



Marathon Oil Company Sick Leave Plan

**Amended and Restated as of
January 1, 2014**



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Sick Leave Plan

I. Introduction

The Sick Leave Plan contains the Company's policy covering **absences** because of an illness or injury, whether occupational or non-occupational. *(Note: The policy covering **pay or disability benefits during Sick Leave** can be found in the Sick Benefit Plan, the Long Term Disability Plan, and/or applicable workers' compensation statutes.)*

The Sick Leave Plan shall, at a minimum, conform with the requirements of the Family and Medical Leave Act of 1993 (FMLA), as amended, any regulations issued by the Department of Labor, and any applicable state and local laws that are more generous than the FMLA and will run concurrent with FMLA.

II. Eligibility

All Regular Full-time and Regular Part-time employees of Marathon Oil Company and other participating employers as listed in Section X are eligible for a Sick Leave.

For purposes of eligibility, Regular Full-time basis 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. In addition, if a Regular Full-Time employee's normal work schedule is reduced to 20 hours or more per week to accommodate a bona fide health problem or disability, such employee will continue their eligibility for leave.

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.

Casual employees who meet the FMLA eligibility requirements are entitled to up to a total of 12 workweeks of FMLA "medical" leave for their own serious health condition during any defined 12-month period. However, Casual employees are not eligible for any Sick Leave as defined in this document.

III. Qualifying for Sick Leave

An employee who has an absence of 3 or more consecutive calendar days due to an occupational or non-occupational illness or injury will be placed on Sick Leave status. If the employee is receiving pay under the Sick Benefit Plan while on Sick Leave, their Employment Status remains "Active." If their Sick Benefit pay is exhausted during the Sick Leave, the employee is moved to "Inactive Employee" status.

Effective Date

The effective date of a Sick Leave is retroactive to the first day the employee is off the job due to the illness or injury necessitating the leave.

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IV. Duration of Leave

An employee may initially be granted a Sick Leave for the period of their injury or illness not to exceed 26 weeks from the effective date of leave. There is no minimum duration for a Sick Leave.

If the period of illness or injury exceeds 26 weeks, the Sick Leave will be limited to 24 months from the initial disability date. In this case, if Long Term Disability benefits continue beyond 24 months, the employee will be moved to LTD retired or LTD Terminated status.

A Sick Leave may be extended beyond the initial 26 weeks for an additional 26 weeks (total of 52 weeks) with the approval of the local Human Resources Manager or Supervisor for the following reasons:

- An LTD member is in the process of obtaining the required documentation for filing an LTD claim.
- An LTD member is awaiting a decision from the LTD Third Party Administrator regarding their claim for benefits or the member is appealing such a decision.
- It appears that within the next 26-week period an employee who is not a member of the LTD Plan will be able to return to their permanent occupation or another occupation commensurate with their ability.
- The Sick Leave is as a result of an occupational illness or injury.

A Sick Leave may be extended beyond 52 weeks with the approval of Absence Management if the employee has filed an LTD claim and it has not been finalized.

Absences which fall under the Sick Leave Plan **will be counted** as part of the 12 workweeks provided under the FMLA if *the employee's own* illness or injury meets the Act's definition of a serious health condition. However, the employee would also be entitled to 12 workweeks *under the Company's Family Leave Plan* for FMLA-defined situations *not connected to the employee's own health*. These include the birth, adoption, or foster placement of a child, to care for a covered family member with a serious health condition, to address any "qualifying exigency" related to a covered family member's call to active duty in the U.S. Armed Forces in support of a contingency operation, or to care for a covered family member injured or ill in the line of duty while on active duty in the U.S. Armed Forces.

Maximum Sick Leave 24-Month Checklist

1st 30 Consecutive Days	<ul style="list-style-type: none">• Send FMLA notices & appropriate DOL certification form as applicable
After 4 Months	<ul style="list-style-type: none">• Review LTD eligibility
After 6 Months (26 weeks)	<ul style="list-style-type: none">• 1st extension up to 26 weeks with approval
After 52 weeks	<ul style="list-style-type: none">• 2nd extension as approved by Absence Management if LTD claim has been filed but not yet finalized, and up to 12 months if receiving LTD benefits. If not an LTD Plan member, either Return to Work or Neutral Discharge.
24 Months	<ul style="list-style-type: none">• LTD Terminated or LTD Retired



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Under any of the above circumstances, it may be necessary for the Human Resources Manager or Supervisor to consult with Medical Director or Assistant Medical Director before deciding to extend the Sick Leave of Absence.

Health Services has determined that a typical Sick Leave related to pregnancy will last no more than six weeks for a normal vaginal delivery, and no more than eight weeks for cesarean delivery. A leave for a pregnancy-related disability may be longer if there are medical complications due to birth. The Third Party Administrator with the assistance of Health Services, if necessary, will review cases involving medical complications with the treating physician and make a recommendation regarding the appropriate length of the Sick Leave.

V. Documentation

The Company may require that an employee's request for Sick Leave be supported by certification issued by the health care provider as appropriate, and recertification on a reasonable basis. Should the Company have reason to doubt the validity of a medical certification, it may require that the employee obtain a second opinion (selected solely by the Company at Company expense) or, if the first and second opinions are conflicting, a third and final opinion from a health care provider designated or approved jointly by the Company and the employee (at the Company's expense). Health Services personnel may be involved in the review process but cannot provide the second opinion for certification. The Company may require additional re-certification on a reasonable basis, but usually not more often than every 30 days.

VI. Benefits Status During Sick Leave

Benefit plan statuses are provided under the terms and conditions of each of the respective benefit plans to which they relate. For specific provisions governing the status of each benefit, refer to the respective plan document. The document entitled, "Benefits Status for Leaves of Absence" has been created as a quick reference guide.

VII. Compensation

An employee's compensation while on a Sick Leave depends on their eligibility and qualification for benefits under the Sick Benefit Plan, the Long Term Disability Plan, and the Vacation Plan. Without eligibility for these plans, a Sick Leave would occur without any compensation.

VIII. Intermittent Leave

An employee may take intermittent leave or leave on a reduced work schedule provided that (a) there is an FMLA-qualifying and documented medical need for leave (as distinguished from voluntary treatments or procedures) and (b) such medical need is best accommodated through an intermittent or reduced leave schedule. Only the amount of leave actually taken may be counted toward the 12 workweeks of FMLA leave to which the employee is entitled.

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If an employee requests such a leave and it is foreseeable based on planned medical treatment, including during a period of recovery from a serious health condition, the Company may require the employee to transfer temporarily to an available alternative position for which the employee is qualified provided the alternative position has equivalent pay and benefits and better accommodates recurring periods of leave than the employee's regular position but does not have to have equivalent duties. The employee must make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the Company, subject to the approval of the health care provider.

"Intermittent leave" is leave taken in separate blocks of time due to a single illness or injury, rather than for one continuous period of time, and may include leave of periods from an hour or more to several weeks. Examples of intermittent leave would include leave taken on an occasional basis for medical appointments, or leave taken several days at a time spread over a period of six months, such as for chemotherapy.

A "reduced work schedule" is a leave schedule that reduces an employee's usual number of working hours per workweek, or hours per workday. Such an arrangement can be made for an employee, with the employer's agreement, because an employee recovering from a serious health condition may not be strong enough to work a regular schedule.

IX. End of Leave

Normally, it is expected that when the employee becomes able to work in the opinion of their physician, as reviewed by Health Services personnel or the Third Party Administrator, the Sick Leave will end and the employee should return to work. An employee who returns to work at the end of the 12 workweek FMLA period (or before) will be reinstated to the same or equivalent job with equivalent pay, benefits and terms and conditions of employment unless the employee's job was eliminated due to a general workforce reduction at the facility where the employee had worked. If a bonus or other payment made to employees is based on the achievement of a specified goal, such as hours worked, products sold, or perfect attendance, and the employee has not met the goal due to FMLA leave, then the payment may be denied.

Employees may be required to submit a fitness-for-duty certification as a condition of the employee's return to work to ensure safety in the work place, with regard to any health condition which caused the need for FMLA leave. If the employee is still qualified to perform the duties and responsibilities of their former occupation, they should be reinstated in that occupation. If the employee is not qualified to perform the duties and responsibilities of the occupation they left, the employee should be considered for another occupation commensurate with ability.

Under the Americans with Disabilities Act (effective 7/26/92) Marathon may be under certain obligations to make reasonable accommodations designed to enable an employee to return to work. Human Resources and Legal can provide guidance on the requirements of the ADA.

If no suitable work is available (e.g., a general workforce reduction at the facility where the employee had worked), the employee must be separated from employment. The separation date is the later of (1) the date that the determination is made that no suitable employment exists, or (2) at the conclusion of the leave period granted to the employee.

Employees will be considered to have resigned from the Company: (1) if they have not returned to work when their leave expires, or (2) if they notify the Company that they will not return to work. The resignation will be effective upon the Leave End Date.

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In the case of a non-LTD member or an LTD member whose LTD benefits have been terminated, when it becomes apparent in the opinion of Health Services that the employee is permanently disabled and will not be returning to work and in the opinion of management the Sick Leave should no longer be extended, the employee should be retired or terminated.

X. Participation by Associated Companies and Organizations

Upon specific authorization and subject to such terms and conditions as it may establish, Marathon Oil Company may permit subsidiaries and affiliated organizations to participate in this Plan. Currently, these participating employers include Marathon Oil Company, Marathon Oil Corporation, and Marathon Service Company.

The term “Company” and other similar words shall include Marathon Oil Company and other participating employers. The term “employee” and other similar words shall include any eligible employee of these participating employers.

XI. Approval Authority for Minor Amendments

In addition to the other methods of amending Marathon Oil Company’s employee benefit plans, practices, and policies (hereinafter referred to as “MOC Employee Benefit Plans”) which have been authorized, or may in the future be authorized, by the Marathon Oil Corporation Board of Directors, Marathon Oil Company’s Vice President of Human Resources may approve the following types of amendments to MOC Employee Benefit Plans:

- 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, for MOC Employee Benefit Plans, 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 per MOC Employee Benefit Plan case 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.

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XII. Further Information

MATRIX Absence Management coordinates the administration of the Plan throughout the Company.

IN WITNESS WHEREOF, Marathon Oil Company has caused its name to be hereunto subscribed by its Vice President, Marathon Oil Company, and its corporate seal to be hereto affixed.

MARATHON OIL COMPANY

By: _____
Its: