



# **Marathon Petroleum Sick Benefit Policy**

**Effective January 1, 2019**



# Sick Benefit Policy



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# Sick Benefit Policy



## I. Purpose

The Marathon Petroleum Sick Benefit Policy (the “Policy”) provides protection against loss of income for an employee who is temporarily unable to work because of their own disability, including both illness and injury.

## II. Eligibility

An employee is eligible for benefits under this Policy provided the following requirements are met:

A. The employee is a Regular employee who works on a “full-time” or “part-time” basis. For purposes of eligibility, Regular Full-time means the employee has a normal work schedule of at least 40 hours per week or at least 80 hours on a bi-weekly basis.

Regular Part-time means the employee is a non-supervisory employee employed to work on a part-time basis (minimum 20 hours but less than 35 hours per week) and not on a time, special job completion, or call when needed basis.

B. The employee is not in an employee group for whom another sick benefit policy has been established to which the Company or another member of the controlled group to which Marathon Petroleum Corporation belongs makes contributions, or for which the Company or another member of the controlled group to which Marathon Petroleum Corporation belongs provides benefits.

C. The employee is not on a Personal Leave, Educational Leave, Military Leave, or Family Leave for reasons of caring for a qualifying individual.

For any employee who loses eligibility under the terms of the Sick Benefit Policy because of a change in their normally scheduled hours, the effective date of the termination of eligibility will be determined by the date of the change in their normally scheduled hours.

Regular employees who work on a full-time or part-time basis must be specifically designated as such by the Company to be eligible to participate in the Policy. Casual employees, any other employees not normally scheduled to work at least 40 hours per week, and all other common law employees who have not been designated by the Company as Regular employees who work on a full-time or part-time basis are excluded from eligibility to participate. Specifically excluded from eligibility to participate in the Policy are any individuals who have signed an agreement, or have otherwise agreed to provide services to the Company as an independent contractor, regardless of the tax or other legal consequences of such an arrangement. Also specifically excluded are leased employees compensated through a leasing entity, whether or not the leased employee falls within the definition of “leased employee” as defined in Section 414(n) of the Internal Revenue Code.

Employees who are classified as transitioning Andeavor employees are excluded. Sick Benefits will continue to be administered under legacy Andeavor policies.

## III. Cost

This Policy is provided entirely at Company cost.

# Sick Benefit Policy



## IV. Schedule of Benefits

### A. Non-Occupational Disability

Subject to Articles V. and VI., employees become eligible for their full Sick Benefit entitlement on January 1 of each calendar year based on the amount of service that will be completed in that calendar year, in accordance with the Employee Service Plan (hereinafter referred to as “accredited service”).

The total benefit an employee is eligible to receive during a calendar year is based on the Sick Benefit Schedule below and the requalification requirements described in Articles V. and VI.

<b>Sick Benefit Schedule</b>		
<b>Accredited Service</b>	<b>Full Sick Pay</b>	<b>50% Sick Pay</b>
<b>Less than 1 Year</b>	3 weeks	0 weeks
<b>1 year</b>	3 weeks	23 weeks
<b>2 years</b>	4 weeks	22 weeks
<b>3 years</b>	6 weeks	20 weeks
<b>4 years</b>	8 weeks	18 weeks
<b>5 years</b>	10 weeks	16 weeks
<b>6 years</b>	12 weeks	14 weeks
<b>7 years</b>	14 weeks	12 weeks
<b>8 years</b>	16 weeks	10 weeks
<b>9 years</b>	18 weeks	8 weeks
<b>10 years</b>	20 weeks	6 weeks
<b>11 years</b>	22 weeks	4 weeks
<b>12 years</b>	24 weeks	2 weeks
<b>≥ 13 years and over</b>	26 weeks	0 weeks

Regular Part-time employees are eligible for a maximum total number of hours each year based on their Regular Part-time schedule at the time Sick Benefits commence.

For example, a Regular Part-time employee working a 20-hour per week schedule with 6 years’ service will be eligible for a total of 280 hours (12 weeks x 20 hours per week schedule) of sick pay at full pay and 240 (14 weeks x 20 hours per week schedule) hours of sick pay at 50% pay.

Disability due to childbirth will be covered under the Parental Pay Policy. If there is any disability prior to childbirth or continued after Parental Pay ends, the employee may be eligible for benefits under this Policy.

### B. Occupational Disability

Regardless of service, an employee who is off work due to an occupational disability will be eligible to receive up to a total of 26 weeks’ full sick pay and a total of 26 weeks’ half (50%) pay during a calendar year. Occupational disability benefits are only payable for occupational disabilities which occur while the employee is working for Marathon Petroleum Company LP or a participating company as defined in Article XVI.



## V. Requalification for Sick Benefits

- A. Employees who, on January 1 of each year, have at least one year of Company service (hereinafter referred to as “Eligible Employees”) will requalify for Sick Benefits on January 1 of each year, subject to the following:
1. Eligible Employees who, as of January 1, have not used any sick days during the previous calendar year will requalify for Sick Benefits on January 1.
  2. Eligible Employees who, as of January 1, have completed at least ten workdays since their most recent paid/unpaid sick day in the previous calendar year will requalify for Sick Benefits on January 1.
  3. Eligible Employees who, as of January 1, have not completed at least ten workdays since their most recent paid/unpaid sick day in the previous calendar year will requalify for Sick Benefits after January 1 on the date immediately following the completion of ten workdays since the most recent paid/unpaid sick day.
  4. For employees who do not requalify January 1, unused Sick Benefits from the previous calendar year are available for use until they have completed at least ten workdays since their most recent paid/unpaid sick day. Upon requalification, eligible Sick Benefits will be offset by Sick Benefits taken from January 1 through the requalification date.
- B. For purposes of determining requalification for Sick Benefits, the following definitions apply:
1. A workday, for requalification purposes, is considered any day where an employee is actively performing their assigned responsibilities in accordance with their schedule.
    - a. A workday cannot have any paid/unpaid time off within the employee’s schedule; otherwise, the day will not be applied to the requalification period.
    - b. A workday with partial paid/unpaid sick absence does not reset the requalification period and it does not count toward completion of the ten workdays needed for requalification.
    - c. Leave of absence time will not be applied to the requalification period.
    - d. Workdays do not need to be consecutive.
  2. A sick day is one whereby the employee is absent for their entire daily schedule.
  3. A schedule is defined as the employee’s daily work schedule approved by the Company, including, when necessary, the normal approval of the Company’s Corporate Medical Director for a reduced work schedule.



## VI. New Hires, Rehires, Transfers, and Educational Leave

New Hires, rehires, and employees returning from an educational leave are entitled to sick benefits according to the following provisions.

- A. Rehires and employees on an Educational Leave who return to work in less than 12 months immediately qualify for benefits based on their total accredited service, and will have available, through the remainder of the calendar year, Sick Benefits based on total accredited service, offset by any Sick Benefits used from the January 1 immediately following date of rehire/return. (As a result, the total Sick Benefits used in the employee's calendar year of re-employment cannot exceed Sick Benefits that they would have otherwise had, based on total accredited service.)
- B. New Hires will immediately be eligible for Sick Benefits equivalent to 3 weeks of full pay within their first 12 months of continuous employment. Immediately upon completion of 12 months of continuous service, new hires will have available, through the remainder of the calendar year in which 12 months of service is completed, 3 weeks at 100% pay and 23 weeks at 50% pay, offset by any Sick Benefits used from the January 1 immediately following date of hire through the date 12 months of service is completed. (As a result, the total Sick Benefits used in the employee's first full calendar year of employment cannot exceed 3 weeks at 100% pay and 23 weeks at 50% pay.)
- C. Rehires who have been absent for more than 12 months and employees returning from an Educational Leave in excess of 12 months will have available, through the remainder of the calendar year in which 12 months of service is completed, Sick Benefits based on total accredited service, offset by any Sick Benefits used from the January 1 immediately following date of hire through the date 12 months of service is completed. (As a result, the total Sick Benefits used in the employee's first full calendar year of re-employment cannot exceed Sick Benefits that they would have otherwise had, based on total accredited service.)
- D. During the calendar year in which a transfer from a non-participating employer occurs, the amount of sick benefit for that year will be based on service and offset by any sick benefit already applied in the same calendar year under the non-participating controlled group.

## VII. Sick Pay or Sick Benefits

Sick Pay, or Sick Benefits, as used in this Policy shall include the weekly compensation paid to an employee for normal regularly scheduled hours for their classification as a Regular Full-time or Regular Part-time employee and at their regular base rate or rates, regardless of whether the employee is paid on an hourly or monthly basis, plus any additional pay or allowances such as area differential, cost of living, housing, temporary hardship, or overseas premium to which the employee is entitled because of their geographic location.

Sick Pay shall include contributions to the Thrift Plan's Pre-Tax Account, contributions made under the 125 Plan, and contributions to the Health Care Flexible Spending Account (HCFSA).

Overtime, shift differential, other premium pay, commissions, bonuses, suggestion awards, military pay, travel pay, or other types of special pay or allowances shall be excluded from Sick Pay.



## **VIII. Maximum Benefits**

- A. Periods of non-occupational disability and occupational disability will be totaled independently of one another in computing the separate calendar year benefit maximums. Sick Benefits paid for any day of absence will be charged against the calendar year in which that day occurs, even if the absence continues from one calendar year to another.
- B. An absence due to disability is considered as continuous unless separated by active employment. Benefits paid for any one absence shall not exceed those to which an employee is entitled when that absence began.

## **IX. Benefits Offset by Other Disability Payments**

Allowed Sick Benefits are reduced by the amount of:

- A. Any disability compensation in lieu of wages paid to an employee under Federal or State Workers' Compensation Laws, and/or
- B. Any disability compensation in lieu of wages paid to an employee under the Federal Jones Act, Federal Employers' Liability Act, or any other federal or state disability compensation program.

An employee, who receives a disability payment, as described above, is required to immediately provide the Company notice of the disability award.

## **X. Benefits in Connection With Other Absences**

- A. No Sick Benefits will be paid if the disability begins while an employee is laid off or during a leave of absence, other than a Medical Leave.
- B. If a disability occurs when an employee is on vacation or on a Company-approved leave of absence and the disability continues beyond the date of the scheduled return to work, Sick Benefits (if available) will be paid as though the disability originated on the day of the scheduled return to work.
- C. Vacation benefits may be used in connection with an absence due to disability if requested by an employee, subject to the provisions of the Marathon Petroleum Vacation Plan.
- D. Employees cannot apply vacation benefits in the same work day in which Sick Benefits are payable, unless otherwise required by law.

## **XI. Benefits on a Holiday**

If an employee is eligible to receive Sick Benefits and a holiday occurs while the employee is off work, the employee will receive the regular holiday absence allowance which will not be charged against Sick Benefits.

## **XII. Absences Charged Against Sick Benefits**

Absences or the portion of any absences due to illness or injury will be charged against Sick Benefits to the extent that they are at least one hour in duration. Any absence or the portion of any absence of less than one hour will not be charged against Sick Benefits.



## **XIII. Duration of Benefits**

Sick Benefits will continue until the earlier of:

- The date an employee has exhausted Sick Benefit eligibility under the terms of this Policy,
- The date of voluntary termination from the Company,
- The date an employee may become eligible for a termination allowance benefit under the terms of the Marathon Petroleum Termination Allowance Plan (refer to the Termination Allowance Plan for specific terms and conditions of benefit eligibility under such plan), or
- The date an employee is terminated for disciplinary reasons or misconduct, including insubordination.

## **XIV. Disqualification**

An employee may be disqualified from Sick Benefits under this Policy if the disability is the outcome of an act directly within the employee's control.

No Sick Benefits will be paid if an employee becomes sick as the result of working for another employer when off duty or on vacation. Nor will Sick Benefits be paid if the employee becomes disabled in the operation of the employee's own spare time business such as a farm, machine and repair shop, etc., where such enterprise is conducted for profit, or from engaging in regular activities from which an employee receives compensation. It is intended that this Policy should be applied on the basis of what the average employee does or might normally be expected to do during non-working hours.

An employee is disqualified from Sick Benefits under this Policy for any period of time that is also covered by a disciplinary suspension of the employee which is specified by the Company to be without pay.

An employee may be disqualified from Sick Benefits under this Policy as the result of non-compliance with the Company's Transitional Duty Policy.

An employee may be disqualified from Sick Benefits under this Policy during any period of time when, in the absence of a disability, they are otherwise unable to work due to other reasons (such as confinement in a jail, prison, etc.).

An employee may be disqualified from Sick Benefits under this Policy if the employee is performing work for another employer without written authorization from the HR and Labor Relations Director approving such other employment.

It is not the Company's intention to disqualify an employee from Sick Benefits if the employee's absence is the result of an elective-type medical procedure.





### **XV. Proof of Illness**

Normally it is expected that Sick Benefits will be paid without the requirement of a physician's statement certifying the sickness. However, the Company reserves the right to request such a statement at the employee's expense.

The Company may, at its expense, have a physician investigate the circumstances of an employee's disability to determine whether the employee is taking appropriate steps to expedite recovery. The Company subsequently reserves the right following that investigation to deny payment of Sick Benefits, if, in the opinion of the Company, the employee is not taking appropriate steps to expedite their recovery. In the case of chronic disability or of frequent absences on account of disability, the Company may, at its expense, appoint a physician to investigate and determine the probable future frequency or duration of such absences and handle each such case on its own merits, regardless of the above schedule of Sick Benefits.

After an examination of all the facts, the Company reserves the right not to pay Sick Benefits if it appears the disability is not bona fide, or that the employee is not taking appropriate steps to expedite their recovery.

### **XVI. Participation by Associated Companies and Organizations**

Upon specific authorization and subject to such terms and conditions as it may establish, Marathon Petroleum Company LP may permit eligible employees of subsidiaries and affiliated organizations to participate in this Policy. Currently, these participating companies include Marathon Petroleum Company LP, Marathon Petroleum Corporation, Marathon Petroleum Service Company, Marathon Petroleum Logistics Services LLC, Marathon Refining Logistics Services LLC, and MW Logistics Service LLC.

The term "Company" and other similar words shall include Marathon Petroleum Company LP and such affiliated organizations. The term "employee" and other similar words shall include any eligible employee of these companies.

### **XVII. Modification and Termination**

The Company reserves the right to modify or terminate this Policy, in whole or in part, in such manner, as it shall determine, either alone or in conjunction with other plans of the Company. Modification or termination may be made by the Company for any reason.