

Marathon Oil Company Employee Service Plan

**Amended and Restated
as of January 1, 2015**

Employee Service Plan

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Employee Service Plan

I. Purpose

- A. The Employee Service Plan establishes uniform treatment in accrediting service and provides for appropriate service recognition.
- B. The accredited service of regular employees is used to determine benefits under the Company's Service Award Program as well as the Vacation, Sick Benefit, Retiree Health, and Termination Allowance Plans and under certain provisions of the Military Leave of Absence Plan. Experienced hires may have some previous experience recognized for purposes of determining entitlement to vacation benefits only.
- C. This amended and restated Plan is effective January 1, 2015 and supersedes all other prior documents.

II. Eligibility

- A. All regular U.S. payroll employees of participating employers who work on a full-time or part-time basis accrue service. For purposes of eligibility, "full-time" basis means the regular employee has a normal work schedule of at least 40 hours per week or at least 80 hours per week on a bi-weekly basis. However, if an otherwise eligible regular full-time employee's normal schedule is reduced to 20 hours or more per week to accommodate a bona fide health problem or disability, such employee will continue to accrue service as a Regular Full-time employee. Regular Part-time basis means the employee is a non-supervisory employee, employed to work on a part-time basis (minimum of 20 hours but less than 35 hours per week), and not on a time, special job-completion, or call-when-needed basis.
- B. Casual employees are not eligible to accrue service.
- C. Former MOC College Co-ops and Interns who accept regular full-time employment on or after May 1, 1999 will have their co-op/intern service recognized in the same manner as a rehire.

III. Computation of Service

- A. Service Employment Date
 - 1. An employee's length of service is calculated from the "Accredited Service Date." The Accredited Service Date reflects the total years, months, and days of recognized Company service and, for most employees, is the date they began current employment with a Participating Employer. For this purpose, a Participating Employer is Marathon Oil Company, Marathon Oil Corporation, Marathon Service Company or any other employer that is designated as a Participating Employer by the Executive Committee of Marathon Oil Company.
 - 2. The Accredited Service Date may be adjusted for periods of time when the employee is off the payroll and not receiving service credit. Beginning with the Accredited Service Date, each twelve months of service, even though not consecutive, is considered to be one year of service.

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B. Time Off the Payroll

1. If an employee is off the payroll for less than 30 consecutive days, the time absent is considered as service.
2. If an employee is off the payroll for 30 consecutive days or more, the time absent is **not** considered as service.

C. Service Recognition while on Leave of Absence

1. Sick Leave — service is recognized.
2. Military Leave — service is recognized.
3. Family Leave of 12 workweeks or less — service is recognized.
4. Family Leave in excess of 12 workweeks — service is **NOT** recognized.
5. Personal Leave of Absence — service is **NOT** recognized.
6. Educational Leave — service is **NOT** recognized.

D. Service Recognition for Transfers, Rehires and New Hires

1. Service under the Employee Service Plan is for purposes of the Health and Welfare Benefit Plans, as described in the following charts. Service for purposes of the Retirement and Thrift Plans (Qualified Plans) is governed by specific provisions within each of the plans.
2. Within this Plan document, the use of the term “Controlled Group” references the Controlled Group to which Marathon Oil Company belongs as in effect from time to time.

Health and Welfare Benefit Plans — TRANSFERS	
Transfers within the controlled group of corporations to which MOC belongs	Any employee transferred to a participating employer from a non-participating employer within the controlled group of employers to which Marathon Oil Company belongs, will have such past service with such former employer recognized.
Transfers to the controlled group of corporations to which MOC belongs from affiliated employers	<p>Any employee transferred prior to January 1, 2010, to a participating employer within the controlled group to which Marathon Oil Company belongs from an Affiliated Employer will have such past service with such former employer recognized. (Prior to January 1, 2010, Affiliated Employers included USX Corporation, United States Steel LLC, United States Steel Corporation and United States Steel and Carnegie Pension Fund.)</p> <p>On or after January 1, 2010, transfers are not recognized from the former Affiliated Employers described above and, therefore, service with such former Affiliated Employers is not recognized under this Plan. Effective July 1, 2011, employers within the controlled group to which Marathon Petroleum Corporation belongs are included in the group of former Affiliated Employers.</p> <p>Irrespective of an employee’s transfer date, service prior to January 1, 2012, recognized by this Employee Service Plan (including its predecessor Plan) or the Marathon Petroleum Employee Service Plan will be recognized under this Plan.</p>

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Health and Welfare Benefit Plans — NEW HIRES/REHIRES	
New hires and rehires from participating employers of the controlled group to which MOC belongs	After one year of service with a participating employer within the controlled group to which Marathon Oil Company belongs, previous controlled group service with any participating employer within the controlled group to which Marathon Oil Company belongs will count as recognized by each controlled group participating employer at the time of termination. This includes former College Co-ops and Interns hired as Regular Full-time employees on or after May 1, 1999. The Marathon Oil Company Employee Service Plan will only recognize bona fide service while classified as a Co-op or Intern with a participating employer within the controlled group.
New hires and rehires from non-participating employers of the controlled group to which MOC belongs or from affiliated employers)	New hires and rehires (non-transferees) will be treated as new employees with no recognition of previous service with non-participating employers of the controlled group to which Marathon Oil Company belongs and no recognition of previous service with any former Affiliated Employer. (Former Affiliated Employers include USX Corporation, United States Steel LLC, United States Steel Corporation and United States Steel and Carnegie Pension Fund.) Effective July 1, 2011, employers of the controlled group to which Marathon Petroleum Corporation belongs are included in the group of former Affiliated Employers.

E. Service Recognition For Acquisitions

1. If an individual is hired by Marathon Oil Company as a direct result of an acquisition, the decision whether prior service with the other company is considered as Marathon Oil Company service is made on or about the time of the acquisition. Service under the Employee Service Plan is for purposes of the Health and Welfare Plans, as described in the following chart for Acquisitions. Service for purposes of the Retirement and Thrift Plans (Qualified Plans) are governed by specific provisions within each of the plans.

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Health and Welfare Benefit Plans — RELATIVE TO ACQUISITIONS	
Conoco/Unocal Employees	Former employees of certain Conoco and Unocal properties during 1994 and 1995, who were hired by Marathon within 60 days of Marathon's taking over the operations of these properties, have past service credit under this Plan for their respective service recognized by Conoco or Unocal. This Conoco or Unocal service will be recognized as accredited service for all Marathon Health and Welfare benefit plans/policies that utilize accredited service.
Chevron Employees	Former employees of certain Chevron properties, who were hired by Marathon within 60 days of Marathon commencing ownership of the properties, have past service credit under this Plan for their service recognized by Chevron. This service will be recognized as accredited service for all Marathon Health and Welfare benefit plans/policies that utilize accredited service.
Amoco Employees	Former employees of certain Amoco properties, who were hired by Marathon within 60 days of Marathon commencing ownership of the properties, have past service credit under this Plan for their service recognized by Amoco. This service will be recognized as accredited service for all Marathon Health and Welfare benefit plans/policies that utilize accredited service.
Pennaco Energy, Inc. Employees	This Plan provides past service credit for Health and Welfare benefit plan/policy purposes to former Pennaco employees acquired by Marathon for their respective years of service recognized by Pennaco.
CMS Energy Corporation Employees	Former employees of certain CMS properties, who were hired by Marathon within 90 days of Marathon commencing ownership of the properties, have past service credit under this Plan for their service recognized by CMS. This service will be recognized as accredited service for all Marathon Health and Welfare benefit plans/policies that utilize accredited service.
Ahland, Inc.	Ashland service is not recognized under MOC Health and Welfare benefit plans/policies for eligibility and benefit purposes for any transfer from Ashland to MOC (including any new hire with previous Ashland service) from January 1, 1998 through June 30, 2005, and on or after MOC's acquisition of Ashland's share of MPC which was effective July 1, 2005.

IV. Recognition

A. Eligibility

1. All regular U.S. payroll employees of participating employers who attain one year of service are presented with a commemorative service award.
2. Employees, who attain their fifth year anniversary and any fifth year anniversary thereafter, are eligible for a commemorative service award and a gift of their choice from a catalog prepared for Marathon by the Company's service award vendor. The selection and value of items increases depending upon the employee's years of service. Employees who attain 45 years of service or any fifth year thereafter will be eligible to select their gift from the highest category.

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3. An employee will have 120 days from date of eligibility to order a gift. Otherwise, a gift will be sent automatically to the employee's home.
4. Employees on an expatriate assignment, or Third Country National employees who achieve a five year anniversary must have their gift sent to their point of origin.
5. When an employee retires, a gift selection can be made from the service award catalog in addition to receiving a retirement commemorative award.
6. Employees on Long Term Disability are eligible to receive their service award(s) upon their return to work. If an employee on Long Term Disability does not return to work, they may receive one service award upon retirement.

B. Termination of Retirement Eligible Employees

Occasionally, a retirement eligible employee is terminated for cause or allowed to resign in lieu of termination. If in the opinion of the applicable Human Resources Director, this employee should not receive a service award, they must notify the Benefits Department. Otherwise, the employee will be permitted to order a gift once the retirement commences.

C. Lost or Stolen Awards

The commemorative awards and employee selected gifts, under our agreement with the Company's service award vendor, will not be replaced at Company expense for any reason, except for replacement covered by warranties, or if delivery was not made. However, in the situation where an employee has lost an award, after receipt, or it has been stolen or destroyed after receipt, the employee may submit to the Benefits Department a written request to purchase the item at their own expense.

D. Purchase of Gifts and Awards

The commemorative awards and gifts, under our Policy with the Company's service award vendor, are not available for purchase by employees unless lost, stolen, or destroyed as described above.

E. Exchanges

Exchanges are permitted within the terms of the Company's service award vendors policy.

V. Modification and Termination

The Company reserves the right to modify or terminate this Plan, in whole or in part, in such manner, as it shall determine.

Marathon Oil Company ("the Company") may exercise its reserved rights of amendment, modification or termination by written:

- i. Resolution by the Board of Directors of the Company;
- ii. Resolution by the Executive Committee of the Board of Directors of the Company;
- iii. Actions exercised by any other Committee of the Board of Directors, for example the Executive Committee, to which the Board of Directors of the Company or the Executive Committee of that Board has specifically delegated rights of amendment, modification or termination; or

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- iv. Actions exercised by any other entity or person to which or to whom the Board of Directors of the Company or the Executive Committee of that Board has specifically delegated rights of amendment, modification, or termination.

The Compensation Committee of the Board of Directors of Marathon Oil Corporation has delegated to the Executive Committee the authority to amend, modify, or terminate this Plan at any time. This authority delegated to the Executive Committee shall be exercised in writing.

In addition to the other methods of amending the Plan which have been authorized, or may in the future be authorized, the Company's Vice President of Human Resources & Administrative Services may approve the following types of amendments:

- i. With the opinion of counsel, technical amendments required by applicable laws and regulations;
- ii. With the opinion of counsel, amendments that are clarifications of plan provisions;
- iii. Amendments in connection with a signed definitive agreement governing a merger, acquisition or divestiture such that needed changes are specifically described in the definitive agreement, or if not specifically described in the definitive agreement, the needed changes are in keeping with the intent of the definitive agreement;
- iv. Amendments in connection with changes that have a minimal cost impact (as defined below) to the Company; and
- v. With the opinion of counsel, amendments in connection with changes resulting from state or federal legislative actions that have a minimal cost impact (as defined below) to the Company.

For purposes of the above, "minimal cost impact" is defined as an annual cost impact to the Company that does not exceed the greater of:

- i. An amount that is less than one-half of one percent of its documented total cost (including administrative costs) for the previous calendar year, or
- ii. \$500,000.

VI. Further Information

- A. The Benefits Department coordinates administration of the Plan.
- B. The Human Resources Data Department maintains service records for all employees.

* * * * *

Marathon Oil Company has caused its name to be hereunto subscribed to by Deanna L. Jones, Vice President, Human Resources and Administrative Services, Marathon Oil Company.

MARATHON OIL COMPANY

Deanna L. Jones