Marathon Petroleum

RELOCATION POLICY

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(continued)

I. PURPOSE

A. The Company has designed the Relocation Policy ("Policy") to provide financial assistance and administrative support to eligible relocating employees.

II. ELIGIBILITY

A. Regular Full-time and Part-time employees, including new employees hired for Regular Full-time or Part-time employment, are eligible for employee relocation types as specified in III, below.

Regular Full-time employment means a normal work schedule with the Company of at least 40 hours per week or 80 hours on a bi-weekly basis. Regular Part-time employment means the employee is a non-supervisory employee 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.

B. Casual employees are eligible for employee relocation types as specified in III, below.

Casual employment means employment is on a time, special job completion, or call-when-needed basis.

C. If two or more household members are newly hired or transferred by the Company and are relocating simultaneously to the same residence at the new location, the move is regarded as a single relocation and Policy provisions apply only once. Relocation benefits will be given to the employee who first applied and was awarded the new position requiring the relocation.

D. Assistance under the provisions of this Policy is provided to the employee, the employee's spouse/domestic partner, and the employee's and/or the employee's spouse/domestic partner's dependent children who permanently reside in the employee's household as of the employee's effective date of hire or transfer. Assistance applies to the employee's spouse/domestic partner and the employee's and/or the employee's spouse/domestic partner's dependent children who will be relocating and living with the employee for greater than 50% of the time in the employee's new location. Dependent children must be:

1. Under 26 years of age and reside as a part of the employee's immediate family; or
2. Physically and mentally incapable of self-support and reliant upon the employee for support regardless of age.

III. TYPES OF EMPLOYEE RELOCATIONS

A. This Policy provides separate provisions for the following types of relocating employees:

1. Transferred Exempt Employees — Regular employees only
2. New Experienced Employees — Regular employees only
3. New Professional Employees — Regular employees only
4. Transferred Hourly and Non-Exempt Employees — Regular employees only
5. New College Professional Employees — Regular employees only
6. Co-ops and Interns — Casual employees only

B. Separate provisions for each type of relocating employee are outlined in "Part I — Basic Provisions." The provisions in "Part II — Taxes" apply generally to relocating employees.

IV. REPAYMENT AGREEMENT

A. New and transferred employees must sign an Employee Reimbursement Agreement which provides that should the employee terminate employment voluntarily or involuntarily for cause after receiving any relocation benefits, the employee agrees to repay the Company for all relocation benefits (including tax reimbursements) and all relocation expenses incurred by the Company at a rate of 8.33% for each calendar month of service not completed during the 12 calendar months counting from the first of the month in which the employee's effective date of hire or transfer occurred. Additionally, the Agreement provides that should the employee not relocate after receiving any relocation benefits and/or after the Company has incurred any relocation expenses, the employee agrees to repay the Company for all relocation benefits paid on their behalf and all relocation expenses incurred by the Company (no pro-ration). This Agreement does not apply to U.S. Expatriates or Third Country Nationals.

V. RELOCATION PERIOD

A. Expenses incurred under the provisions of this Policy, as described herein, must be incurred within the 12-month period following the effective date of hire or transfer, in order to be considered eligible, reimbursable expenses.

VI. APPROVED TIME OFF

A. Employees will be permitted time off with or without pay, based on Supervisor/Manager discretion, to assist in the completion of a qualifying relocation.

B. Employees should contact their Supervisor/Manager to request time off.

VII. RELOCATION ADMINISTRATION

A. Talent Acquisition or the local Human Resources office at each Company location is responsible for notifying and initiating relocation benefits for a new or transferred employee with the Employee Relocation Office in Findlay. The Employee Relocation Office in Findlay is the central coordinator for the Relocation Policy.

VIII. THIRD-PARTY RELOCATION COMPANY

A. The Company has contracted with a third-party relocation company (the "Relocation Company") to assist with the administration of qualifying employee relocations.

Part I — Basic Provisions

I. TRANSFERRED EXEMPT EMPLOYEES

A. Eligibility

1. Must be a current employee who is transferring into a Regular Full-time or Part-time grade 7 or above exempt position.
2. The distance between the employee's new place of work and former residence must be at least 50 miles more than the distance between the employee's old place of work and former residence. If the employee works from home, the new place of work must be at least 50 miles from the former residence.

B. Relocation Allowance

1. The Relocation Allowance consists of two components:

   Lump Sum
   Calculation of the lump sum is based on data provided by an independent company that specializes in this area. The calculation is based on family size, origin and destination locations. The maximum lump sum allowance is $15,000.

   1.5x Monthly Salary
   Calculation of the 1.5x monthly salary is based on the employee's new base annual salary. To calculate this amount, the employee's new base annual salary is divided by 12, and the result is multiplied by 1.5. The maximum 1.5x monthly salary allowance is $15,000.

   The maximum Relocation Allowance payment an employee may be eligible to receive is $30,000. The purpose of this one-time payment is for the employee to tailor use of the money around their personal plans and needs for the following types of expenses associated with their relocation:

   - Advance house-hunting trip(s)
   - Temporary living
   - Travel expenses — including mileage
   - Return trip(s)
   - Home site expenses (such as childcare, mowing, etc.)
   - Other miscellaneous expenses

   The employee is not required to retain receipts or submit for reimbursement for these expenses. If the employee's total expenses are less than their Relocation Allowance, the employee keeps the balance of the allowance. Conversely, if the employee's total expenses are more than their Relocation Allowance, the employee bears the cost of that excess.

C. Disposal of Home

Residences Eligible for Home Marketing Assistance Program

1. A home eligible for the Home Marketing Assistance Program is any completed single-family or two-family residence (including a condominium) used as the employee's principal residence and owned by the employee at the time of notification of relocation. This includes land customarily considered part of a residential lot and all personal property normally sold with a residence according to local custom.
2. To be eligible for the Home Marketing Assistance Program, the employee must reside in the home at the time the offer to relocate is extended. The home must be titled in the employee's name, or jointly titled with the employee's spouse/domestic partner or other adult or legal dependent(s).
3. The employee's home must be in "marketable condition," which includes (but is not limited to) financing availability, as well as being free of all structural and mechanical defects. Marketable condition includes a state of cleanliness, free of clutter, debris or foul odor.

Residences Ineligible for Home Marketing Assistance Program

4. Homes ineligible for the Home Marketing Assistance Program include (but are not limited to):
    - Homes located outside of the United States
    - Farms, commercial or investment property, cooperative apartments
    - Houseboats, homes without a permanent foundation
    - Undeveloped lots, non-contiguous land parcels
    - Land locked properties without legal and insurable access
    - Second homes, vacation homes, resort properties, etc.
    - Income producing property
    - Homes with acreage in excess of 5 acres or acreage that does not conform to the immediate area
    - Homes that do not conform to immediate marketing area due to age, value or style or any other reason to deem the home unmarketable
    - Multi-unit dwellings (except a two-family residence when one part is the principal residence of the employee)
    - Dwellings occupied by a tenant
    - Homes in which inspections conducted disclose excessive defects and/or repairs which the employee does not remedy to the satisfaction of the Company
    - Properties on which clear title cannot be obtained
    - Properties built with LP siding, Masonite siding (unless remediated) or containing any other materials which are involved in, or could be potentially involved in, a class action lawsuit
    - Properties located near or containing hazardous materials such as but not limited to lead, UFFI (Urea Formaldehyde Foam Insulation), asbestos, radon gas, toxic mold, etc.
    - Properties which do not qualify for conventional mortgage financing
    - Residences that are not Federal National Mortgage Association (FNMA/Fannie Mae) or Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mae) approved
    - Residences undergoing renovation or construction
    - Homes with unfulfilled contractual obligations, i.e., homes in foreclosure (this may include homes in a substantial deficit equity position that could result in a potential short sale)

Home Marketing Assistance Program

5. The employee is expected to aggressively market their home in an attempt to arrange a sale. The Company has contracted with the Relocation Company to provide a Home Marketing Assistance Program to provide the employee with professional guidance in marketing their home.
6. The employee will select two brokers from a list supplied by the Relocation Company. Each broker will supply the employee with a Broker Market Analysis (BMA), which will contain a suggested listing price and anticipated sales price. The employee will select which broker to list with. The home must be listed for no more than 105% of the average of the two brokers' most likely sales prices.

Buyers Value Option

7. If the employee secures a sale during the Home Marketing Assistance Program period, the Relocation Company will use its best efforts to determine that (1) the offer is bona fide, and (2) is in accordance with the Company's relocation policy. If these conditions are met, the Relocation Company will issue the employee a Guaranteed Offer equal to the net value of the third-party offer price.

   The employee MUST NOT indicate acceptance, take any money or sign documents, which would constitute acceptance of the offer.

Guaranteed Offer

8. If after listing the home for 60 days, the home has not been sold, the Relocation Company will offer to purchase the employee's property at its Most Probable Sales Price. Most Probable Sales Price will be determined by the average of two independent appraisals. The employee will choose the appraisers from an approved list supplied by the Relocation Company. If the two appraisals are more than 5% apart, a third appraisal will be obtained. In the case of a third appraisal, the offer to purchase will be the greater of a.) the average of all three, or b.) the average of the two closest of the three appraisals.

   In some locations, there may not be enough qualified appraisers available. If two qualified appraisers cannot be located within the area, the two BMAs may be used to arrive at the Guaranteed Offer. At least one appraisal will be completed and used in conjunction with the BMAs' Most Probable Sales Price to arrive at the Guaranteed Offer. The average of the appraisal and the BMAs' Most Probable Sales Price, provided they are within 5% of each other, will be the Guaranteed Offer. If the appraisal and the BMAs' Most Probable Sales Price differ by more than 5%, another BMA will be ordered and all three values will be averaged or the two closest values will be averaged, whichever is higher, to determine the Guaranteed Offer.
9. The Relocation Company may disregard an appraisal with a valuation it considers to be unsupportable, provided that another appraiser replaces the disregarded appraisal.

   Note: Copies of the appraisals can be secured from the Relocation Company, after the Guaranteed Offer has been issued.

Time Limitation

10. Upon notification of the Relocation Company's offer to purchase (Guaranteed Offer), the employee will have 30 calendar days to accept or reject the offer and continue to market their home for sale.
11. Under no circumstances should the listing price of the home be reduced to an amount below the Guaranteed Offer. Should this happen, and the employee accepts the Guaranteed Offer, the Relocation Company will reduce the Guaranteed Offer to the listing price amount.

Amended Value Sale

12. If the employee secures a sale after they have been issued their Guaranteed Offer based on appraisals, the Relocation Company will use its best efforts to determine that (1) the offer is bona fide, and (2) is in accordance with the Company's relocation policy. If these conditions are met, the Relocation Company will amend their offer to equal the net value of the third party offer price.

    The employee MUST NOT indicate acceptance, take any money or sign documents, which would constitute acceptance of the offer.

Acceptance of Offer

13. If the employee accepts the Relocation Company's offer, the Relocation Company will take steps to acquire the property. The employee must plan to vacate the property no later than the date the Relocation Company will acquire the property.
14. Should it not be feasible for the employee to vacate the property no later than the date the Relocation Company will acquire the property (i.e., waiting for household goods movement), the employee must make every effort to vacate immediately following the acquisition date. During this time, the employee must permit the real estate broker, acting for the Relocation Company, to show the home to prospective buyers.

Employee Declines to Participate or Rejects the Offer

15. If the employee declines to participate in the Relocation Company's Home Marketing Assistance Program or participates in the Home Marketing Assistance Program but declines the Relocation Company's offer, the employee assumes responsibility for the sale of their home with no further assistance from the Relocation Company.
16. The employee will be eligible for reimbursement of home selling costs if the employee consummates the sale of their home no later than 90 days after the employee has rejected the Relocation Company's offer or refused to participate in the Relocation Company's Home Marketing Assistance Program. If the employee does not consummate the sale within this time frame, the employee will not be reimbursed home selling costs.

D. Home Selling Costs

Home Selling Costs Covered Under the Relocation Company's Home Marketing Assistance Program

1. If the employee accepts the Relocation Company's offer or secures an Amended Value or Buyer's Value Option sale, reasonable and customary home selling costs, which normally accrue to the seller, will be paid by the Relocation Company.

Employee Sells Home Directly

2. If the employee sells their home directly within 90 days after declining participation in the Relocation Company's Home Marketing Assistance Program or rejecting the Relocation Company's offer, the Company will reimburse the employee for reasonable and customary home selling costs. Home selling costs include items such as reasonable and customary broker's fees, abstract or title insurance, any mortgage pre-payment penalty, revenue stamps, or such costs which normally accrue to the seller.

    Note: Any reimbursed home selling costs as noted above will be taxable to the employee; no tax allowance is provided.

Selling Costs Covered for a Mobile Home

3. If the employee's primary residence is a mobile home, where the wheels and axles have been removed, the mobile home is on a permanent foundation, and the title covers both the mobile home and the land, the policy for sale is the same as that of a conventional home. If the mobile home does not meet these criteria, the employee will be paid a $3,000 allowance to cover any costs incurred in moving or selling the mobile home.

E. Home Sale Incentive

1. A home sale incentive payment equal to 3% of the negotiated sales price, up to a maximum of $20,000, will be paid on any employee-generated sale (excluding a sale to the Relocation Company).

Sale Within 97% of Guaranteed Offer

2. If the employee has an Amended Value Sale that is within 97% of the Guaranteed Offer, the home sale incentive payment will be calculated on the Guaranteed Offer amount (3% of the Guaranteed Offer amount up to a maximum of $20,000).

   Note: The sale of a mobile home is not eligible for the home sale incentive.

Expiration of Eligibility

3. Eligibility for the home sale incentive will expire when eligibility for reimbursement of home selling costs expires.

F. Loss-on-Sale

1. Employees who participate in the Relocation Company's Home Marketing Assistance Program and sell their property at an actual sales price that is within 90% of the price set by either the Relocation Company's Home Marketing Assistance Program or the Guaranteed Offer, may be eligible for loss-on-sale assistance in accordance with the following provisions.

Loss-on-Sale Defined

2. Loss-on-sale is defined as the difference between the sales price of the employee's home and the documented purchase price. The sale price will consist of the actual sales price or the Relocation Company's Guaranteed Offer, whichever is higher.

Formula for Calculating the Loss-on-Sale Reimbursement

3. Purchase Price – Sales Price = Loss-on-Sale
   a. Maximum reimbursement is $100,000.
   b. Capital improvements will not be considered.

   Note: If the employee's last relocation was effective before January 15, 2019, under the legacy Marathon Petroleum Relocation Policy as a Transferred Exempt Employee, the employee may be eligible to include capital improvements in the loss-on-sale calculation; see "Appendix A."

Expiration of Eligibility

4. Eligibility for loss-on-sale will expire when eligibility for reimbursement of home selling costs expires.

G. Lease Cancellation

1. In those instances where rental expenses at the old location are involved, the Company will reimburse the employee for a maximum of two month's rent in connection with a lease termination. This maximum includes any forfeiture of a security deposit directly attributable to terminating a lease agreement as a result of a transfer.
   a. Required deposits or charges such as those for cleaning, pets, damage and security are not lease penalties and are not reimbursed.
   b. Lost rental incentives such as free rent or rate reductions that were offered when the employee signed the lease and must be repaid are not reimbursed.
   c. If the residence being rented will continue to have one or more occupants after the employee's departure, the employee is not eligible for lease cancellation reimbursement.
2. In those instances where rental expenses at the new location are involved, such as when an employee rents until a permanent residence has been secured, the Company will not reimburse the employee for any lease cancellation expenses. Employees are only eligible for lease cancellation at the old location.

H. Home Purchase Costs

1. The employee who owned a home at the old location and who purchases a home at the new location within 12 months of their effective date of transfer will be reimbursed for reasonable and customary home purchase costs such as survey costs, home inspection costs, attorney fees, title costs, credit report fees, appraisal fee, recording costs and loan service fees. The loan origination fee is limited to $500. (**Note:** Purchase costs do not include administrative fees assessed for assistance with the acquisition, e.g., buyer's premiums.)

   Note: If the employee purchases a newly constructed home, the employee must ensure all costs (including costs for such items as land, a swimming pool, deck, appliances, etc.) are included in the original purchase price. This will eliminate any problems in establishing the actual purchase price for loss-on-sale purposes if the employee is subsequently transferred.
2. The employee may be eligible for one or two discount points paid by the Company. Often called "points," a discount point is a one-time charge used to adjust lower the employee's mortgage interest rate. Each "point" is equal to 1% of the employee's mortgage loan amount. Points may or may not be paid as based on the 30-year mortgage interest rate set by the Federal National Mortgage Association (FNMA) and published in *The Wall Street Journal* on the day the employee locks into a mortgage loan's interest rate. Please refer to the chart below.

Mortgage Interest Rate (Per FNMA)	Reimbursement of Discount Points
<6%	0 points
≥6%, but <8%	Up to 1 point
≥8%	Up to 2 points

3. If the employee was a renter at the old location and purchases a home at the new location within 12 months of their effective date of transfer, the Company will reimburse the employee up to a maximum of $1,000 toward these home purchase costs. Direct billing of home purchase costs does not apply to first-time buyers.

I. Housing Supplement Payment (HSP)

1. If the employee is a homeowner relocating to a high-cost housing area (Alaska, California, Colorado, Utah, and Washington), they may be eligible for a housing supplement payment (HSP). If the employee is relocating within the same state, they are not eligible for an HSP. The intent of the HSP is to help employees acclimate to the higher housing cost area. The HSP will increase the employee's purchasing power and will make comparable housing more affordable in the new work location.

   Note: Homeowners who decide to rent in the new location are not eligible for the HSP but may qualify for the rental supplement payment (RSP).

2. The HSP will be calculated based on the following criteria:
   - The sales price of the employee's current home.
   - The mortgage interest rate of the employee's current home, if applicable.
   - The housing cost comparison index.
   - The mortgage amount of the employee's new home.
   - The mortgage interest rate of the employee's new home.

   Note: The housing cost comparison index is generated by a report that is received from a third party that looks at multiple variables such as the employee's new base annual salary, origin and destination locations, family size, etc. It is important to note that the housing cost comparison index will be different for each employee.

3. The HSP is paid bi-weekly for up to 4 years on a decreasing scale of 25% per year.

J. Rental Supplement Payment (RSP)

1. If the employee is a renter relocating to a high-cost housing area (Alaska, California, Colorado, Utah, and Washington), they may be eligible for a rental supplement payment (RSP). If the employee is relocating within the same state, they are not eligible for an RSP. The intent of the RSP is to help employees acclimate to the higher housing cost area. The RSP will increase the employee's rental power and will make comparable housing more affordable in the new work location.

   Note: Renters who decide to purchase in the new location are not eligible for the RSP but may qualify for the housing supplement payment (HSP).

2. The RSP will be calculated based on the following criteria:
   - The rent amount of the employee's current home.
   - The rental housing cost comparison index.
   - The rent amount of the employee's new home.

   Note: The rental housing cost comparison index is generated by a report that is received from a third party that looks at multiple variables such as the employee's new base annual salary, origin and destination locations, family size, etc. It is important to note that the rental housing cost comparison index will be different for each employee.

3. The RSP is paid bi-weekly for up to 4 years on a decreasing scale of 25% per year.

K. Location Premium

1. The Company provides a location premium to help defray relocation expenses for employees relocating to Alaska and California due to the higher cost of living in these areas.
2. A one-time payment of 10% of the employee's base annual salary will be provided if the employee is relocating to Alaska and 15% of the employee's base annual salary if relocating to California.
3. If the employee works in Alaska or California and they are relocating to one of these states (i.e., California to Alaska), a one-time payment of 5% of the employee's new base annual salary will be provided.
4. If the employee is relocating within the same state, no location premium will be provided.

L. Equity Advance

1. If the employee has started the marketing process of their home at the old location, the employee may request an equity advance from the Relocation Company to make a down payment on a home at the new location.
2. If a bona fide sale is pending or the employee is in receipt of their Guaranteed Offer, the employee will be eligible for an equity advance equal to 100% of their equity or their down payment, whichever is less.
3. If no sale is pending or the employee has not received their Guaranteed Offer from the Relocation Company, the employee will be eligible for an equity advance equal to 90% based on the average of the suggested sales price established by the Broker Market Analysis or their down payment, whichever is less.

Note: If the employee declines to participate in the Relocation Company's Home Marketing Assistance Program or has already closed on a home at the new location prior to starting the marketing process of their home at the old location, the employee will not be eligible for an equity advance.

M. Duplicate Expenses

1. The Company will reimburse the employee for certain duplicate expenses incurred at the unoccupied residence (old or new). If the employee secures a Buyers Value Option or Amended Value Sale or accepts the Guaranteed Offer, duplicate expenses will be reimbursed until title to the property is transferred. Reimbursement of duplicate expenses will terminate upon rental of the property. These expenses will be limited to real estate taxes, mortgage interest, homeowner's insurance, and necessary utilities (gas, electric, and water/sewage).
2. Duplicate expenses, for the employee who participates in the Home Marketing Assistance Program, will commence no earlier than the date the home is priced and placed on the market for sale or, in the case of an employee who does not participate in the Home Marketing Assistance Program, for the 60-day period beginning on the first day a duplicate expense is incurred.
3. Duplicate expenses associated with a rental at the old location will be covered on the unoccupied residence (old or new) for a maximum of 45 days from the date such expenses are incurred. If prior to moving to a new location, the employee moves from a home to a rental at the old location, only one 45-day duplicate expense period is applicable.

N. Mortgage Interest Rate Subsidy

1. An employee who purchases a home at the new location may be entitled to a mortgage interest rate subsidy (MIRS).
2. The employee will be entitled to the subsidy if a home is purchased within twelve months of the employee's effective date of transfer.

   Note: Employees who have not purchased a home at the new location and are transferred again before their twelve-month subsidy limitation period expires, will have twelve additional months from the most recent effective transfer date to buy a house at the newest location and qualify for an interest rate subsidy.
3. Annual mortgage interest rate subsidies will be based upon the following formula:

   MIRS Formula

   a. (New Interest Rate – Old Interest Rate) x (New Home Purchase Price – Old Home Equity).

   New Interest Rate Defined

   b. The New Interest Rate for the first year is the mortgage rate in effect at the time of purchase.

   Old Interest Rate Defined

   c. The Old Interest Rate is the rate in effect at the time of the transfer (or hire for new employees) but in no event less than 9%.

   No Mortgage on Old Location Home

   d. If the employee owns their home but has no mortgage balance remaining, an interest rate of 9% will be used as the Old Interest Rate.

   Note: In order to qualify for this provision, documentation must prove the mortgage was paid off prior to any notification of transfer. Otherwise the subsidy will be based on the old interest rate or 9% whichever is greater.

   Minimum Subsidy

   e. If subsidy payments total less than $500, the subsidy will be paid in a lump sum.

   Different Type of Financing Secured at New Location

   f. A maximum interest rate differential of 2% applies if a different type of financing is secured at the new location. For example, if an employee has an Adjustable Rate Mortgage (ARM) at the old location and obtains a conventional loan at the new location, the interest rate differential used to calculate the subsidy will be capped at 2%.

   New Home Purchase Price

   g. New Home Purchase Price can include the cost of improvements to existing homes as discussed in 4. (Home Purchase Price May be Amended) below and with respect to newly constructed homes as discussed in 5. (Home Purchase Price for Newly Constructed Homes) below.

Old Home Equity Defined

h. Old Home Equity is the sales price (including any loss-on-sale reimbursement) minus the outstanding principal mortgage balance.

Note: A commercial home equity loan will not be included in this calculation unless the proceeds were used for home improvements to the primary residence.

Primary Residence Not Sold

i. If the employee chooses not to sell their primary residence upon transfer and purchases a primary residence at the new location, they may be eligible for the mortgage interest rate subsidy. The equity in the home will equal its appraised value less the outstanding principal mortgage balance. The appraised value will be determined, at Company expense, by an appraiser selected by the employee from a list supplied by the Relocation Company. The Old Interest Rate will be the mortgage rate in effect at the time of the transfer, but in no event less than 9%.

Home Purchase Price May be Amended

4. In some situations, it is not practical or possible to have the cost of improvements included in the purchase price. Therefore, for purposes of calculating the mortgage interest rate subsidy, the employee may subsequently amend their home purchase price one time according to the following rules:

Improvements or Renovations

a. The purchase price amendment must be the result of expenses incurred for capital improvements or renovations made to the employee's primary residence. Documentation of all expenses will be required.

b. Expenditures for labor or materials in connection with improvements or renovations must be made or committed to, in writing, within 90 days of closing. In situations where the employee chooses to perform their own labor, no charge for such labor will be recognized.

c. All work in connection with the improvements and renovations must be completed within one year from the date of closing.

Home Purchase Price for Newly Constructed Homes

5. The purchase price for newly constructed homes will include the cost of the lot plus any documented construction contracted for and completed within 12 months of the first documented construction contract plus:

a. Documented interest charges incurred on a construction loan during the construction period — after-tax costs assuming a marginal rate of 28% unless the employee can document a lower rate. The construction period will be limited to nine months.

b. Documented interest charges incurred on a property loan during the construction period — same after-tax calculation and construction period limitation as in 5.a.

c. Documented insurance costs on the house and construction materials during the construction period — same construction period limitation as in 5.a.

6. Personal property (mobile homes, house boats, etc.) will not be considered under this provision.

Payment Schedule

7. Mortgage interest rate subsidy payments will be made as follows:

Years 1 – 3:	100% of MIRS formula amount
Year 4:	75% of MIRS formula amount
Year 5:	50% of MIRS formula amount

8. The annual subsidy will be paid at the time of purchase of the new home and on the four succeeding anniversaries. If total subsidy payments are less than $500, the subsidy will be paid in a lump sum.

Employees Must Requalify Annually

9. Employees must requalify for subsidy payments on an annual basis. The employee must verify that the property remains their primary residence and provide a statement from the lending institution to confirm the current mortgage interest rate.
   a. The subsidy will be discontinued if the property is no longer the employee's primary residence.
   b. The subsidy will be recalculated if the New Interest Rate has changed as of the anniversary date.
   c. The Old Interest Rate used in the MIRS formula will remain constant unless ARM financing is maintained at both the old and new locations. If ARM financing is maintained at both the old and new locations, the subsidy established for Year 1 will remain constant for each qualifying year and reimbursed in accordance with the five-year payment schedule in 7. (Payment Schedule) above.

Payments Cease

10. Upon a subsequent transfer, resignation, or termination without Marathon Petroleum Termination Allowance Plan benefits, any remaining subsidy payments will cease.

Lump Sum Payment

11. Upon death, retirement, or termination with Marathon Petroleum Termination Allowance Plan benefits, the remaining subsidy payments will be paid in a lump sum.

O. Movement of Household Goods

1. The Policy will cover the cost of packing, moving, storing, and unpacking the employee's household goods and personal effects and insurance on such items while in transit. Storage is available for up to a maximum period of 365 days, beginning with the employee's effective date of transfer.
2. The Policy will cover transportation for up to two pets from the old location to the new location if it is not practical for the animal(s) to accompany the employee in their vehicle. This includes animals that are considered pets such as dogs and cats. It does not include animals such as horses or livestock.

   Note: Additional expenses, such as vet expenses or crates required for shipment, are not covered.

Second Move

3. The Policy will cover the cost of packing, moving, and unpacking the employee's household goods and personal effects for a second move at the new location, if this additional move is from a temporary residence to a permanent residence and if it takes place within twelve months of the employee's effective date of transfer.

Reimbursement for Leased Towing Equipment

4. When there are no additional means used to move household goods and personal effects, the Company will reimburse the employee for leased towing equipment rental. In order for reimbursement to be made, the leasing and towing must qualify as the most economical method of transportation.

Mobile Home

5. The employee will be paid a $3,000 allowance to cover any costs incurred in moving their mobile home.

Transportation of Automobiles

6. The shipment of automobiles at Company expense, via open carrier, is permitted as follows:
   - 0 vehicles if moving up to 400 miles
   - 1 vehicle if moving 400 to 799 miles
   - 2 vehicles if moving 800 miles or more

   Any other van shipment of automobiles or recreational vehicles, or requests for using an enclosed carrier, are permitted at the employee's option and at the employee's expense.

Transportation of Other Recreational Vehicles

7. Employees are strongly encouraged to tow their boat, travel trailer, and other recreational vehicles such as snowmobiles, motorcycles, motorized golf carts, etc.
8. Due to the size of certain types of recreational vehicles, there is sometimes an additional weight charged for space utilization on the moving van. This is called a weight additive. The cost to ship recreational vehicles includes both weight and weight additive costs. The Company will pay for a combined maximum of 1,500 pounds for the weight and weight additive costs. Additional charges will be the employee's responsibility.

P. Spousal/Domestic Partner Employment Assistance

1. The Company has contracted with a career assistance firm to provide the employee's accompanying spouse/domestic partner with the necessary tools, techniques and materials needed to conduct a successful job search at the new location. If interested in using this benefit, the employee's spouse/domestic partner must contact the career assistance firm within 12 months of the employee's effective date of transfer to initiate services. Up to a maximum of $1,500 of services will be allowed.

   Note: This is a U.S. program. It does not cover relocations to or between international locations. However, the spouses/domestic partners of returning U.S. Expatriates and non-U.S. citizen employees coming to the U.S., provided they have a U.S. work permit, are eligible.

Q. Reimbursement Time Limits, Approvals, Exceptions, Coordination

1. See item "VII. Other Provisions" of this section.

R. Tax Treatment/Tax Allowances

1. See "Part II — Taxes."

II. NEW EXPERIENCED EMPLOYEES

A. Eligibility

1. A new employee hiring into a Regular Full-time or Part-time grade 10 or above exempt position.
2. The distance between the employee's new place of work and former residence must be at least 50 miles more than the distance between the employee's old place of work and former residence. If the employee works from home or is unemployed when the offer to relocate is extended, the new place of work must be at least 50 miles from the former residence.

B. Relocation Allowance

1. The Relocation Allowance consists of two components:

Lump Sum
Calculation of the lump sum is based on data provided by an independent company that specializes in this area. The calculation is based on family size, origin and destination locations. The maximum lump sum allowance is $15,000.

1x Monthly Salary
Calculation of the 1x monthly salary is based on the employee's new base annual salary. To calculate this amount, the employee's new base annual salary is divided by 12, and the result is the allowance. The maximum 1x monthly salary allowance is $10,000.

The maximum Relocation Allowance payment an employee may be eligible to receive is $25,000. The purpose of this one-time payment is for the employee to tailor use of the money around their personal plans and needs for the following types of expenses associated with their relocation:

- Advance house-hunting trip(s)
- Temporary living
- Travel expenses — including mileage
- Return trip(s)
- Home site expenses (such as childcare, mowing, etc.)
- Other miscellaneous expenses

The employee is not required to retain receipts or submit for reimbursement for these expenses. If the employee's total expenses are less than their Relocation Allowance, the employee keeps the balance of the allowance. Conversely, if the employee's total expenses are more than their Relocation Allowance, the employee bears the cost of that excess.

C. Disposal of Home

Residences Eligible for Home Marketing Assistance Program

1. A home eligible for the Home Marketing Assistance Program is any completed single-family or two-family residence (including a condominium) used as the employee's principal residence and owned by the employee at the time of notification of relocation. This includes land customarily considered part of a residential lot and all personal property normally sold with a residence according to local custom.
2. To be eligible for the Home Marketing Assistance Program, the employee must reside in the home at the time the offer to relocate is extended. The home must be titled in the employee's name, or jointly titled with the employee's spouse/domestic partner or other adult or legal dependent(s).
3. The employee's home must be in "marketable condition," which includes (but is not limited to) financing availability, as well as being free of all structural and mechanical defects. Marketable condition includes a state of cleanliness, free of clutter, debris or foul odor.

Residences Ineligible for Home Marketing Assistance Program

4. Homes ineligible for the Home Marketing Assistance Program include (but are not limited to):
   - Homes located outside of the United States
   - Farms, commercial or investment property, cooperative apartments
   - Houseboats, homes without a permanent foundation
   - Undeveloped lots, non-contiguous land parcels
   - Land locked properties without legal and insurable access
   - Second homes, vacation homes, resort properties, etc.
   - Income producing property
   - Homes with acreage in excess of 5 acres or acreage that does not conform to the immediate area
   - Homes that do not conform to immediate marketing area due to age, value or style or any other reason to deem the home unmarketable
   - Multi-unit dwellings (except a two-family residence when one part is the principal residence of the employee)
   - Dwellings occupied by a tenant
   - Homes in which inspections conducted disclose excessive defects and/or repairs which the employee does not remedy to the satisfaction of the Company
   - Properties on which clear title cannot be obtained
   - Properties built with LP siding, Masonite siding (unless remediated) or containing any other materials which are involved in, or could be potentially involved in, a class action lawsuit
   - Properties located near or containing hazardous materials such as but not limited to lead, UFFI (Urea Formaldehyde Foam Insulation), asbestos, radon gas, toxic mold, etc.
   - Properties which do not qualify for conventional mortgage financing
   - Residences that are not Federal National Mortgage Association (FNMA/Fannie Mae) or Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mae) approved
   - Residences undergoing renovation or construction
   - Homes with unfulfilled contractual obligations, i.e., homes in foreclosure (this may include homes in a substantial deficit equity position that could result in a potential short sale)

Home Marketing Assistance Program

5. The employee is expected to aggressively market their home in an attempt to arrange a sale. The Company has contracted with the Relocation Company to provide a Home Marketing Assistance Program to provide the employee with professional guidance in marketing their home.
6. The employee will select two brokers from a list supplied by the Relocation Company. Each broker will supply the employee with a Broker Market Analysis (BMA), which will contain a suggested listing price and anticipated sales price. The employee will select which broker to list with. The home must be listed for no more than 105% of the average of the two brokers' most likely sales prices.

Buyers Value Option

7. If the employee secures a sale during the Home Marketing Assistance Program period, the Relocation Company will use its best efforts to determine that (1) the offer is bona fide, and (2) is in accordance with the Company's relocation policy. If these conditions are met, the Relocation Company will issue the employee a Guaranteed Offer equal to the net value of the third-party offer price.

   The employee MUST NOT indicate acceptance, take any money or sign documents, which would constitute acceptance of the offer.

Guaranteed Offer

8. If after listing the home for 60 days, the home has not been sold, the Relocation Company will offer to purchase the employee's property at its Most Probable Sales Price. Most Probable Sales Price will be determined by the average of two independent appraisals. The employee will choose the appraisers from an approved list supplied by the Relocation Company. If the two appraisals are more than 5% apart, a third appraisal will be obtained. In the case of a third appraisal, the offer to purchase will be the greater of a.) the average of all three, or b.) the average of the two closest of the three appraisals.

   In some locations, there may not be enough qualified appraisers available. If two qualified appraisers cannot be located within the area, the two BMAs may be used to arrive at the Guaranteed Offer. At least one appraisal will be completed and used in conjunction with the BMAs' Most Probable Sales Price to arrive at the Guaranteed Offer. The average of the appraisal and the BMAs' Most Probable Sales Price, provided they are within 5% of each other, will be the Guaranteed Offer. If the appraisal and the BMAs' Most Probable Sales Price differ by more than 5%, another BMA will be ordered and all three values will be averaged or the two closest values will be averaged, whichever is higher, to determine the Guaranteed Offer.
9. The Relocation Company may disregard an appraisal with a valuation it considers to be unsupportable, provided that another appraiser replaces the disregarded appraisal.

   Note: Copies of the appraisals can be secured from the Relocation Company, after the Guaranteed Offer has been issued.

Time Limitation

10. Upon notification of the Relocation Company's offer to purchase (Guaranteed Offer), the employee will have 30 calendar days to accept or reject the offer and continue to market their home for sale.
11. Under no circumstances should the listing price of the home be reduced to an amount below the Guaranteed Offer. Should this happen, and the employee accepts the Guaranteed Offer, the Relocation Company will reduce the Guaranteed Offer to the listing price amount.

Amended Value Sale

12. If the employee secures a sale after they have been issued their Guaranteed Offer based on appraisals, the Relocation Company will use its best efforts to determine that (1) the offer is bona fide, and (2) is in accordance with the Company's relocation policy. If these conditions are met, the Relocation Company will amend their offer to equal the net value of the third party offer price.

    The employee MUST NOT indicate acceptance, take any money or sign documents, which would constitute acceptance of the offer.

Acceptance of Offer

13. If the employee accepts the Relocation Company's offer, the Relocation Company will take steps to acquire the property. The employee must plan to vacate the property no later than the date the Relocation Company will acquire the property.
14. Should it not be feasible for the employee to vacate the property no later than the date the Relocation Company will acquire the property (i.e., waiting for household goods movement), the employee must make every effort to vacate immediately following the acquisition date. During this time, the employee must permit the real estate broker, acting for the Relocation Company, to show the home to prospective buyers.

Employee Declines to Participate or Rejects the Offer

15. If the employee declines to participate in the Relocation Company's Home Marketing Assistance Program or participates in the Home Marketing Assistance Program but declines the Relocation Company's offer, the employee assumes responsibility for the sale of their home with no further assistance from the Relocation Company.
16. The employee will be eligible for reimbursement of home selling costs if the employee consummates the sale of their home no later than 90 days after the employee has rejected the Relocation Company's offer or refused to participate in the Relocation Company's Home Marketing Assistance Program. If the employee does not consummate the sale within this time frame, the employee will not be reimbursed home selling costs.

D. Home Selling Costs

Home Selling Costs Covered Under the Relocation Company's Home Marketing Assistance Program

1. If the employee accepts the Relocation Company's offer or secures an Amended Value or Buyer's Value Option sale, reasonable and customary home selling costs, which normally accrue to the seller, will be paid by the Relocation Company.

Employee Sells Home Directly

2. If the employee sells their home directly within 90 days after declining participation in the Relocation Company's Home Marketing Assistance Program or rejecting the Relocation Company's offer, the Company will reimburse the employee for reasonable and customary home selling costs. Home selling costs include items such as reasonable and customary broker's fees, abstract or title insurance, any mortgage pre-payment penalty, revenue stamps, or such costs which normally accrue to the seller.

   Note: Any reimbursed home selling costs as noted above will be taxable to the employee; no tax allowance is provided.

Selling Costs Covered for a Mobile Home

3. If the employee's primary residence is a mobile home, where the wheels and axles have been removed, the mobile home is on a permanent foundation, and the title covers both the mobile home and the land, the policy for sale is the same as that of a conventional home. If the mobile home does not meet these criteria, the employee will be paid a $3,000 allowance to cover any costs incurred in moving or selling the mobile home.

E. Home Sale Incentive

1. A home sale incentive payment equal to 3% of the negotiated sales price, up to a maximum of $20,000, will be paid on any employee-generated sale (excluding a sale to the Relocation Company).

Sale Within 97% of Guaranteed Offer

2. If the employee has an Amended Value Sale that is within 97% of the Guaranteed Offer, the home sale incentive payment will be calculated on the Guaranteed Offer amount (3% of the Guaranteed Offer amount up to a maximum of $20,000).

   Note: The sale of a mobile home is not eligible for the home sale incentive.

Expiration of Eligibility

3. Eligibility for the home sale incentive will expire when eligibility for reimbursement of home selling costs expires.

F. Loss-on-Sale

1. Employees who participate in the Relocation Company's Home Marketing Assistance Program and sell their property at an actual sales price that is within 90% of the price set by either the Relocation Company's Home Marketing Assistance Program or the Guaranteed Offer, may be eligible for loss-on-sale assistance in accordance with the following provisions.

Loss-on-Sale Defined

2. Loss-on-sale is defined as the difference between the sales price of the employee's home and the documented purchase price. The sale price will consist of the actual sales price or the Relocation Company's Guaranteed Offer, whichever is higher.

Formula for Calculating the Loss-on-Sale Reimbursement

3. Purchase Price – Sales Price = Loss-on-Sale
   a. Maximum reimbursement is $30,000.
   b. Capital improvements will not be considered.

Expiration of Eligibility

4. Eligibility for loss-on-sale will expire when eligibility for reimbursement of home selling costs expires.

G. Lease Cancellation

1. In those instances where rental expenses at the old location are involved, the Company will reimburse the employee for a maximum of two month’s rent in connection with a lease termination. This maximum includes any forfeiture of a security deposit directly attributable to terminating a lease agreement as a result of a transfer.
   a. Required deposits or charges such as those for cleaning, pets, damage and security are not lease penalties and are not reimbursed.
   b. Lost rental incentives such as free rent or rate reductions that were offered when the employee signed the lease and must be repaid are not reimbursed.
   c. If the residence being rented will continue to have one or more occupants after the employee’s departure, the employee is not eligible for lease cancellation reimbursement.
2. In those instances where rental expenses at the new location are involved, such as when an employee rents until a permanent residence has been secured, the Company will not reimburse the employee for any lease cancellation expenses. Employees are only eligible for lease cancellation at the old location.

H. Home Purchase Costs

1. The employee who owned a home at the old location and who purchases a home at the new location within 12 months of their effective date of hire will be reimbursed for reasonable and customary home purchase costs such as survey costs, home inspection costs, attorney fees, title costs, credit report fees, appraisal fee, recording costs and loan service fees. The loan origination fee is limited to $250. (**Note:** Purchase costs do not include administrative fees assessed for assistance with the acquisition, e.g., buyer’s premiums.)

   Note: If the employee purchases a newly constructed home, the employee must ensure all costs (including costs for such items as land, a swimming pool, deck, appliances, etc.) are included in the original purchase price. This will eliminate any problems in establishing the actual purchase price for loss-on-sale purposes if the employee is subsequently transferred.

2. The employee may be eligible for one or two discount points paid by the Company. Often called "points," a discount point is a one-time charge used to adjust lower the employee's mortgage interest rate. Each "point" is equal to 1% of the employee's mortgage loan amount. Points may or may not be paid as based on the 30-year mortgage interest rate set by the Federal National Mortgage Association (FNMA) and published in *The Wall Street Journal* on the day the employee locks into a mortgage loan's interest rate. Please refer to the chart below.

Mortgage Interest Rate (Per FNMA)	Reimbursement of Discount Points
<6%	0 points
≥6%, but <8%	Up to 1 point
≥8%	Up to 2 points

3. If the employee was a renter at the old location and purchases a home at the new location within 12 months of their effective date of hire, the Company will reimburse the employee up to a maximum of $1,000 toward these home purchase costs. Direct billing of home purchase costs does not apply to first-time buyers.

I. Housing Supplement Payment (HSP)

1. If the employee is a homeowner relocating to a high-cost housing area (Alaska, California, Colorado, Utah, and Washington), they may be eligible for a housing supplement payment (HSP). If the employee is relocating within the same state, they are not eligible for an HSP. The intent of the HSP is to help employees acclimate to the higher housing cost area. The HSP will increase the employee's purchasing power and will make comparable housing more affordable in the new work location.

   Note: Homeowners who decide to rent in the new location are not eligible for the HSP but may qualify for the rental supplement payment (RSP).

2. The HSP will be calculated based on the following criteria:
   - The sales price of the employee's current home.
   - The mortgage interest rate of the employee's current home, if applicable.
   - The housing cost comparison index.
   - The mortgage amount of the employee's new home.
   - The mortgage interest rate of the employee's new home.

   Note: The housing cost comparison index is generated by a report that is received from a third party that looks at multiple variables such as the employee's new base annual salary, origin and destination locations, family size, etc. It is important to note that the housing cost comparison index will be different for each employee.

3. The HSP is paid bi-weekly for up to 4 years on a decreasing scale of 25% per year.

J. Rental Supplement Payment (RSP)

1. If the employee is a renter relocating to a high-cost housing area (Alaska, California, Colorado, Utah, and Washington), they may be eligible for a rental supplement payment (RSP). If the employee is relocating within the same state, they are not eligible for an RSP. The intent of the RSP is to help employees acclimate to the higher housing cost area. The RSP will increase the employee's rental power and will make comparable housing more affordable in the new work location.

Note: Renters who decide to purchase in the new location are not eligible for the RSP but may qualify for the housing supplement payment (HSP).

2. The RSP will be calculated based on the following criteria:
   - The rent amount of the employee's current home.
   - The rental housing cost comparison index.
   - The rent amount of the employee's new home.

   Note: The rental housing cost comparison index is generated by a report that is received from a third party that looks at multiple variables such as the employee's new base annual salary, origin and destination locations, family size, etc. It is important to note that the rental housing cost comparison index will be different for each employee.
3. The RSP is paid bi-weekly for up to 4 years on a decreasing scale of 25% per year.

K. Location Premium

1. The Company provides a location premium to help defray relocation expenses for employees relocating to Alaska and California due to the higher cost of living in these areas.
2. A one-time payment of 10% of the employee's base annual salary will be provided if the employee is relocating to Alaska and 15% of the employee's base annual salary if relocating to California.
3. If the employee works in Alaska or California and they are relocating to one of these states (i.e., California to Alaska), a one-time payment of 5% of the employee's new base annual salary will be provided.
4. If the employee is relocating within the same state, no location premium will be provided.

L. Equity Advance

1. If the employee has started the marketing process of their home at the old location, the employee may request an equity advance from the Relocation Company to make a down payment on a home at the new location.
2. If a bona fide sale is pending or the employee is in receipt of their Guaranteed Offer, the employee will be eligible for an equity advance equal to 100% of their equity or their down payment, whichever is less.
3. If no sale is pending or the employee has not received their Guaranteed Offer from the Relocation Company, the employee will be eligible for an equity advance equal to 90% based on the average of the suggested sales price established by the Broker Market Analysis or their down payment, whichever is less.

Note: If the employee declines to participate in the Relocation Company's Home Marketing Assistance Program or has already closed on a home at the new location prior to starting the marketing process of their home at the old location, the employee will not be eligible for an equity advance.

M. Duplicate Expenses

1. The Company will reimburse the employee for certain duplicate expenses incurred at the unoccupied residence (old or new) for a maximum of 30 days. Reimbursement of duplicate expenses will terminate upon rental of the property. These expenses will be limited to real estate taxes, mortgage interest, homeowner's insurance, and necessary utilities (gas, electric, and water/sewage).
2. Duplicate expenses, for the employee who participates in the Home Marketing Assistance Program, will commence no earlier than the date the home is priced and placed on the market for sale or, in the case of an employee who does not participate in the Home Marketing Assistance Program, for the 30-day period beginning on the first day a duplicate expense is incurred.
3. Duplicate expenses associated with a rental at the old location will be covered on the unoccupied residence (old or new) for a maximum of 30 days from the date such expenses are incurred.

N. Mortgage Interest Rate Subsidy

1. An employee who purchases a home at the new location may be entitled to a mortgage interest rate subsidy (MIRS).
2. The employee will be entitled to the subsidy if a home is purchased within twelve months of the employee's effective date of hire.

   Note: Employees who have not purchased a home at the new location and are transferred again before their twelve-month subsidy limitation period expires, will have twelve additional months from the most recent effective transfer date to buy a house at the newest location and qualify for an interest rate subsidy.
3. Annual mortgage interest rate subsidies will be based upon the following formula:

   MIRS Formula

   a. (New Interest Rate – Old Interest Rate) x (New Home Purchase Price – Old Home Equity).

   New Interest Rate Defined

   b. The New Interest Rate for the first year is the mortgage rate in effect at the time of purchase.

   Old Interest Rate Defined

   c. The Old Interest Rate is the rate in effect at the time of the transfer (or hire for new employees) but in no event less than 9%.

   No Mortgage on Old Location Home

   d. If the employee owns their home but has no mortgage balance remaining, an interest rate of 9% will be used as the Old Interest Rate.

      Note: In order to qualify for this provision, documentation must prove the mortgage was paid off prior to any notification of hire. Otherwise the subsidy will be based on the old interest rate or 9% whichever is greater.

   Minimum Subsidy

   e. If subsidy payments total less than $500, the subsidy will be paid in a lump sum.

Different Type of Financing Secured at New Location

f. A maximum interest rate differential of 2% applies if a different type of financing is secured at the new location. For example, if an employee has an Adjustable Rate Mortgage (ARM) at the old location and obtains a conventional loan at the new location, the interest rate differential used to calculate the subsidy will be capped at 2%.

New Home Purchase Price

g. New Home Purchase Price can include the cost of improvements to existing homes as discussed in 4. (Home Price May be Amended) below and with respect to newly constructed homes as discussed in 5. (Home Purchase Price for Newly Constructed Homes) below.

Old Home Equity Defined

h. Old Home Equity is the sales price (including any loss-on-sale reimbursement) minus the outstanding principal mortgage balance.

Note: A commercial home equity loan will not be included in this calculation unless the proceeds were used for home improvements to the primary residence.

Primary Residence Not Sold

i. If the employee chooses not to sell their primary residence upon hire and purchases a primary residence at the new location, they may be eligible for the mortgage interest rate subsidy. The equity in the home will equal its appraised value less the outstanding principal mortgage balance. The appraised value will be determined, at Company expense, by an appraiser selected by the employee from a list supplied by the Relocation Company. The Old Interest Rate will be the mortgage rate in effect at the time of the transfer, but in no event less than 9%.

Home Purchase Price May be Amended

4. In some situations, it is not practical or possible to have the cost of improvements included in the purchase price. Therefore, for purposes of calculating the mortgage interest rate subsidy, the employee may subsequently amend their home purchase price one time according to the following rules:

Improvements or Renovations

a. The purchase price amendment must be the result of expenses incurred for capital improvements or renovations made to the employee's primary residence. Documentation of all expenses will be required.

b. Expenditures for labor or materials in connection with improvements or renovations must be made or committed to, in writing, within 90 days of closing. In situations where the employee chooses to perform their own labor, no charge for such labor will be recognized.

c. All work in connection with the improvements and renovations must be completed within one year from the date of closing.

Home Purchase Price for Newly Constructed Homes

5. The purchase price for newly constructed homes will include the cost of the lot plus any documented construction contracted for and completed within 12 months of the first documented construction contract plus:

a. Documented interest charges incurred on a construction loan during the construction period — after-tax costs assuming a marginal rate of 28% unless the employee can document a lower rate. The construction period will be limited to nine months.

b. Documented interest charges incurred on a property loan during the construction period — same after-tax calculation and construction period limitation as in 5.a.

c. Documented insurance costs on the house and construction materials during the construction period — same construction period limitation as in 5.a.

6. Personal property (mobile homes, house boats, etc.) will not be considered under this provision.

Payment Schedule

7. Mortgage interest rate subsidy payments will be made as follows:

Years 1 – 3:	100% of MIRS formula amount
Year 4:	75% of MIRS formula amount
Year 5:	50% of MIRS formula amount

8. The annual subsidy will be paid at the time of purchase of the new home and on the four succeeding anniversaries. If total subsidy payments are less than $500, the subsidy will be paid in a lump sum.

Employees Must Requalify Annually

9. Employees must requalify for subsidy payments on an annual basis. The employee must verify that the property remains their primary residence and provide a statement from the lending institution to confirm the current mortgage interest rate.

   a. The subsidy will be discontinued if the property is no longer the employee's primary residence.

   b. The subsidy will be recalculated if the New Interest Rate has changed as of the anniversary date.

   c. The Old Interest Rate used in the MIRS formula will remain constant unless ARM financing is maintained at both the old and new locations. If ARM financing is maintained at both the old and new locations, the subsidy established for Year 1 will remain constant for each qualifying year and reimbursed in accordance with the five-year payment schedule in 7. (Payment Schedule) above.

Payments Cease

10. Upon a subsequent transfer, resignation, or termination without Marathon Petroleum Termination Allowance Plan benefits, any remaining subsidy payments will cease.

Lump Sum Payment

11. Upon death, retirement, or termination with Marathon Petroleum Termination Allowance Plan benefits, the remaining subsidy payments will be paid in a lump sum.

O. Movement of Household Goods

1. The Policy will cover the cost of packing, moving, storing, and unpacking the employee's household goods and personal effects and insurance on such items while in transit. Storage is available for up to a maximum period of 365 days, beginning with the employee's effective date of hire.

2. The Policy will cover transportation for up to two pets from the old location to the new location if it is not practical for the animal(s) to accompany the employee in their vehicle. This includes animals that are considered pets such as dogs and cats. It does not include animals such as horses or livestock.

   Note: Additional expenses, such as vet expenses or crates required for shipment, are not covered.

Second Move

3. The Policy will cover the cost of packing, moving, and unpacking the employee's household goods and personal effects for a second move at the new location, if this additional move is from a temporary residence to a permanent residence and if it takes place within twelve months of the employee's effective date of hire.

Reimbursement for Leased Towing Equipment

4. When there are no additional means used to move household goods and personal effects, the Company will reimburse the employee for leased towing equipment rental. In order for reimbursement to be made, the leasing and towing must qualify as the most economical method of transportation.

Mobile Home

5. The employee will be paid a $3,000 allowance to cover any costs incurred in moving their mobile home.

Transportation of Automobiles

6. The shipment of automobiles at Company expense, via open carrier, is permitted as follows:
   - 0 vehicles if moving up to 400 miles
   - 1 vehicle if moving 400 to 799 miles
   - 2 vehicles if moving 800 miles or more

   Any other van shipment of automobiles or recreational vehicles, or requests for using an enclosed carrier, are permitted at the employee's option and at the employee's expense.

Transportation of Other Recreational Vehicles

7. Employees are strongly encouraged to tow their boat, travel trailer, and other recreational vehicles such as snowmobiles, motorcycles, motorized golf carts, etc.
8. Due to the size of certain types of recreational vehicles, there is sometimes an additional weight charged for space utilization on the moving van. This is called a weight additive. The cost to ship recreational vehicles includes both weight and weight additive costs. The Company will pay for a combined maximum of 1,500 pounds for the weight and weight additive costs. Additional charges will be the employee's responsibility.

P. Spousal/Domestic Partner Employment Assistance

1. The Company has contracted with a career assistance firm to provide the employee's accompanying spouse/domestic partner with the necessary tools, techniques and materials needed to conduct a successful job search at the new location. If interested in using this benefit, the employee's spouse/domestic partner must contact the career assistance firm within 12 months of the employee's effective date of hire to initiate services. Up to a maximum of $1,500 of services will be allowed.

   Note: This is a U.S. program. It does not cover relocations to or between international locations. However, the spouses/domestic partners of returning U.S. Expatriates and non-U.S. citizen employees coming to the U.S., provided they have a U.S. work permit, are eligible.

Q. Reimbursement Time Limits, Approvals, Exceptions, Coordination

1. See item "VII. Other Provisions" of this section.

R. Tax Treatment/Tax Allowances

1. See "Part II — Taxes."

III. NEW PROFESSIONAL EMPLOYEES

A. Eligibility

1. A new employee hiring into a Regular Full-time or Part-time grade 7/8/9 exempt position.
2. The distance between the employee's new place of work and former residence must be at least 50 miles more than the distance between the employee's old place of work and former residence. If the employee works from home or is unemployed when the offer to relocate is extended, the new place of work must be at least 50 miles from the former residence.

B. Relocation Allowance

1. An employee who relocates will be provided with a $5,000 ($6,000 if moving to Alaska, California, Colorado, Utah, or Washington) lump-sum Relocation Allowance payment to assist with relocation expenses.

C. Movement of Household Goods

1. The Policy will cover the cost of packing, moving, and unpacking the employee's household goods and personal effects and insurance on such items while in transit.

Reimbursement for Leased Towing Equipment

2. When there are no additional means used to move household goods and personal effects, the Company will reimburse the employee for leased towing equipment rental. In order for reimbursement to be made, the leasing and towing must qualify as the most economical method of transportation.

Mobile Home

3. If the employee's primary residence is a mobile home, at the employee's election, the Company will reimburse up to $1,500 for the decommissioning and transport for the mobile home to the new work location. This reimbursement will be paid in lieu of the Company-arranged pack and move of household goods referenced above.

Transportation of Recreational Vehicles

4. Employees are strongly encouraged to tow their boat, travel trailer, and other recreational vehicles such as snowmobiles, motorcycles, motorized golf carts, etc.
5. Due to the size of certain types of recreational vehicles, there is sometimes an additional weight charged for space utilization on the moving van. This is called a weight additive. The cost to ship recreational vehicles includes both weight and weight additive costs. The Company will pay for a combined maximum of 1,500 pounds for the weight and weight additive costs. Additional charges will be the employee's responsibility.

D. Reimbursement Time Limits, Approvals, Exceptions, Coordination

1. See item "VII. Other Provisions" of this section.

E. Tax Treatment/Tax Allowances

1. See "Part II — Taxes."

IV. TRANSFERRED HOURLY AND NON-EXEMPT EMPLOYEES

A. Eligibility

1. Must be a current employee who is transferring into a Regular Full-time or Part-time hourly or non-exempt position. (This Policy does not apply to employees subject to a collective bargaining agreement unless specifically negotiated as part of the contract.)
2. The distance between the employee's new place of work and former residence must be at least 50 miles more than the distance between the employee's old place of work and former residence. If the employee works from home, the new place of work must be at least 50 miles from the former residence.

B. Relocation Allowance

1. An employee who relocates will be provided with a $5,000 ($6,000 if moving to Alaska, California, Colorado, Utah, or Washington) lump-sum Relocation Allowance payment to assist with relocation expenses.

C. Movement of Household Goods

1. The Policy will cover the cost of packing, moving, and unpacking the employee's household goods and personal effects and insurance on such items while in transit.

Reimbursement for Leased Towing Equipment

2. When there are no additional means used to move household goods and personal effects, the Company will reimburse the employee for leased towing equipment rental. In order for reimbursement to be made, the leasing and towing must qualify as the most economical method of transportation.

Mobile Home

3. If the employee's primary residence is a mobile home, at the employee's election, the Company will reimburse up to $1,500 for the decommissioning and transport for the mobile home to the new work location. This reimbursement will be paid in lieu of the Company-arranged pack and move of household goods referenced above.

Transportation of Recreational Vehicles

4. Employees are strongly encouraged to tow their boat, travel trailer, and other recreational vehicles such as snowmobiles, motorcycles, motorized golf carts, etc.
5. Due to the size of certain types of recreational vehicles, there is sometimes an additional weight charged for space utilization on the moving van. This is called a weight additive. The cost to ship recreational vehicles includes both weight and weight additive costs. The Company will pay for a combined maximum of 1,500 pounds for the weight and weight additive costs. Additional charges will be the employee's responsibility.

D. Reimbursement Time Limits, Approvals, Exceptions, Coordination

1. See item "VII. Other Provisions" of this section.

E. Tax Treatment/Tax Allowances

1. See "Part II — Taxes."

V. NEW COLLEGE PROFESSIONAL EMPLOYEES

A. Eligibility

1. The following employees are eligible for the provisions of this Policy, regardless of the distance between their work location and residence:
   a. A new employee hiring into a Regular Full-time or Part-time grade 7 or above exempt position, and a recent college graduate.
   b. A new employee hiring into a Regular Full-time or Part-time grade 7/8/9 exempt position who does not meet the 50-mile rule to qualify for the New Professional Employees relocation package.
   c. In limited circumstances, with the approval of the Human Resources Director supporting the hiring organization, a new, hourly or non-exempt employee hired for Regular Full-time or Part-time employment. (This Policy does not apply to employees subject to a collective bargaining agreement unless specifically negotiated as part of the contract.)

B. Relocation Allowance

1. An employee who relocates will be provided with a $5,500 ($6,500 if moving to Alaska, California, Colorado, Utah, or Washington) lump-sum Relocation Allowance payment to assist with relocation expenses.

C. Reimbursement Time Limits, Approvals, Exceptions, Coordination

1. See item "VII. Other Provisions" of this section.

D. Tax Treatment/Tax Allowances

1. See "Part II — Taxes."

VI. CO-OPS AND INTERNS

A. Relocation Allowance

1. A co-op or intern who relocates will be provided with a $3,500 ($4,500 if moving to Alaska, California, Colorado, Utah, or Washington) lump-sum Relocation Allowance payment to assist with relocation expenses.

B. Eligibility Guidelines

1. A co-op or intern who does not relocate or remains under their pre-existing housing/lease agreement is not eligible for the lump-sum Relocation Allowance payment.
2. A co-op or intern who has back-to-back sessions and remains in the same location is not eligible for another Relocation Allowance payment. A Relocation Allowance payment will be made if the co-op or intern moves from one location to a different location and the sessions are back-to-back.
3. A co-op or intern who moves home or to their permanent residence is not eligible for the lump sum Relocation Allowance payment.
4. A co-op or intern who secures new housing in the town/city where they attend school is eligible for the lump-sum Relocation Allowance payment only if (1) they stay in that location for purposes of the co-op/internship and (2) their new lease begins within 30 days of their start date.

C. Time Limits for Reimbursement

1. An eligible co-op or intern must complete and submit the Co-op and Intern Employees Relocation Form no more than 30 days before their start date, and no later than 60 days after their start date, in order to receive the lump-sum Relocation Allowance payment.

D. Reimbursement Time Limits, Approvals, Exceptions, Coordination

1. See item "VII. Other Provisions" of this section.

E. Tax Treatment/Tax Allowances

1. See "Part II — Taxes."

VII. OTHER PROVISIONS

A. Time Limits for Reimbursement of Relocation Expenses

1. The following time limits apply for submitting expenses:
   a. Eligible relocation expenses incurred by an employee must be submitted to the Relocation Company for reimbursement within 30 days of the expense being incurred.
   b. Upon submission of eligible relocation-related expenses, reimbursements made to an employee by the Relocation Company that result in taxable income will be reported in the employee's regular taxable earnings.
   c. Once the employee receives reimbursement of eligible relocation-related expenses from the Relocation Company, the Company will process the tax withholdings, minus tax allowances through Payroll.

B. Approvals

1. Unless otherwise specifically stated, all expenses paid under this Policy are the responsibility of the receiving organization and require the following approvals:
   a. The Relocation Company
   b. The Employee Relocation Office in Findlay.
   c. Corporate Payroll Office.

C. Exceptions

1. The Company provides generous relocation benefits; however, there may be situations where the Policy does not cover a particular aspect of an employee's relocation. If there are extenuating circumstances, it may be appropriate to request an exception to the Policy.
2. Exceptions to the Policy may be granted if approved by the Vice President of the employee's "receiving" organization and the Benefits Policy Manager.

   Note: Exceptions are administered and approved consistently.

D. Coordination

1. The Employee Relocation Office in Findlay is the Central Coordinator for the Policy.
2. The Human Resources Organization that supports each Company location helps to administer the Policy locally.

E. Participation by Associated Companies and Organizations

1. 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, but are not limited to, Marathon Petroleum Company LP, Marathon Petroleum Service Company, Marathon Petroleum Logistics Services LLC, and Marathon Refining Logistics Services LLC.

   The term "Company" and other similar words shall include Marathon Petroleum Company LP and such affiliated organizations, provided, however, where the context so requires, "Company" shall mean Marathon Petroleum Company LP. The term "employee" and other similar words shall include any eligible employee of these companies.

F. Modification and Termination

1. 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 policies of the Company. Modification or termination may be made by the Company for any reason, including but not limited to modifications under the Internal Revenue Code or to comply with applicable state or federal laws or regulations. Modifications or termination can be applied, at the sole discretion of the Company, to any or all employees.

Part II — Taxes

I. TAX TREATMENT OF EXPENSES

A. Expenses reimbursed to or paid on behalf of an employee under this Policy will be included in their taxable income and will be subject to applicable income and payroll tax withholding requirements in accordance with the Internal Revenue Code and state and local laws.

II. TAX ALLOWANCES

A. To assist employees in paying additional federal and state income taxes they incur on account of certain taxable reimbursements, the Company provides a tax allowance on certain eligible relocation expenses with respect to federal and state income taxes and associated FICA amounts.

B. Tax allowances are intended to approximate the employee's federal and state income tax liability only, and do not include any allowance for any other type of payroll or other tax, including any disability, paid leave or other state or local taxes (including local income taxes) for which the employee may be liable; such other taxes are the employee's responsibility.

C. Tax allowances are taxable and subject to all normal income and payroll tax withholding requirements and will be included in the employee's taxable income along with all other taxable relocation expenses.

D. The amount of tax allowance an employee receives is based on their total relocation expenses eligible for tax allowance, their estimated annual tax bracket and whether or not they have met, or will meet, their annual wage base limit for Old-Age, Survivors, and Disability Insurance (OASDI) (social security) withholdings. If the employee has otherwise met or will otherwise meet their annual wage base limit, no tax allowance is provided with respect to the OASDI portion of FICA.

Note: The employee's estimated annual tax bracket will be determined based on their annual salary and last annual bonus amount (if applicable). Investment income, spouse's income, bonuses other than the employee's annual bonus, etc. will not be considered for purposes of determining the employee's annual tax bracket.

E. Tax allowances are discussed below:

State Income Tax Allowance

1. A state income tax allowance is paid on all taxable amounts, including allowances, except:
   - Home Sale Incentive
   - Housing Supplement Payment
   - Rental Supplement Payment
   - Location Premium
   - Mortgage Interest Rate Subsidy
   - Relocation Allowance for New College Professional Employees [$5,500 ($6,500) lump sum]
   - Relocation Allowance for Co-ops and Interns [$3,500 ($4,500) lump sum]

FICA Tax Allowance

2. A FICA tax allowance is paid on all taxable amounts, including allowances, except:
   - Home Sale Incentive
   - Housing Supplement Payment
   - Rental Supplement Payment
   - Location Premium
   - Mortgage Interest Rate Subsidy
   - Relocation Allowance for New College Professional Employees [$5,500 ($6,500) lump sum]
   - Relocation Allowance for Co-ops and Interns [$3,500 ($4,500) lump sum]

   The FICA allowance is calculated by using the rates and wage base in effect for the year in which the employee's expense reimbursement is reported on Form W-2.

Federal Income Tax Allowance

3. A federal income tax allowance is paid on all taxable amounts, including allowances, except:
   - Home Sale Incentive
   - Housing Supplement Payment
   - Rental Supplement Payment
   - Location Premium
   - Mortgage Interest Rate Subsidy
   - Mortgage Interest and Real Estate Taxes
   - Points and Loan Origination Fees
   - Relocation Allowance for New College Professional Employees [$5,500 ($6,500) lump sum]
   - Relocation Allowance for Co-ops and Interns [$3,500 ($4,500) lump sum]

   For purposes of providing the Federal Income Tax Allowance, modified marginal Federal tax rates will be calculated for each tax year in which rates or brackets change. The minimum modified marginal Federal tax rates will be equal to the required withholding rate under the law. These modified marginal Federal tax rates represent Federal tax rates, which are increased to negate the marginal effects of Federal taxes on the tax allowances, in effect providing a tax gross-up.

III. ADVERSE TAX REVIEW

A. If the employee's taxable relocation expenses, when added to all other taxable income, cause the employee to be:

1. Wholly or partially ineligible for:
   - Child tax credits
   - Educational credits/deductions
2. Subject to:
   - A phase-out of dependent exemptions
   - A limitation on itemized deductions
   - Alternative Minimum Tax (AMT), or a higher AMT

then the Company will review the employee's federal income tax return and reimburse the missing credit, deduction, or AMT adjustment to the employee. State and local taxes are NOT reviewed.

The employee will be required to submit a copy of their federal tax return (as filed with the IRS) to the Employee Relocation Office with an explanation of why the employee is requesting a review. The Company will not review federal tax returns more than two years old. Any reimbursement for which the employee may be eligible will be processed through payroll and a tax allowance will be provided, if applicable.

IV. COMPANY DISCRETION: COMPANY DETERMINATION IS FINAL

The Company has the sole and absolute discretion to determine the amount of any tax allowance, amount payable to an employee pursuant to an adverse tax review, or any other tax assistance that may be provided pursuant to this Policy, and in all cases the Company's determination of any such tax allowance, payment or other assistance is final and binding on the employee.

Appendix A

Capital Improvement Eligibility Effective Before January 15, 2019

1. The documented purchase price for homes purchased in various stages of completion will consist of the following:

   a. For used homes (suitable for occupancy), only the actual purchase price. If the purchase price included an allowance for repairs or decorating, receipts must be provided to document that the repairs or decorating were completed within 12 months of the purchase date. In situations where it is not possible to have the cost of improvements or repairs included in the purchase price of a used home, an employee may amend the purchase price of their home for the purposes of loss-on-sale coverage according to the following guidelines:

      i. The purchase price amendment must be the result of expenses incurred for capital improvements or renovations made to the employee's primary residence. Documentation for all expenses will be required.

   ii. Expenditures for labor or materials in connection with improvements or renovations must be made or committed to, in writing, within 90 days of closing. In situations where the employee chooses to perform their own labor, no charge for such labor will be recognized.
   iii. All work in connection with the improvements or renovations must be completed within one year from date of closing.

b. For completed new homes (of which the transferred exempt employee is the first owner), the purchase price plus any documented receipts and contracts for home improvements made within 90 days following the closing date of the home purchase.

c. For homes being newly constructed, for partially completed new homes requiring substantial construction to make them habitable, and for used homes requiring substantial construction modification to make them habitable, the purchase price plus any documented construction contracted for and completed within 12 months of the first documented construction contract initiated by the purchasing employee.

d. In addition to the documented construction costs, the following construction-related costs will be recognized in determining the home purchase price:
   i. Documented interest charges incurred on a construction loan during the construction period — after-tax costs assuming a marginal tax rate of 28% unless the employee can document a lower rate. The construction period will be limited to nine months.
   ii. Documented interest charges incurred on a property loan during the construction period — same after-tax calculation and construction period limitations as (i).
   iii. Documented insurance costs on the house and construction materials during the construction period — same construction period limitations as (i).

   Note: Pools (above or below ground) will not be considered for loss-on-sale. It was recommended that employees contact the Relocation Company or the Employee Relocation Office in Findlay prior to making capital or home improvements, renovations, or begin any construction to determine if such changes were eligible for future loss-on-sale consideration. Failure to obtain prior approval may result in items being excluded from any future loss-on-sale calculation.

e. Formula for calculating the loss-on-sale reimbursement:
   i. Purchase Price + Eligible Capital Improvements – Sales Price = Loss-on-Sale
   ii. Maximum reimbursement is $100,000.

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