

**Marathon Oil Company  
Termination Allowance Plan**

**Amended and Restated  
July 18, 2016**

# Termination Allowance Plan

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# Termination Allowance Plan

This document serves both as the plan instrument and the summary plan description (SPD) that the Company is required to provide to Plan participants. To the extent not preempted by the Employee Retirement Income Security Act of 1974 (ERISA), the provisions of this instrument shall be construed and governed by the laws of the state of Texas.

## I. Purpose

As is more fully detailed below, the Termination Allowance Plan (Plan) is designed to apply in situations where the employment of a regular employee of the participating employers (hereinafter the Company) is terminated due to:

- (a) a reduction in the work force; or
- (b) the relocation of a Company facility or component within a Company facility; or
- (c) the closing or sale of a Company facility; or
- (d) a change in the operator of a facility; or
- (e) the tendering of the employee's resignation in response to a written offer to resign made by the Company, as part of the restructuring efforts of the Company, provided the Company approves the resignation in writing.

The purpose of the Plan is to ease the financial impact on the terminated employee during the period they would normally be seeking new employment.

## II. Eligible Employees

Regular employees who work on a "full-time" or "part-time" basis are eligible for the benefits of the Plan and then only if such employees satisfy all of the conditions set forth in this Plan for receipt of the termination allowance or are eligible under Addendum A of this Plan for a specific occupation and separate termination allowance. For purposes of eligibility, "full-time basis" means the employee has a normal work schedule with the Company of at least 40 hours per week. However, if a regular full-time employee's normal work schedule has been reduced to 20 hours or more per week to accommodate a bona fide health problem or disability, the employee will nonetheless be considered to be employed on a "full-time basis" for purposes of Plan eligibility.

Regular Part-time means the employee is a non-supervisory employee, as defined by the Company, who is 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.

Regular employees who work on a "full-time" or "part-time" basis must be specifically designated as such by the Company to be eligible under the terms of this Plan. Casual employees and 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 under the terms of this Plan. Also specifically excluded from eligibility under this Plan 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

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arrangement. Also specifically excluded from eligibility under this Plan 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.

## III. Conditions for Termination Allowance

- A. Subject to the provisions of this Section A and to Sections B, C, D, E and F below, a terminated regular employee who worked on a “full-time” or “part-time” basis (henceforth referred to as “employee”) is eligible for the termination allowance provided that all of the following conditions are met:
1. Either
    - (a) the Company initiated the termination of employment due to:
      - a reduction in work force; or
      - the relocation of a Company facility; or
      - the relocation of a component within a Company facility; or
      - the closing of a Company facility; or
      - the sale of a Company facility; or
      - a change in the operator of a facility; or
    - (b) the employee tendered their resignation in response to a written offer to resign made by the Company as part of the Company’s restructuring efforts and the Company evidenced its approval of the resignation, in writing, by an appropriate authorized representative of the Company; and
  2. the employee properly executes a release form prepared by the Company, submits it to the Company within the time period specified in the form and does not revoke the release; and
  3. the employee was not covered by a collective bargaining agreement executed by the Company which provides severance pay benefits; and
  4. the employee remained an active employee with the Company until the ultimate date established by the Company as the employee’s termination date; and
  5. the employee is **not** eligible for a severance benefit pursuant to the Company’s Change in Control Severance Benefits Plan; and
  6. the employee has **not** unilaterally submitted a resignation of employment. Resignation for purposes of this plan includes retirement. However nothing in this section shall prevent a participant from submitting retirement papers in anticipation of a projected closing or sale date, provided they do not actually leave active employment until the ultimate date established by the Company as the employee’s termination date.

As used in this section, the term “reduction in work force” includes only single or aggregate terminations of employment which were undertaken for the primary purpose of reducing the work force.

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Employees on Military Leave, Family Leave of 12 workweeks or less, or Sick Leave (except employees on a Sick Leave in excess of six months who are not receiving benefits under the Long Term Disability Plan nor claiming entitlement to such benefits) at the time of a Company initiated action which would otherwise result in their termination of employment, will not be considered for a termination allowance until the termination of the leave. At such time the individual must meet all of the necessary prerequisites to return to active employment under the terms of the leave and must also then meet all the eligibility requirements of the Plan in order to be eligible to receive a termination allowance. An employee on Family Leave in excess of 12 workweeks, Personal Leave, Educational Leave or returning from any one of these three types of leaves is not eligible for the termination allowance under any circumstances.

Employees who separate employment as a result of policy MRO 109 (Mandatory Retirement for Grades 88 and Above) are not eligible for a termination allowance benefit.

- B. An employee who accepts any offer of employment, or rejects an offer of Reasonable Alternative Employment:
1. from the Company, or
  2. from an employer within the controlled group to which Marathon Oil Company belongs (the "MRO Controlled Group" as defined in Section C of Article IV below), or
  3. in the case of the sale of Company facility, from the "buyer" of the facility, or
  4. in the case of the change in the operator of a facility, from the "new operator" of the facility, is not eligible for the termination allowance benefits.
- C. An employee who rejects an offer that is not Reasonable Alternative Employment:
1. from the Company, or
  2. from an employer within the MRO Controlled Group, or
  3. in the case of the sale of a Company facility, from the "buyer" of the facility, or
  4. in the case of the change in the operator of a facility, from the "new operator" of the facility, is eligible for termination allowance benefits, provided the employee declines the offer prior to the deadline for acceptance established by management. An employee who accepts an offer that is not Reasonable Alternative Employment and subsequently revokes that acceptance will not be eligible for termination allowance benefits.
- D. As a condition for any payment from the Plan, an employee must provide to the Plan any and all requested documentation regarding offers of employment, including but not limited to offers of Reasonable Alternative Employment. In addition, an employee must put forth a good-faith effort to obtain Reasonable Alternative Employment.
- E. An employee who has irrevocably elected to receive the benefits of any Voluntary Enhanced Retirement Program is not eligible for the Termination Allowance. The Plan Administrator of the Plan shall rely on information provided by the Company for purposes of determining

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whether a member has irrevocably elected to receive the benefits of any Voluntary Enhanced Retirement Program.

F. For purposes of this Plan, the following definitions shall apply:

1. "Reasonable Alternative Employment" is an offer of employment satisfying both of the following conditions:

(a) the base rate of pay (or base salary) is equal to or greater than the base rate of pay (or base salary) of the previous employment; and

(b) the distance between the employee's residence and the new place of employment is not more than 35 miles more than the distance between such residence and the former place of employment. (This mileage provision is not applicable for the employee whose unilateral request to work from home was granted by the Company should such employee reject any offer of employment from the Company, regardless of location, provided such offer satisfies III.F.1.(a), above. For an employee on international assignment, the employee's "residence" is considered to be his or her point of origin, if one is formally on file with the Company. For an employee on temporary assignment within the US, or on international assignment without a documented point of origin, the employee's "residence" is his or her home address as noted in the company's system of record, immediately prior to accepting the temporary or international assignment.)

2. The term "buyer" shall include:

(a) the entity acquiring the facility; or

(b) any business enterprise which is affiliated with the acquiring entity; or

(c) any firm contracting with any entity described in (a) or (b) of this paragraph for the purpose of operating all or any part of the facility or employing persons assigned to work at all or any part of the facility on behalf of such entity.

3. The term "new operator" shall include:

(a) the entity which has assumed operation of the facility; or

(b) any business enterprise which is affiliated with the new operating entity; or

(c) any firm contracting with an entity described in (a) or (b) of this paragraph for the purpose of operating all or any part of the facility or employing persons assigned to work at all or any part of the facility on behalf of such entity; or

(d) sourcing vendor or purchaser of assets.

## IV. Amount and Form of Termination Allowance

### A. Termination Allowance

For eligible employees, the amount of termination allowance shall be the greatest of (1), (2), or (3):

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1. Two (2) weeks of pay per year of service (service as defined in Article IV(c)),
2. One (1) to two (2) weeks of pay per \$10,000 of annual base pay as determined below:
  - For employees with less than five (5) years of service (as defined in Article IV(c)) one (1) week of pay per each \$10,000 of annual base pay (using the normal rules of rounding) to the nearest \$10,000, or
  - For employees with at least five (5) but less than ten (10) years of service (as defined in Article IV(c)) one and a half (1.5) weeks of pay per each \$10,000 of annual base pay rounded (using the normal rules of rounding) to the nearest \$10,000, or
  - For employees with ten (10) or more years of service (as defined in Article IV(c)) two (2) weeks of pay per each \$10,000 of annual base pay rounded (using the normal rules of rounding) to the nearest \$10,000, or
3. Eight (8) weeks of pay.

In all cases, however, the maximum amount of the termination allowance determined above will be the lesser of (1) 52 weeks' pay or (2) two times the annual limit under Section 401(a)(17) of the Internal Revenue Code of 1986, as amended, that applies for the year during which the termination of employment occurs.

For all eligible employees, the amount of the termination allowance shall be subject to Article IV, Sections B, C and D below.

*(For your information, at the end of this document there is an outline containing a list of special severance benefit considerations under other employee benefit plans applicable to employees who satisfy all conditions for a payment of a Termination Allowance under the Termination Allowance Plan. Except, however, these special severance benefit considerations are not applicable to employees eligible for a termination allowance pursuant to Addendum A of the Marathon Oil Company Termination Allowance Plan. All determinations which are made with respect to the availability and administration of these special severance benefit considerations shall be made by the plan administrators for the plans under which the special benefit considerations are provided.)*

## **B. Week's Pay Defined**

A week's pay for exempt and nonexempt employees is defined as follows:

### **1. Exempt Employees**

Current Monthly Base Salary x 12 (Months)

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52 (Weeks)

Monthly base salary shall include contributions to the Thrift Plan's Pre-Tax Account, contributions made under the Contribution Conversion Plan (CCP), and contributions to the Health Care Spending Account (HCSA) and the Dependent Care Spending Account (DCSA).

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For an exempt employee who is on a furlough, the employee's current monthly base salary shall be determined as of the date immediately prior to the furlough.

## **2. Nonexempt Employees**

The current hourly base rate (or the equivalent hourly rate in the case of salaried employees) multiplied by the normally scheduled number of working hours in a workweek, or 40 hours, whichever is less. The "current hourly base rate" for employees on a 12-hour shift schedule at the time of termination will be equal to the "premium rate" (8-hour equivalent rate).

If a nonexempt employee is paid at more than one hourly rate, the "current hourly base rate" is determined by calculating a weighted average of all hourly rates on which the employee's earnings were based for the thirty-day period immediately preceding the effective date of the termination.

Current hourly base rate shall include contributions to the Thrift Plan's Pre-Tax Account, contributions made under the Contribution Conversion Plan (CCP), and contributions to the Health Care Spending Account (HCSA) and the Dependent Care Spending Account (DCSA).

## **C. Service Defined**

Service is the years and months credited to the employee on the date of termination in accordance with the Employee Service Plan, less any service recognized by the Company on which a termination allowance or other type of severance/layoff benefit has been paid or will be paid by the Company, any employer within the MRO Controlled Group, or any former employer outside the MRO Controlled Group provided the Company obtains documentation of the amount and service years covered by the termination allowance of the former employer.

"MRO Controlled Group" means Marathon Oil Corporation (MRO) and any other corporation, trust or estate, or partnership in which MRO owns, either directly or indirectly, at least 80% of either the voting stock, the total value of shares of all classes of stock, the actuarial interest, the profits interest, capital interest, or beneficial interest.

## **D. Coordination With Other Benefits**

### **1. Reduction for Severance Pay and/or Wage Continuation Payments**

If a person eligible for the termination allowance is entitled to receive other severance payments from the Company or another employer in the MRO Controlled Group, and/or wage continuation payments (other than unemployment compensation), pursuant to federal, state, local or foreign law, the person's termination allowance shall be reduced. The amount of the reduction for severance pay and/or wage continuation payments will be equal to the total amount of such severance and/or wage continuation payments which the person is entitled to receive during the "termination allowance period."



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## 2. Termination Allowance Period

For purpose of this paragraph D, the term “termination allowance period” means the period of time beginning on the effective date of the termination of employment and extending for the number of weeks for which the terminated employee would otherwise receive a week’s pay under the Plan.

The “coordination with other benefits” provisions set forth above shall not apply to a person whose effective date of termination of employment occurs during the five-year period following the date of a “Change in Control” (as defined below).

## E. Form of Termination Allowance

The termination allowance will be paid in a lump sum as soon as practicable after the amount of the allowance has been determined and an appropriate unrevoked release form has been signed and timely submitted by the terminated employee. In no event, however, will the termination allowance be paid either (a) prior to the expiration of the eight (8) day revocation period following the employee’s signing of the appropriate release form or (b) later than the last day of the second taxable year following the taxable year in which the employee separates from services with the MRO Controlled Group.

## V. Benefit Plan Application

Termination allowances paid under this Plan are not taken into account for purposes of contributions or benefits under any employee benefit plans. The period of coverage under any employee benefit plan is not extended due to the payment of a termination allowance.

## VI. Payment of Allowance in Case of Incompetency

If any person who is entitled to a termination allowance shall be legally, physically, or mentally incapable of receiving or acknowledging payment of such allowance, the Company upon receipt of satisfactory evidence of such incapacity may, in its sole discretion, cause such allowance to be paid to some other person, persons, or institution on behalf of the person entitled to such benefit.

## VII. Payment of Allowance in Case of Death

In the event that an otherwise eligible terminated employee dies after signing an unrevoked release form, but before a termination allowance is paid to the terminated employee, the termination allowance will be paid to the estate of the terminated employee. If, however, an otherwise eligible terminated employee dies prior to signing a release form, the termination allowance will not be paid to the estate of the terminated employee nor to anyone else. Further, in no event will a termination allowance be payable with respect to an employee who dies prior to the termination of their employment.

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## **VIII. Unclaimed Payments**

If, within five (5) years after any amount becomes payable hereunder to a Participant, the same shall not have been claimed, provided due and proper care have been exercised by the Claims Administrator and the Company in attempting to make such payments by providing notice at the participant's last known address, the amount thereof shall be forfeited and shall cease to be a liability of the Plan. In such case, the amount thereof shall be retained by the Company in its general assets. Provided that the claimant initially made a timely claim, the claimant shall have the right and responsibility to re-establish their claim for payment with the Company by providing due proof that such amount is owed to the Participant.

## **IX. Assignment of Allowance**

No assignment of all or part of the termination allowance will be valid or recognized by the Company.

## **X. Participation by Other Companies and Employees**

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

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

## **XI. Funding of the Plan**

The Plan shall be funded out of the general assets of the Company and it shall not be prefunded.

## **XII. Claim Procedure**

It is not normally necessary to file a written claim for benefits under the Plan, although you may do so. However, if a benefit is not paid within the time provided under the Plan or is believed by you or your beneficiary to be in an incorrect amount, you as a Member, or if applicable, your beneficiary may file a written claim for a benefit (or additional benefit) which is reasonably calculated to bring the claim to the attention of the Plan Administrator. If a claim for a Plan benefit is wholly or partially denied by the Plan, notice of the decision shall be furnished to the Member by the Plan or the Plan Administrator within a reasonable period of time after receipt of the claim, which notice shall include the following information:

1. The specific reason or reasons for the denial;
2. Specific reference to the Plan provisions on which the denial is based;
3. A description of any additional material or information necessary to complete the claim and an explanation of why this material or information is necessary; and
4. An explanation of the steps to be taken if you wish to submit your claim for review.

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The notice must be provided within ninety (90) days of the date that the claim is received by the Administrator, unless special circumstances require an extension of the period for processing the claim. If such an extension is required, written notice of the extension shall be provided to the Member prior to the expiration of the ninety (90) day period. The written notice of the extension shall specify the circumstances which require the extension as well as the date upon which a final decision is expected. In no event is the extended period to exceed ninety (90) days from the end of the initial ninety (90) day period.

## **XIII. Claim Review Procedure**

A Member or the Member's duly authorized representative may appeal a denial of a claim by requesting a review by written application to the Plan Administrator or its designee not later than ninety (90) days after receipt by the Member of written notification of denial of a claim. The Member or the Member's duly authorized representative:

- (a) may review pertinent documents; and
- (b) may submit issues and comments in writing.

Failure to make written request for appeal within the ninety (90) day period after the receipt of the Administrator's notice of denial of the claim shall render the Administrator's decision regarding the claim final, binding and conclusive on all parties.

A decision on review of a denied claim shall be made by the Plan Administrator not later than sixty (60) days after the Plan Administrator's receipt of a request for review, unless special circumstances require an extension of time for processing, for example, where there exists a need to hold a hearing, in which case a decision shall be rendered within a reasonable period of time, but not later than one hundred twenty (120) days after receipt of a request for review. The decision on review shall be in writing and shall include the specific reason(s) for the decision and the specific reference(s) to the pertinent Plan provisions on which the decision is based. If an extension of time is required, the Member shall be notified within the sixty (60) day period, that an extension is required. Questions regarding any of the procedures discussed above may be directed to the Plan Administrator.

## **XIV. Administration**

The Marathon Oil Company Termination Allowance Plan is sponsored by Marathon Oil Company, 5555 San Felipe Road, Houston, Texas 77253. Marathon's employer identification number is 25-1410539 and the plan number is 521. The Company has appointed Deanna L. Jones, Houston, Texas 77253 (phone: 713-629-6600), as the Plan Administrator and Named Fiduciary of the Plan. The Company shall appoint assistant administrators as may be deemed necessary. The Plan Administrator is designated as the agent for service of legal process. Plan documents are available for inspection at the local Human Resources office or at Marathon Oil Company, Benefits Administration, 5555 San Felipe Road, Houston, TX 77253. The Plan is a severance benefit plan which is employer-administered. Benefits are provided by Marathon Oil Company and the Plan is not pre-funded. The Plan year ends on December 31, and its records are kept on a calendar year basis.

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In determining the eligibility of participants for benefits and in construing the Plan's terms, the Plan Administrator has the power to exercise discretion in the construction of doubtful, disputed, or ambiguous terms or provisions of the Plan, in cases where the Plan instrument is silent, or in the application of Plan terms or provisions to situations not clearly or specifically addressed in the Plan itself. In situations in which they deem it to be appropriate, the Plan Administrator may evidence (i) the exercise of such discretion, or (ii) any other type of decision, directive or determination they may make with respect to the Plan, in the form of written administrative rulings which, until revoked, or until superseded by Plan amendment or by a different administrative ruling, shall thereafter be followed in the administration of the Plan. All decisions of the Plan Administrator made on all matters within the scope of authority shall be final and binding upon all persons, including the Company, any trustee, all participants, their heirs and personal representatives, and all labor unions or other similar organizations representing participants. It is intended that the standard of judicial review to be applied to any determination made by the Plan Administrator shall be the "arbitrary and capricious" standard of review.

### **XV. Modification and Termination of Plan**

Marathon Oil Company reserves the right to modify, suspend, or terminate the Plan at any time, in whole or in part, in such manner as it shall determine; provided, however, that if there is a "Change in Control" (as defined below), the Plan cannot be modified, suspended or terminated for a period of five years following the effective date of the Change in Control. Notwithstanding the above, the Plan may be amended during the five-year period following the effective date of a Change in Control to the extent any amendment is required by law.

Marathon Oil Company ("the Company") may exercise its reserved rights of amendment, modification or termination (i) by written resolution by the Board of Directors of the Company, (ii) by written resolution by the Executive Committee of Marathon Oil Corporation (the "Executive Committee"), or (iii) by written actions exercised by any other entity or person to which or to whom the Board of Directors of the Company or the Executive Committee has specifically delegated rights of amendment, modification, or termination.

The Executive Committee has further delegated to the Vice President of Human Resources & Administrative Services the ability to amend or modify (but not to terminate) this Plan to the extent that such amendment or modification is not a material Plan design change.

### **XVI. Change in Control**

A. As used in this Plan, the term "Change in Control" shall mean a change in control of Marathon Oil Corporation (the "Corporation") of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Corporation is then subject to such reporting requirement; provided, that, without limitation, such a change in control shall be deemed to have occurred if:

1. any person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) (a "Person") is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation (not included in the securities beneficially owned by such person any such securities acquired directly from the

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Corporation or its affiliates) representing twenty percent (20%) or more of the combined voting power of the Corporation's then outstanding voting securities; provided, however, that for purposes of this Agreement the term "Person" shall not include (a) the Corporation or any of its subsidiaries; (b) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its subsidiaries; (c) an underwriter temporarily holding securities pursuant to an offering of such securities; or (d) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation; and provided further, however, that for purposes of this paragraph (1), there shall be excluded any Person who becomes such a beneficial owner in connection with an Excluded Transaction in paragraph 3 below); or

2. the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new directors (other than a director whose initial assumption of office is in connection with an actual or threatened election contest including, but not limited to, a consent solicitation, relating to the election of directors of the Corporation) whose appointment or election by the Board or nomination for election by the Corporation's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or
  3. there is consummated a merger or consolidation of the Corporation or any direct or indirect subsidiary thereof with any other corporation, other than a merger or consolidation (an "Excluded Transaction") which would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving corporation or any parent thereof) at least 50% of the combined voting power of the voting securities of the entity surviving the merger or consolidation (or the parent of such surviving entity) immediately after such merger or consolidation, or the shareholders of the Corporation approve a plan of complete liquidation of the Corporation, or there is consummated the sale or other disposition of all or substantially all of the Corporation's assets.
- B. Notwithstanding anything to the contrary herein, the tax-free spin-off of the steel and steel-related businesses of the Corporation into a freestanding, publicly traded company and retention of the energy and energy-related businesses (the "Restructuring") shall not constitute a Change in Control.
- C. Notwithstanding anything to the contrary herein, the spin-off of Marathon Petroleum Corporation into a freestanding, publicly traded company shall not constitute a Change in Control.

### **XVII. Effective Date**

This restatement of the Plan was authorized by the Executive Committee on July 18, 2016 and is effective for terminations on or after such date.

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## **XVIII. Further Information**

The Benefits organization coordinates the administration of the Plan at the direction of the Plan Administrator.

## **XIX. Your Rights Under Federal Law**

As a participant in the Marathon Oil Company Benefit Plans, you are entitled to certain rights and protections under the Employee Retirement Income Security Act ("ERISA"). ERISA provides that all plan participants shall be entitled to:

### **Receive Information About Your Plans and Benefits**

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites, all plan documents governing the plan, including insurance contracts, and a copy of the latest annual reports (Form 5500 Series) filed by the plans with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plans, including insurance contracts, and copies of the latest annual reports (Form 5500 Series) and updated summary plan descriptions. The administrator may make a reasonable charge for the copies.

Receive a summary of the plans' annual financial reports. The plan administrator is required by law to furnish each participant with a copy of the summary annual reports.

Obtain a statement specifying whether you have a right to receive a pension at your normal retirement age, as defined in this summary plan description, and if so, what your benefits would be at your normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you must work to earn a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the plans. The people who operate your plans, called "fiduciaries" of the plans, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a (pension, welfare) benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a (pension, welfare) benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

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Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual reports from the plans and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## Assistance With Your Questions

If you have any questions about your plans, you should contact the respective plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

\* \* \* \* \*

**Note:** At any given time, amendments to the Plan may have been adopted by the Company which have not yet been reflected in this written document. Copies of any such amendments will be sent to you if you send a written request for them addressed to the Plan Administrator. In addition, from time to time the Plan Administrator may evidence the exercise of discretion on Plan matters in the form of written "Administrative Rulings." Copies of any such ruling will also be sent to you if you send a written request for them addressed to the Plan Administrator. The Plan Administrator may assess a reasonable charge to provide any requested copies.

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

MARATHON OIL COMPANY

By: \_\_\_\_\_

Date: \_\_\_\_\_

## **Addendum A to the Termination Allowance Plan**

This Addendum is part of the Marathon Oil Company Termination Allowance Plan (“the Plan”), but contains a separate and distinct termination allowance payment. Notwithstanding all other eligibility provisions of the Plan, an employee who is a Regular Full-time or Regular Part-time employee of the Company within the job classification of “Pilot” and who:

- (a) is not otherwise eligible for a termination allowance under all other provisions of this Plan;
- (b) is not eligible for any enhanced retirement benefit under the terms of the Retirement Plan of Marathon Oil Company or any other Company-provided severance benefit; and
- (c) is no longer eligible to fly based on the FAA regulations as it applies to airline pilots, provided that (i) the employee separates employment within six months after eligibility to fly under the FAA regulations ends and (ii) eligibility to fly under FAA regulations is not ended due to misconduct

is eligible for a cash termination allowance benefit that will be equal to fifty percent (50%) of the amount of the cash termination allowance payment that would be calculated under the terms of this Plan if the employee was eligible for a termination allowance pursuant to all the terms and conditions of this Plan unrelated to this Addendum.

Eligibility for the fifty percent (50%) cash termination allowance benefit under this Addendum is without regard to any other conditions set forth in the Plan. Payment of this benefit is not construed as satisfying “all conditions” for termination allowance benefits. As a result, eligible employees under this Addendum are not eligible for special severance benefit considerations provided under the Educational Reimbursement Plan, Out-placement Assistance to terminated employees, or any other “severance” related benefit that is contingent upon satisfying “all conditions” for receipt of a termination allowance benefit.



# Termination Allowance Plan

## Outline of Other Special Severance Benefit Considerations

THE SPECIAL SEVERANCE BENEFIT CONSIDERATIONS DESCRIBED BELOW ARE PROVIDED UNDER AMENDMENTS TO THE BENEFIT PLANS TO WHICH THEY RELATE. ALL DETERMINATIONS WHICH ARE MADE WITH RESPECT TO THE AVAILABILITY AND ADMINISTRATION OF THESE SPECIAL SEVERANCE BENEFIT CONSIDERATIONS SHALL BE MADE BY THE PLAN ADMINISTRATORS FOR THE PLANS UNDER WHICH THE SPECIAL BENEFIT CONSIDERATIONS ARE PROVIDED.

Except as noted below, the following Special Severance Benefit Considerations are available to an employee whose employment is terminated as described in Article XVII of the Marathon Oil Company Termination Allowance Plan, and who satisfies all conditions for the payment of a termination allowance under the Termination Allowance Plan.

### A. Educational Reimbursement Plan

For eligible terminated employees who on the effective date of their termination were enrolled in courses covered by tuition aid, continued tuition aid coverage will be provided for these courses until the end of the respective semester, quarter, or session.

Additional coverage is available to eligible terminated employees who waive out-placement assistance. The Company will reimburse tuition aid expenses incurred within 12 calendar months of termination, not to exceed \$1,500 per terminated employee. (This additional coverage is provided regardless of whether a release form is signed.)

**Note:** This additional coverage is NOT available to employees who accept an offer of employment from a “buyer” of a Company facility or from a “new operator” in the case of a change in the operator of a Company facility.

### B. Out-Placement Assistance

UNLESS WAIVED BY THE ELIGIBLE TERMINATED EMPLOYEE, OUT-PLACEMENT ASSISTANCE WILL BE PROVIDED THROUGH A THIRD PARTY. OUT-PLACEMENT ASSISTANCE IS PROVIDED REGARDLESS OF WHETHER A RELEASE FORM IS SIGNED.

Employees who accept an offer of employment from a “buyer” of a Company facility or from a “new operator” in the case of a change in the operator of a Company facility, will not be eligible for out-placement assistance.