proponent. If you desire any further information with respect to this matter, please telephone me at 212-333-6398.

Very truly yours,

DEC:lb
Enclosure, as stated

c: Mr. George Gibson

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APR 20 1987

R. E. CHANDLER

Enclosure 1

[redacted]

000059 APR 20 1987

E. R. CATTARULLA

3:15 p.m.

GEORGE GIBSON
181 SUMMIT AVENUE
UPPER MONTCLAIR, N. J 07043
(201) 783-4192

17 April 1987

Mr Elliot R. Cattarulla, Vice President & Secretary,
EXXON Corporation,
1251 Avenue of the Americas,
New York, N.Y. 10020-1198.

Sabject: Proposal for Consideration at the 1988Annual Meeting.

Dear Mr Cattarulla,

The following Proposal is made for consideration at the 1988 Annual Meeting:

Resolved: That, inaddition to remuneration in cash, outside directors (Directors who are not employees of the company) be rewarded each year by a reasonable number of shares in the company(100-200 suggested), said sharesand the dividends paid on the shares to be held in trustby a bank or other financial institution until 10 years after the director ceases to serve as a director of EXXON or until the director reaches the age of 70 whichever date comes first. In the event of director's decease before either date has been reached shares shall accrue to director's heirs with the same time limitations.

Reasons:The function of a director is to represent the interests of the shareholders and of the company. Half of the outside directors, five out of ten, hold 500 or fewer shares in EXXON. Such directors should be given an incentive to consider not only the immediate performance of the company, which seems adequately protected by the employee directors, but also the long term performance and well being of the company.Shares giving a cash benefit only in the future would provide such an incentive.

Sincerely yours

George Gibson

George Gibson

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GEORGE GIBSON
181 SUMMIT AVENUE
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7 December 1987

United States Securities & Exchange Commission,
450 Fifth Street, N.W.
Judiciary Plaza,
Washington, D.C. 20549.
Attention: Ms Cecilia D. Blye, Special Counsel,
Division of Corporation Finance.

Dear Ms Blye,

Mr Bonald E. Claudy, Counsel for EXXON Corporation, has written to you on December 3d to state that EXXON intend to omit from consideration in their 1988 annual meeting a proposal which I made regarding the compensation of outside (non-employee) directors.

My proposal, in brief, was to award outside directors anannual bonus payable in EXXON comon shares, said shares to be held in trust for a period of years before reverting to the personal control of the director.

My purpose was to give the outside directors a personal interest in the long term welfare of the company. Many of these directors own only a few hundred shares and have little incentive beyond good will to consider the survival of the company beyond their own tenure as directors. Neglect of long term interests is not a hypothetical concern. Last year EXXON trimmed Capital and Exploration expenditures $3.6 Billion equal to 33% of the total. Most of this reduction was in Exploration. Do the directors sincerely believe that there is no more oil to be found or that there always will be an over abundance of foreign oil ? Understand that today's exploration is the oil supply, not tomorrow , but 20 years in the future.

Mr Claudy opposes my suggestion because:

I. Under New Jersey Law the remuneration of directors need not be submitted to shareholder vote unless so required by Company Bylaws. (The EXXON Bylaws do not so require.)

II. Compensation of executives, including directors, has routinely been regarded as an ordinary business operation and therefore, I deduce, not subject to review by shareholders.

I do not accept this reasining. The director is not an ordinary employee but is the direct representative and agent of the shareholders. I concede that as a practical matter the directors may fix their own compensation but only as shareholder's agents and subject to suggestions and even commands from the shareholders.

I respectfully request that the Securities and Exchange Commission require EXXON to include my proposal in their proxy statement.

Sincerely yours

George Gibson

George Gibson

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DEC 16 1987

RESPONSE OF THE OFFICE OF CHIEF COUNSEL
DIVISION OF CORPORATION FINANCE

Re: Exxon Corporation (the "Company")
Incoming letter dated December 3, 1987

The proposal relates to the Company awarding outside directors shares of Company stock, in addition to their cash remuneration.

There appears to be some basis for your view that the proposal may be omitted form the Company's proxy material under Rule 14a-8(c)(7), since it appears to deal with a matter relating to the conduct of the Company's ordinary business operations (i.e., excutive compensation). Under the circumstances, this Division will not recommend any enforcement action to the Commission if the Company omits the subject proposal from its proxy material.

Sincerely,

Cecilia D. Blye

Cecilia D. Blye
Special Counsel