



Termination Allowance Plan

Changes Effective April 1, 2015

The following is a summary of key provisions of the Termination Allowance Plan (TAP) and some changes, which are effective April 1, 2015.

- The purpose of the plan is to ease the financial impact on employees who are terminated involuntarily under certain circumstances described in detail in the plan, such as job elimination or reduction in force.
- Regular full-time or part-time Marathon employees who satisfy the conditions of the plan are eligible.
- The plan provides a termination allowance as follows:

Provision	Prior to April 1, 2015	As of April 1, 2015
Minimum payment	8 weeks of pay	8 weeks of pay
Maximum payment	62 weeks of pay	52 weeks of pay
Calculation method (based on years of service and base pay)	Subject to the minimum and maximum, the greater of 1 or 2 below: 1) 2 weeks of pay per year of service OR 2) 1 or 2 weeks of pay per \$10,000 of annual base pay: ○ Employees with less than 2 years of service: 1 week ○ Employees with 2 or more years of service: 2 weeks	Subject to the minimum and maximum, the greater of 1 or 2 below: 1) 2 weeks of pay per year of service OR 2) 1, 1.5 or 2 weeks of pay per \$10,000 of annual base pay: ○ Employees with less than 5 years of service: 1 week ○ Employees with 5–9 years of service: 1.5 weeks ○ Employees with 10 or more years of service: 2 weeks
Termination for performance issues	Employees are eligible for severance payment	Employees are ineligible for severance payment

- Among the additional **conditions** required to receive the termination allowance, an employee must sign a release form within a specified time period and remain actively employed with the Company until the established termination date.

Refer to the [Termination Allowance Plan](#) description posted on **MRObenefits.com** under “Additional Benefits” for details.

The following examples illustrate how benefits will be calculated as of April 1, 2015:

Example #1 Short-Term Employee		
Service at Marathon Oil: 1.5 years Annual base pay: \$70,000 (\$1,346 per week)*		
Calculating the benefit		
Option 1: 2 weeks of pay per year of service	3 weeks' pay	\$4,038
Option 2: 1 week of pay per \$10,000 of annual base pay	7 weeks' pay	\$9,422
Minimum payment	8 weeks' pay	\$10,768
TAP benefit (greatest of the three options)		Minimum

Example #2 Mid-Career Employee		
Service at Marathon Oil: 7 years Annual base pay: \$100,000 (\$1,923 per week)*		
Calculating the benefit		
Option 1: 2 weeks of pay per year of service	14 weeks' pay	\$26,922
Option 2: 1.5 weeks of pay per \$10,000 of annual base pay	15 weeks' pay	\$28,845
Minimum payment	8 weeks' pay	\$15,384
TAP benefit (greatest of the three options)		Option 2

Example #3 Long-Term Employee		
Service at Marathon Oil: 30 years Annual base pay: \$150,000 (\$2,885 per week)*		
Calculating the benefit		
Option 1: 2 weeks of pay per year of service	60 weeks' pay	\$173,100
Option 2: 2 weeks of pay per \$10,000 of annual base pay	30 weeks' pay	\$86,550
Maximum payment	52 weeks' pay	\$150,000
TAP benefit		Maximum

Calculate Your Own TAP Benefit		
Service at Marathon Oil: _____ years Annual base pay: \$_____ (\$_____ per week)*		
Calculating the benefit		
Option 1: ___ weeks of pay per year of service	___ weeks' pay	\$_____
Option 2: ___ weeks of pay per \$10,000 of annual base pay	___ weeks' pay	\$_____
Minimum payment	8 weeks' pay	\$_____
Maximum payment	52 weeks' pay	\$_____
TAP benefit (greatest of the three options)		\$_____

