

OCCIDENTAL PETROLEUM CORP /DE/

Form 11-K

June 26, 2003

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the fiscal year ended December 31, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 1-9210

A. Full title of the plan and the address of the plan, if different from  
that of the issuer named below:

Occidental Petroleum Corporation Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the  
address of its principal executive office:

Occidental Petroleum Corporation  
10889 Wilshire Boulevard  
Los Angeles, California 90024

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
trustees (or other persons who administer the Plan) have duly caused this annual  
report to be signed on its behalf by the undersigned hereunto duly authorized.

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

By: /s/ Samuel P. Dominick, Jr.

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Samuel P. Dominick, Jr. - Member of the  
Occidental Petroleum Corporation  
Pension and Retirement Plan Administrative Committee

Dated: June 24, 2003

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Financial Statements

December 31, 2002 and 2001

(With Independent Auditors' Report Thereon)

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

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Independent Auditors' Report

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Notes to Financial Statements

SCHEDULE

Schedule H, Line 4i - Schedule of Assets (Held at End of Year) - December 31, 2002

All schedules omitted are not required based on disclosure requirements of the Employee Retirement Income Security Act of 1974 and regulations issued by the Department of Labor.

INDEPENDENT AUDITORS' REPORT

The Occidental Petroleum Corporation  
Pension and Retirement Plan Administrative Committee:

We have audited the accompanying statements of net assets available for benefits of the Occidental Petroleum Corporation Savings Plan (the Plan) as of December 31, 2002 and the related statement of changes in net assets available for plan benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit. Other auditors, who have ceased operations, were engaged to audit the financial statements of the Plan as of December 31, 2001 whose report dated May 13, 2002 expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and

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perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2002 and the changes in its net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the 2002 basic financial statements taken as a whole. The supplemental schedule, schedule H - line 4i - schedule of assets (held at end of year) is presented for the purposes of additional analysis and is not a required part of the 2002 basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the 2002 basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the 2002 basic financial statements taken as a whole.

/s/ KPMG LLP

Los Angeles, California  
April 25, 2003

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Statements of Net Assets Available for Plan Benefits

December 31, 2002 and 2001

(Dollar amounts in thousands)

ASSETS	2002 -----	2001 -----
Cash	\$ 10	--
Investments:		
At fair value:		
Common stocks	362,026	311,978
Mutual funds	268,113	317,324
Participant loans	17,492	11,832
Common/collective trust	6,534	4,983
Plan interest in Master Trust	1,659	1,278
At contract value:		
Guaranteed Investment Contract	185,199	142,352
	-----	-----
Total investments	841,023	789,747
	-----	-----
Receivables:		

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Interest and dividends	3,013	2,739
Participant contributions	1,153	1,016
Employer contributions	730	698
Due from securities broker	--	3,133
	-----	-----
Total receivables	4,896	7,586
	-----	-----
Total assets	845,929	797,333
	-----	-----
LIABILITIES		
Accrued liabilities	56	48
Due to securities broker	--	1,048
	-----	-----
Total liabilities	56	1,096
	-----	-----
Net assets available for plan benefits	\$ 845,873	796,237
	=====	=====

See accompanying notes to financial statements.

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Statement of Changes in Net Assets Available for Plan Benefits

Year ended December 31, 2002

(Dollar amounts in thousands)

Additions:

Additions to net assets attributable to:

Investment income (loss):

Interest and dividend income	\$ 14,551
Net depreciation in fair value of investments	(48,343)
	-----
Total investment loss	(33,792)
	-----

Contributions:

Participant	35,639
Employer	22,072
Participant rollover	15,303
	-----

Total contributions 73,014

Transfers from other plans 105,172

Total additions 144,394

Deductions:

Deductions from net assets attributable to:

Benefits paid to participants	93,909
Plan expenses	849
	-----

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Total deductions	94,758
	-----
Net increase	49,636
Net assets available for plan benefits:	
Beginning of year	796,237
	-----
End of year	\$ 845,873
	=====

See accompanying notes to financial statements.

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Notes to Financial Statements

December 31, 2002 and 2001

(1) DESCRIPTION OF THE PLAN

The following description of the Occidental Petroleum Corporation Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) GENERAL

The Plan is a defined contribution plan generally available to certain employees of Occidental Petroleum Corporation (OPC, Oxy, or the Employer), a Delaware corporation, and participating subsidiaries (collectively, the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

(b) PLAN ADMINISTRATION

The Plan is administered by the OPC Pension and Retirement Trust and Investment Committee (PARTAIC) as to investment decisions and by the OPC Pension and Retirement Plan Administrative Committee (PARPAC) as to all matters except investment decisions (these two committees are herein referred to collectively as the Committees). Members of the Committees are selected by the board of directors of OPC. The Committees have been given all powers necessary to carry out their respective duties, including, but not limited to, the power to administer and interpret the Plan and to answer all questions affecting eligibility of participants. The Northern Trust Company (the Trustee) is the trustee and custodian of a trust fund, which holds all of the assets of the Plan.

(c) CONTRIBUTIONS

PARTICIPANT CONTRIBUTIONS - Participants may contribute up to 15% of compensation (as defined) to the Plan on a before- or after-tax basis, or in any combination thereof, subject to certain Internal Revenue

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Code (IRC) limitations. Effective June 1, 2002, this deferral percentage was increased to 34% for participants whose annual compensation is less than \$85,000.

EMPLOYER CONTRIBUTIONS - For non-collective bargaining employees, the Company contributed 100% of a participant's contribution up to the first 6% of compensation. For collective bargaining employees, the Company contributed 50%, 75%, or 100% as negotiated by their respective unions, of the first 6% of eligible compensation that a participant contributed to the Plan. All Employer contributions are invested in the Occidental Petroleum Corporation Common Stock Fund (the Oxy Stock Fund).

### (d) PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings, and charged with an allocation of administrative expenses and investment losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

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## OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

### Notes to Financial Statements

December 31, 2002 and 2001

### (e) VESTING

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. Generally, a participant is 20% vested for each year of service and is 100% vested after five years of credited service.

### (f) PARTICIPANT LOANS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of: (i) \$50,000 reduced by the highest outstanding loan balance during the preceding 12 months, (ii) 50% of their account balance, or (iii) a loan amount which would require payroll deductions for repayment equal to 25% of the participant's base compensation. Loan terms range from 1 to 5 years for general-purpose loans and 6 to 10 years for primary residence loans. The loans are secured by the balance in the participant's account and bear interest at a fixed rate equal to the Western Federal Credit Union's loan rate for a loan secured by a member's deposit account at the time the loan is approved. Interest rates ranged from 3.5% to 7.0% on loans outstanding as of December 31, 2002. Principal and interest is paid ratably through monthly payroll deductions.

### (g) DISTRIBUTIONS

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Generally, on termination of service for any reason other than death, participants with an account balance greater than \$5,000, may elect to receive the vested portion of their account under one of the following distribution options: (i) one lump sum payment, (ii) straight-life annuity, (iii) 10-year term certain annuity, (iv) joint and survivor annuity, (v) partial cash distribution, or (vi) deferral of payment with certain restrictions. Upon termination of service due to death, the beneficiary may elect to receive the vested interest in the form of (i), (ii), (iii), or (vi) only. A participant whose vested account balance is \$5,000 or less, may receive distributions only under options (i), (v), or (vi). Participants may elect to receive distributions from their account balance in the Oxy Stock Fund in cash or in shares of OPC common stock.

### (h) FORFEITED ACCOUNTS

Forfeited nonvested accounts are used to reduce Employer contributions. During 2002, Employer contributions were reduced by approximately \$286,000 from forfeited nonvested accounts. Unallocated forfeitures at December 31, 2002 were not significant to the financial statements.

### (i) INVESTMENT OPTIONS

The Plan offers various investment options which are managed by several outside investment managers. Upon enrollment in the Plan, participants may direct their contributions, in 1% increments, in any of the investment options offered at the time. Participants may change their investment options daily. Participants should refer to the Plan fund description pamphlet for a complete description of the investment options and for the detailed composition of each investment fund.

## OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

### Notes to Financial Statements

December 31, 2002 and 2001

### (j) PLAN AMENDMENTS

During 2001, the Plan was amended to reflect the various tax law changes enacted under the Uruguay Round Agreements Act, the Uniformed Services Employment and Reemployment Rights Act of 1994, Small Business Job Protection Act of 1996, Taxpayer Relief Act of 1997 and the IRS Restructuring Act and Reform Act of 1998 (GUST). The Plan was also amended to reflect the transfers of certain participant accounts from the Occidental Chemical Corporation Savings and Investment Plan to the Plan, as well as changes to Plan investment options.

Effective June 1, 2002, the Plan was amended to designate the Matching Account held under the Plan as an employee stock ownership plan and to allow participants the option to have dividends re-invested in the Oxy Stock Fund or distributed in the form of cash.

### (k) PLAN MERGERS

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Effective February 28, 2002, the Oxy Vinyls, LP Savings Plan was merged into the Plan. As a result of the merger, the Plan became a multiple employer plan.

### (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) BASIS OF ACCOUNTING

The financial statements of the Plan are prepared under the accrual method of accounting. Certain reclassifications have been made to the 2001 financial statements to be consistent with the current year presentation.

#### (b) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### (c) INVESTMENT VALUATION AND INCOME RECOGNITION

The Plan's investments are stated at fair value except for the investments in guaranteed investment contracts, which are valued at contract value (notes 3 and 5). Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. The unit price of common or commingled trust funds is based on the current market values of the underlying assets of the fund. Participant loans are valued at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

Realized gains and losses on investments are based on the market value of the asset at the beginning of the year or at the time of purchase for assets purchased during the year and the related fair value on the day the investments are sold during the year. Unrealized gains and losses of investments are based on the market value of the assets at the beginning of the year or at the time of purchase for

### OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

#### Notes to Financial Statements

December 31, 2002 and 2001

assets purchased during the year, and the related fair value at the end of the year. Net realized and unrealized depreciation in fair value of investments is reflected in the accompanying statement of changes in net assets available for benefits as "net depreciation in



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fair value of investments."

(d) PAYMENT OF BENEFITS

Benefits are recorded when paid.

(e) RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities, including mutual funds, actively managed funds, and the Oxy Stock Fund. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Additionally, many mutual funds invest in the securities of foreign companies, which involves special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than similar types of securities of comparable U.S. companies.

Derivative financial instruments are used by the Plan's equity and fixed income investment managers to remain fully invested in the asset class and to hedge currency risk. Leveraging of the Plan assets and speculation are prohibited.

As of December 31, 2002 and 2001, approximately 39% and 35% of total Plan investments, respectively, were invested in the Oxy Stock Fund.

(3) INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets (dollar amounts in thousands):

	DECEMBER 31	
	2002	2001
Oxy Stock Fund *	\$ 330,778	276,693
Primco Fixed Income GICs	185,199	140,820
Vanguard S&P 500 Index Fund	132,416	105,340
Cap Guardian US Balance Mutual Fund	45,560	54,327
Fidelity Magellan Large Cap I Fund	44,594	57,016
Fidelity Large Cap II Contrafund	--	60,010
All other investments less than 5%	102,476	95,541
	\$ 841,023	789,747

\* Participant- and nonparticipant-directed

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

## Notes to Financial Statements

December 31, 2002 and 2001

During 2002, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by approximately \$48,343,000, as follows (dollar amounts in thousands):

Common stock	\$	11,281
Mutual funds		(59,417)
Interest in Master Trust		(207)
		-----
	\$	(48,343)
		=====

## (4) OXY STOCK FUND

Information regarding the net assets and the significant components of the changes in net assets relating to the Oxy Stock Fund which includes both participant- and nonparticipant-directed investments is as follows (dollar amounts in thousands):

	DECEMBER 31,	
	2002	2001
	-----	-----
Net assets:		
Oxy Stock Fund	\$ 330,778	\$ 276,693
	=====	=====

	YEAR ENDED DECEMBER 31, 2002	
	-----	
Changes in net assets:		
Contributions	\$	26,890
Investment income		11,486
Net appreciation in fair value of investments		20,674
Transfers between funds		(9,799)
Benefits paid to participants		(39,601)
Administrative expenses		(82)

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Transfer from other plan	44,517
	-----
	\$ 54,085
	=====

(5) GUARANTEED INVESTMENT CONTRACTS

The Stable Value Fund includes deposits for guaranteed investment contracts (GICs) and synthetic GICs. The Plan's investments in GICs are included in the statements of net assets available for benefits at contract value (which represents contributions made under the contract plus earnings, less withdrawals and administrative expenses) because they are fully benefit responsive. For example, participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Notes to Financial Statements

December 31, 2002 and 2001

Withdrawals resulting from events initiated by the Company, such as Plan termination, are not typically considered participant-initiated transactions. With such an event, some of the contracts contain contingencies that could lead to withdrawal penalties. However, since no such events are being contemplated at this time or the withdrawals resulting from such an event will be funded outside the contracts' provisions, these "potential" limitations do not jeopardize the contract value reporting for these investments.

Contract value for the synthetic GICs is determined based on the fair value of the assets underlying the synthetic GICs. The difference between the fair value of the assets underlying the synthetic GICs and the contract value of the GICs is the value of the "wrapper" contract issued by a third party. The fair value for GICs varies based on the type of contract held (e.g., security-backed investments and general account investments). Fair value of the general account investment type GICs is derived by comparing the contract value, on a duration basis, to the yield curve. Fair value of the nonparticipating synthetic GICs is determined by comparing each contract, on a duration basis, to a Treasury yield curve at year end, plus 40 basis points. Fair value for security-backed investment contracts was derived from outside sources, based on the type of investment held.

GICs provide a fixed crediting interest rate and a financially responsible entity guarantees liquidity at contract value prior to maturity for any and all participant-initiated benefit withdrawals, loans, or transfers arising under the terms of the Plan, which allows access for all participants.

Synthetic GICs operate similarly to a separate account guaranteed investment contract, except that the assets are placed in a trust with ownership by the Plan rather than a separate account of the issuer and a financially responsible third party issues a wrapper contract that provides that participants can, and must, execute Plan transactions at contract value.

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Inasmuch as trust assets are owned by the Plan, the wrapper contract and the assets in trust are separately valued and disclosed. The wrapper contract is valued at the difference between the fair value of the trust assets and the contract value attributable by the wrapper to such assets. When considered together, the trust assets and the wrapper contract are reported at the wrapper contract value because participants are guaranteed return of principal and accrued interest.

During 2002 and 2001, the average yield earned on amounts invested in the GICs was 5.52% and 6.35%, respectively. As of December 31, 2002 and 2001, the average crediting interest rate on such contracts was 4.97% and 6.10%, respectively. There were no valuation reserves recorded to adjust contract amounts during the Plan years. Crediting rate resets are applied to specific investment contracts, as determined at

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Notes to Financial Statements

December 31, 2002 and 2001

the time of purchase. The reset values for security backed investment rates are a function of contract value, market value, yield, and duration. General account investment rates are based on a predetermined index rate of return, plus a fixed basis point spread. The following is a reconciliation between the contract value and the fair value of the GICs at December 31, 2002 (dollar amounts in thousands):

	DURATION (YEARS)	CREDITING INTEREST RATE PERCENTAGE
	-----	-----
Security backed investments:		
INVESCO Group Trust:		
Monumental Life Insurance Co.	0.25	1.60%
Allstate Life Insurance Co.	3.53	5.66
Monumental Life Insurance Co.	4.00	5.36
Bank of America NT & SA	2.15	3.86
ING Life Insurance & Annuities Co.	2.20	2.49
Total INVESCO Group Trust		
Separate account:		
John Hancock Life Insurance	3.50	5.64
Total separate account		
Total nonsynthetic security- backed investments		
Synthetics:		

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JP Morgan Chase Bank	2.14	6.07
Metropolitan Life Insurance Co.	2.64	5.74
Monumental Life Insurance Co.	1.75	5.80
State Street Bank & Trust	1.84	4.61
UBS AG	2.98	6.43

Total synthetics

General account investments:

John Hancock Life Insurance  
SunAmerica Life Insurance Co.  
IRT Stable Value Fund

Total general account investments

Short-term investment fund:

Northern Trust Company

Total guaranteed investment  
contracts

Less synthetic wrappers  
Less difference between the fair value and  
contract values on the non-synthetic GICs  
Add difference between the fair value and  
contract values on the IRT Stable Value Fund

Total contract value of  
guaranteed investment contracts

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Notes to Financial Statements

December 31, 2002 and 2001

1 The difference of \$3,228,000 between the fair value and the contract value of the guaranteed investment contracts is due to the security-backed investments and general account investments that do not have synthetic wrappers associated with them.

The following is a reconciliation between the fair value and the contract value of the GICs at December 31, 2001 (dollar amounts in thousands):

	DURATION (YEARS)	CREDITING INTEREST RATE PERCENTAGE
	-----	-----
Security backed investments:		
INVESCO Group Trust:		

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Monumental Life Insurance Co.	0.25	2.12%
Allstate Life Insurance Co.	3.66	6.18
Monumental Life Insurance Co.	4.00	5.60
Bank of America NT & SA	2.57	4.32
Total INVESCO Group Trust		
Separate account:		
John Hancock Life Insurance	3.50	6.15
Total separate account		
Total nonsynthetic security-backed investments		
Synthetics:		
JP Morgan Chase Bank	2.69	6.39
Metropolitan Life Insurance Co.	2.66	6.64
Monumental Life Insurance Co.	1.60	7.55
State Street Bank & Trust	2.19	6.25
UBS AG	2.73	6.60
Total synthetics		
General account investments:		
John Hancock Life Insurance	0.25	3.76
Sun America Life Insurance Co.	0.08	7.70
Firststar Bank Milwaukee	0.08	6.97
Total general account investments		
Short-term investment fund:		
Northern Trust Company		
Total guaranteed investment contracts		
Stable Value Asset Fund		
Less synthetic wrappers		
Add difference between the fair value and contract values on the non-synthetic GICs		
Total contract value of guaranteed investment contracts		

2 The difference of \$309,000 between the fair value and the contract value of the guaranteed investment contracts is due to the security backed investments and general account investments that do not have synthetic wrappers associated with them.

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December 31, 2002 and 2001

(6) INVESTMENT IN MASTER TRUST

The plan's investment assets include a convertible bond fund in which other plans also invest. This convertible bond fund is managed by Advent Capital Management and is one of the master trust investment accounts (Advent MTIA) in the OPC Master Retirement trust. At December 31, 2002 and 2001, the Plan's investment in the assets of the Advent MTIA represented an undivided interest of approximately 10% and 7%, respectively.

The following table presents the aggregate fair value of investments held by, and investment income earned by, the Advent MTIA, in which the Plan owns an undivided interest, as stated above (dollar amounts in thousands):

		DECEMBER 31,	20
		2002	2001
		-----	-----
Investments at fair value as determined by quoted market price:			
Common/Collective Trust	\$	156	
Common stock		--	
Preferred stock		5,766	
Corporate bonds		11,031	
		-----	-----
	\$	16,953	
		=====	=====
		YEAR ENDED	DECEMBER 31,
		DECEMBER 31,	2002
		-----	-----
Investment income (loss):			
Net depreciation in fair value of investments:			
Common stock	\$	(161)	
Preferred stock		(1,482)	
Corporate bonds		(1,001)	
		-----	
		(2,644)	
Income from Common/Collective Trust		2	
Interest and dividends		689	
Less investment expenses		(203)	
		-----	
	\$	(2,156)	
		=====	

(7) RELATED-PARTY TRANSACTIONS

The Trustee and OPC are parties in interest as defined by ERISA. The Trustee invests certain plan assets in its Collective Short-Term Investment Fund and the Oxy Stock Fund. Such transactions qualify as party-in-interest

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transactions permitted by the Department of Labor regulations. Expenses paid by the Plan to the Trustee for the year ended December 31, 2002 were insignificant.

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OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Notes to Financial Statements

December 31, 2002 and 2001

(8) PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their Employer contributions.

(9) TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated February 24, 2003, that the Plan and related trust are designed in accordance with applicable sections of the IRC. However, the Committees, using their judgment and based on the advice of their advisors, believe that the Plan is currently designed and operating in a manner that preserves its tax-qualified status.

(11) RECONCILIATION OF THE FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 (dollar amounts in thousands):

	2002	2001
	-----	-----
Net assets available for benefits per the financial statements	\$ 845,873	
Amounts allocated to withdrawing participants	(4,205)	
	-----	-----
Net assets available for benefits per the Form 5500	\$ 841,668	
	=====	=====

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the year ended December 31, 2002 (dollar amounts in thousands):

Benefits paid to participants per the financial statements	\$ 93,909
Add amounts allocated to withdrawing participants at December 31, 2002	4,205
Less amounts allocated to withdrawing participants at December 31, 2001	(5,841)



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Benefits paid to participants per the Form 5500

-----  
\$ 92,273  
=====

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit payments that have been processed and approved for payment prior to December 31, but not yet paid as of that date.

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SCHEDULE 1

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2002

(Dollar amounts in thousands)

(a)	(b)	(c)
RELATED PARTY	IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR, MATURITY VALUE, OR DURATION
-----	-----	-----
	COMMON STOCK	
	Adaptec Inc	Common Stock, 45,700 shares
	ADC Telecommunications Inc	Common Stock, 105,300 shares
	Aetna Inc	Common Stock, 5,100 shares
	Alexander & Baldwin Inc	Common Stock, 15,200 shares
	Altria Group Inc (fka Phillip Morris)	Common Stock, 4,500 shares
	Amer Elec Pwr Co Inc	Common Stock, 15,310 shares
	Amer Natl Ins Co	Common Stock, 3,800 shares
	Andrew Corp	Common Stock, 32,000 shares
	Arden Rlty Group Inc	Common Stock, 13,500 shares
	Arrow Electr Inc	Common Stock, 6,300 shares
	Avalonbay Cmnty Reit	Common Stock, 3,500 shares
	Avnet Inc	Common Stock, 20,126 shares
	Aztar Corp	Common Stock, 23,975 shares
	Bank One Corp	Common Stock, 5,150 shares
	BK Amer Corp	Common Stock, 8,500 shares
	Brunswick Corp	Common Stock, 7,150 shares
	Burl Northn Santa Fe Corp	Common Stock, 14,500 shares
	Chubb Corp	Common Stock, 7,000 shares
	Cigna Corp	Common Stock, 3,950 shares
	Cimarex Energy Co	Common Stock, 6,600 shares
	Coml Fed Corp	Common Stock, 6,000 shares
	Coml Metals Co	Common Stock, 30,000 shares
	Conmed Corp	Common Stock, 18,600 shares
	Conocophillips	Common Stock, 12,659 shares
	Cooper Ind Inc	Common Stock, 4,800 shares
	Cooper Tire & Rubber Co	Common Stock, 12,300 shares
	Corn Prods Intl Inc	Common Stock, 11,600 shares
	Corning Inc	Common Stock, 26,200 shares

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Crompton Corp	Common Stock, 30,400 shares
CSX Corp	Common Stock, 3,000 shares
CTS Corp	Common Stock, 37,400 shares
Dana Corp	Common Stock, 12,200 shares
Deluxe Corp	Common Stock, 1,800 shares
Dollar Thrifty Automotive Group Inc	Common Stock, 17,000 shares
Dow Chem Co	Common Stock, 10,200 shares
Du Pont E I De Nemours & Co	Common Stock, 1,409 shares
Duane Reade Inc	Common Stock, 9,100 shares
Eastman Chem Co	Common Stock, 1,250 shares
Empire Dist Elec Co	Common Stock, 15,800 shares
Esterline Technologies Corp	Common Stock, 12,200 shares
Fed Dept Stores Inc Del	Common Stock, 4,600 shares
Felcor Lodging Tr Inc Com	Common Stock, 30,000 shares
FHLMC	Common Stock, 1,800 shares
Fid Natl Finl Inc	Common Stock, 16,400 shares
Fleetboston Finl Corp	Common Stock, 13,000 shares
Flowserve Corp	Common Stock, 9,700 shares
FMC Corp	Common Stock, 19,100 shares
FNMA	Common Stock, 3,525 shares
Frontier Oil Corp	Common Stock, 5,500 shares
GA Pac Corp	Common Stock, 5,500 shares
Gardner Denver Inc	Common Stock, 25,600 shares
GBC Bancorp	Common Stock, 20,000 shares
Genuine Parts Co	Common Stock, 12,350 shares
Glaxo Smithkline Spons Adr	Common Stock, 10,500 shares
Golden W. Fncl Corp	Common Stock, 4,200 shares
Goodyear Tire & Rubber Co	Common Stock, 3,850 shares
Graftech Intl Ltd	Common Stock, 35,400 shares
Group 1 Automotive Inc	Common Stock, 11,500 shares
Harleysville Group Inc	Common Stock, 14,150 shares
Harsco Corp	Common Stock, 7,100 shares
Hewlett Packard Co	Common Stock, 29,800 shares
Hexcel Corp	Common Stock, 15,100 shares
Hughes Sup Inc	Common Stock, 13,900 shares

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SCHEDULE 1-2

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2002

(Dollar amounts in thousands)

(a)	(b)	(c)
RELATED PARTY	IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION
-----	-----	-----
	Inamed Corp	Common Stock, 5,200 shares

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Ingram Micro Inc	Common Stock, 11,575 shares
JLG Inds Inc	Common Stock, 39,400 shares
KB Home	Common Stock, 11,300 shares
Kellwood Co	Common Stock, 12,000 shares
Kemet Corp	Common Stock, 34,000 shares
Kennametal Inc	Common Stock, 12,400 shares
Koger Equity Inc	Common Stock, 25,100 shares
Landamerica Finl Group Inc	Common Stock, 15,350 shares
Lear Corp	Common Stock, 6,200 shares
Leggett & Platt Inc	Common Stock, 9,700 shares
Lehman Bros Hldgs Inc	Common Stock, 7,175 shares
Lincoln Elec Hldgs Inc	Common Stock, 12,700 shares
Lubrizol Corp	Common Stock, 6,000 shares
Mack Cali Rlty Corp	Common Stock, 4,000 shares
Magna Intl Inc	Common Stock, 1,700 shares
Masco Corp	Common Stock, 11,500 shares
May Dept Stores Co	Common Stock, 7,250 shares
Meadwestvaco Corp	Common Stock, 11,464 shares
Metlife Inc	Common Stock, 11,200 shares
Modine Mfg Co	Common Stock, 21,100 shares
Moog Inc	Common Stock, 11,400 shares
Natl Cy Corp	Common Stock, 8,900 shares
Norfolk Southn Corp	Common Stock, 8,800 shares
Nortel Networks Corp	Common Stock, 117,200 shares
Northeast Utilities	Common Stock, 23,500 shares
* ** Occidental Petroleum Corp.	Common Stock, 11,336,867 shares
Office Depot Inc	Common Stock, 11,000 shares
OGE Energy Corp	Common Stock, 22,400 shares
OMI Corp	Common Stock, 55,600 shares
Partnerre Hldg Ltd	Common Stock, 1,500 shares
Peabody Energy Corp	Common Stock, 2,500 shares
Penn Engr & Mfg Corp	Common Stock, 9,000 shares
PFF Bancorp Inc	Common Stock, 10,500 shares
Pfizer Inc	Common Stock, 17,050 shares
Pharmacia Corp	Common Stock, 2,200 shares
PK PL Entmt Corp	Common Stock, 21,800 shares
Playtex Prods Inc	Common Stock, 21,400 shares
Pnm Res Inc	Common Stock, 23,000 shares
Post Pptys Inc Reit	Common Stock 19,000 shares
PPL Corp	Common Stock, 10,500 shares
Prime Hospitality Corp	Common Stock, 53,300 shares
Pulte Homes Inc	Common Stock, 11,000 shares
Quantum Corp Dssg	Common Stock, 8,000 shares
Qwest Communications Intl Inc	Common Stock, 70,100 shares
Readers Digest Assn Inc	Common Stock, 30,300 shares
Regal Beloit Corp	Common Stock, 25,000 shares
Regions Fncl Corp	Common Stock, 3,700 shares
Reliance Stl & Alum Co	Common Stock, 18,000 shares
Reliant Res Inc	Common Stock, 31,700 shares
Rfs Hotel Invs Inc	Common Stock, 42,600 shares
Rock-Tenn Co	Common Stock, 16,500 shares
RTI Intl Metals Inc	Common Stock, 50,000 shares
Russ Berrie & Co Inc	Common Stock, 3,300 shares
SBS Technologies Inc	Common Stock, 12,900 shares
Schweitzer-Mauduit Intl Inc	Common Stock, 17,300 shares
Searco Hldgs Inc	Common Stock, 9,600 shares
Sears Roebuck & Co	Common Stock, 8,950 shares
Seitel Inc Com	Common Stock, 22,400 shares
Sierra Pac Res	Common Stock, 31,300 shares
Silicon Val Bancshares	Common Stock, 8,000 shares
Smithfield Foods Inc	Common Stock, 13,200 shares
Smurfit-Stone Container Corp	Common Stock, 14,800 shares

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Solectron Corp

Common Stock, 17,725 shares

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SCHEDULE 1-3

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2002

(Dollar amounts in thousands)

(a) RELATED PARTY	(b) IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERA PAR, MATURITY VALUE, OR DURATION
	Std Pac Corp	Common Stock, 18,800 shares
	Summit Pty Inc	Common Stock 24,700 shares
	Tech Data Corp	Common Stock, 4,900 shares
	Tellabs Inc	Common Stock, 33,500 shares
	Temple Inland Inc	Common Stock, 900 shares
	Terex Corp	Common Stock, 33,500 shares
	Tesoro Pete Corp	Common Stock, 70,000 shares
	Thomas & Betts Corp	Common Stock, 2,000 shares
	Torchmark Corp	Common Stock, 5,300 shares
	Travelers Pty Cas Corp	Common Stock, 7,500 shares
	Tx Inds Inc	Common Stock, 18,500 shares
	Txu Corp	Common Stock, 3,000 shares
	V F Corp	Common Stock, 1,400 shares
	Valero Energy Corp	Common Stock, 18,100 shares
	Vans Inc	Common Stock, 50,000 shares
	Vishay Intertechnology Inc	Common Stock, 12,900 shares
	Wa Mut Inc	Common Stock, 18,600 shares
	Wachovia Corp	Common Stock, 10,000 shares
	Wash Fed Inc	Common Stock, 13,000 shares
	Whirlpool Corp	Common Stock, 2,250 shares
	Wolverine Tube Inc	Common Stock, 17,000 shares
	WPS Res Corp	Common Stock, 4,200 shares
		Total Common Stock

\*\* Includes nonparticipant-directed investments. No investment transactions exceeded 5% of the Plan's net assets.

PARTICIPANT LOANS

\* Participant loans, various maturities,

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interest rates range from 3.5% - 7.0%, balances collateralized by participant account

VALUE OF INTEREST IN COMMON/COLLECTIVE TRUSTS

\* Northern Trust Company Colt v Short Term Invt FD

GUARANTEED INVESTMENT CONTRACTS

Collective Short Term Investment Fund	Maturity 1/1/03, Yield 1.42%
John Hancock	#9698, Yield 5.64%
IRT Stable Value Fund	#20949-087, Yield 4.52%
Monumental Life Ins Co Contract	#SV-04253Q, Yield 5.05%
Sun of America	Maturity 1/2/04, Yield 7.70%
Allstate Contract	#77045-IOT, Yield 5.66%
Bank of America	#01-204, Yield 3.86%
ING Life Ins & Ann Co Contract	#60032, Yield 2.49%
JP Morgan Chase Bank:	
Cash	--
Asset Securitization Corp	Maturity 10/15/05, Yield 7.49%
Capital One Master Trust	Maturity 5/15/07, Yield 4.90%
Chase Credit Card MT	Maturity 7/16/06, Yield 5.50%
CIT Equipment Collateral	Maturity 3/20/06, Yield 7.58%
CIT Equipment Collateral	Maturity 12/20/05, Yield 6.93%

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SCHEDULE 1-4

OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2002

(Dollar amounts in thousands)

(a)	(b)	(c)
RELATED PARTY	IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, MATURITY VALUE, OR DURATION
-----	-----	-----
	Federal Home Loan Mtge Co.	Maturity 9/1/31, Yield 6.05%
	Federal National Mortgage Co.	Maturity 7/15/05, Yield 7.00%

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Residential Asset Security	Maturity 2/25/17, Yield 7.81%
US Treasury	Maturity 11/15/05, Yield 5.75%
US Treasury	Maturity 11/15/05, Yield 5.88%
US Treasury	Maturity 11/15/04, Yield 5.88%
	Total Current Value of Underlying Assets
JP Morgan Chase Bank Wrapper	Synthetic Wrapper Agreement
	Total Contract Value of JP Morgan Chase Ba
Metropolitan Life Ins Co:	
Cash	
DaimlerChrysler	Maturity 1/8/04, Yield 7.63%
DLJ Comm Mtg.	Maturity 8/10/09, Yield 6.93%
DVI Receivables	Maturity 10/12/07, Yield 7.12%
Fannie Mae Whole Loan	Maturity 4/15/07, Yield 5.25%
Fannie Mae Whole Loan	Maturity 2/25/41, Yield 7.50%
Federal Home Loan Mortgage Co.	Maturity 7/15/05, Yield 7.00%
Federal Home Loan Mortgage Co.	Maturity 7/15/06, Yield 5.50%
Fleet Credit Card MT	Maturity 6/15/06, Yield 5.60%
GMAC Comm. Mortgage Security Inc.	Maturity 5/15/08, Yield 5.83%
Household Private Lab MT	Maturity 3/15/07, Yield 5.50%
US Treasury	Maturity 11/15/05, Yield 5.75%
	Total Current Value of Underlying Assets
Metropolitan Life Ins Co Wrapper	Synthetic Wrapper Agreement
	Total Contract Value of Metropolitan Life
Monumental Life Ins Co:	
Cash	--
Amresco Mtg	Maturity 7/17/04, Yield 6.73%
DaimlerChrysler Auto Trust	Maturity 6/8/05, Yield 6.70%
DaimlerChrysler Auto Trust	Maturity 1/8/04, Yield 7.63%
Distribution Financial Services Trust	Maturity 12/15/03, Yield 5.84%
John Hancock Life Insurance	Maturity 2/25/03, Yield 6.88%
JP Morgan Chase Bank	Maturity 1/15/09, Yield 7.59%
Merill Lynch Mortgage Investor	Maturity 2/18/04, Yield 6.95%
Morgan Stanley Capital Service	Maturity 11/15/28, Yield 7.22%
ORIX Credit Alliance Receivable Trust	Maturity 8/15/03, Yield 7.05%
Sears Credit Account Master	Maturity 11/15/05, Yield 6.45%
US Treasury	Maturity 11/15/05, Yield 5.75%
	Total Current Value of Underlying Assets
Monumental Life Ins Co Wrapper	Synthetic Wrapper Agreement
	Total Contract Value of Monumental Life In
Monumental Life Ins Co	#230TR, Yield 5.36%
Monumental Life Ins Co	#00285TR, Yield 1.60%

## SCHEDULE 1-5

OCCIDENTAL PETROLEUM CORPORATION  
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2002

(Dollar amounts in thousands)

(a) RELATED PARTY	(b) IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION
	State Street Bank and Trust:	
	Cash	--
	Harley-Davidson Eaglemark	Maturity 1/15/16, Yield 4.50%
	Union Acceptance Corp.	Maturity 6/8/03, Yield 7.44%
	Americredit Auto Rec.	Maturity 11/12/08, Yield 4.41%
	Carmax Auto Owner Tr	Maturity 12/15/06, Yield 3.94%
	US Treasury	Maturity 11/15/05, Yield 5.75%
	Fannie Mae Whole Loan	Maturity 7/25/41, Yield 7.50%
	Federal Home Loan Bank	Maturity 4/15/05, Yield 4.63%
	Federal Home Loan Mortgage Company	Maturity 7/15/04, Yield 6.25%
	Fannie Mae Whole Loan	Maturity 7/15/05, Yield 7.00%
	Fannie Mae Whole Loan	Maturity 5/19/30, Yield 7.50%
	Fannie Mae Whole Loan	Maturity 12/25/41, Yield 7.50%
	Ford Auto Owners Trust	Maturity 10/15/04, Yield 5.36%
	Nissan Auto Owners Trust	Maturity 1/15/05, Yield 5.35%
	Nissan Auto Owners Trust	Maturity 2/15/07, Yield 4.80%
	PNC Student Loan Trust	Maturity 7/25/03, Yield 6.57%
	Premier Auto Trust	Maturity 4/8/03, Yield 5.82%
		Total Current Value of Underlying Assets
	State Street Bank and Trust Wrapper	Synthetic Wrapper Agreement
		Total Contract Value of State Street Bank and Trust
	UBS AG:	
	Cash	--
	American Exp Cr Acct Master Trust	Maturity 4/15/04, Yield 5.60%
	American Exp Cr Acct Master Trust	Maturity 2/15/05, Yield 7.20%
	BMW Owner Trust	Maturity 6/25/05, Yield 5.11%
	Citbank Credit Card Issuance Trust	Maturity 10/15/05, Yield 6.90%
	Commonwealth Edison Trans Fund Trust	Maturity 3/25/05, Yield 5.44%
	Federal Home Loan Mtge Co.	Maturity 4/15/08, Yield 5.75%
	Illinois Power Supply Trust	Maturity 12/25/08, Yield 5.65%
	Prime Credit Card Master Trust	Maturity 11/15/05, Yield 6.70%

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	Total Current Value of Underlying Assets
UBS AG Wrapper	Synthetic Wrapper Agreement
	Total Contract Value of UBS AG
	Total Guaranteed Investment Contracts
REGISTERED INVESTMENT COMPANIES	
MFO Cap Guardian US Balanced FD	5,443,194 shares
MFO Cmc Hi Yield Fd	254,649 shares
MFO Fidelity Magellan Fd Inc Open End Fd	564,771 shares
MFO Hbr Fd Cap Appreciation Fd	235,441 shares
MFO Pimco Fds Pac Invt Mgmt Ser	1,782,872 shares
MFO Putnam Intl Growth Fd	657,730 shares
MFO Vanguard Emp Benefit Index Fd	1,791,343 shares
MFO Vanguard Index Tr Mid-Cap Index Fd	125,831 shares
MFO Vanguard Specialized Portfolios	66,404 shares
	Total Registered Investment Companies
PLAN INTEREST IN MASTER TRUST	
Advent Unit Master Trust	
	Total

\* Party in interest investment.

See accompanying independent auditors' report.

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EXHIBIT INDEX

Exhibit No.	Exhibit
23.1	KPMG LLP Independent Auditors' Consent
23.2	Copy of Arthur Andersen LLP Consent of Independent Public Accountants for the year ended December 31, 2001
99.1	Copy of Arthur Andersen LLP Report of Independent Public Accountants as of and for the year ended December 31, 2001
99.2	Certification