

Thrift Plan Frequently Asked Questions

Are there any year-end deadlines for requesting a Thrift Plan distribution or loan?

A Thrift Plan withdrawal may be requested at anytime. However, due to the settlement period involved, any Thrift Plan distribution requests involving Marathon Petroleum Corporation or Marathon Oil Corporation stock (stock) which are initiated after 4:00 PM ET on December 26, 2019, will be a 2020 distribution for income tax purposes. If an account includes stock, even if the particular transaction excludes stock, distribution requests initiated after 4:00 PM ET on December 30, 2019, will be taxable in 2020. If the account includes no stock, distribution requests initiated after 4:00 PM ET on December 31, 2019, will be taxable in 2020. Since loans are not a taxable event, they are not impacted by any year-end deadlines.

How much will I be able to contribute to the Thrift Plan in 2020?

The contribution limits for 2020 as compared to 2019 have changed as follows:

| | 2019 | 2020 |
|---|--|---|
| Maximum Percentage of Pay You Can Contribute to the Thrift Plan (excluding catch-up contributions) | <ul style="list-style-type: none"> • 75% all deferrals combined, up to dollar limit (Pre-Tax, Roth, After-Tax, Catch Up & Roth Catch Up); • After-Tax not permitted by employees above the IRS-defined wage threshold* | <ul style="list-style-type: none"> • 75% all deferrals combined, up to dollar limit (Pre-Tax, Roth, After-Tax, Catch Up & Roth Catch Up); • After-Tax limited up to 2% by employees above the IRS-defined wage threshold* |
| Limit on Dollars You Can Contribute to the Thrift Plan (excluding catch-up contributions) | <ul style="list-style-type: none"> • \$56,000 total • \$19,000 Pre Tax & Roth Combined | <ul style="list-style-type: none"> • \$57,000 total • \$19,500 Pre-Tax & Roth Combined |
| Maximum Percentage of Pay You Can Contribute as Catch-Up Contributions (in addition to the above contribution percentages) | 75% up to dollar limit | No Change |
| Limit on Catch-Up Contributions to the Thrift Plan (in addition to the above dollar limits) | \$6,000 | \$6,500 |
| Maximum Compensation Recognized under the Thrift Plan | \$280,000 | \$285,000 |

* If you earn \$125,000 or more in 2019, After-Tax contributions will be limited to a 2% election. **Any After-Tax elections above 2% as of January 1, 2020, will be reset to 2%.**

What happens on January 1, 2020, if I had reached the Pre-Tax/Roth dollar limit in 2019?

If you reached the \$19,000 combined Pre-Tax and Roth contribution limit in 2019 (increasing to \$19,500 in 2020), your elected Pre-Tax and Roth contribution percentages were stopped. Beginning on your first paycheck in 2020:

- If you are an employee below the IRS-defined wage threshold, your elected contributions currently reflected in Fidelity's system will continue into 2020 ***unless you contact Fidelity to make a new election.***
- If you are an employee above the IRS-defined wage threshold, your Pre-Tax and Roth contribution percentages will again resume unless a new election is made. However, your After-Tax contribution percentage will be limited to a 2% contribution election.

What happens if I reach the Pre-Tax/Roth limit in 2020?

If you reach the \$19,500 combined Pre-Tax and Roth contribution limit, your elected Pre-Tax and/or Roth contribution percentage(s) will stop.

- If you are an employee below the IRS-defined wage threshold and would like to switch your contributions to an After-Tax basis, ***you must contact Fidelity to change your contribution election.***
- If you are an employee above the IRS-defined wage threshold, your Pre-Tax and/or Roth contributions will stop. If you would like to switch your contributions to up to a 2% After-Tax contribution election, ***you must contact Fidelity to change your contribution election.***

Will I receive the full company match on my annual eligible pay if my contributions stop during the year due to reaching an IRS limit?

Effective January 1, 2016, an annual true-up process was instituted to ensure that employees who contribute at the required level on an annualized basis will receive the full company match. The true-up calculation takes into account your total compensation for the year, your contributions that were eligible for the match, and the match that you received on a pay-by-pay basis. If there was a shortfall between the match you received on a pay-by-pay basis during the year and the full match due on an annualized basis, an additional employer contribution (the true-up) will make up the difference. As long as employees contribute a total of 6% of their eligible pay during the year, they will receive their full 7% company match.

Am I eligible to make catch-up contributions in 2020?

As shown earlier, utilizing catch-up contributions will allow you to contribute up to \$26,000 in 2020 on a combined Pre-Tax and Roth basis rather than the \$19,500 generally permitted by IRS regulations. These catch-up contributions are made on a Pre-Tax or Roth basis from your paycheck and are not considered when determining your limits on how much you can otherwise contribute to the Plan. If you are already age 50 or will reach age 50 in 2020, you can make catch-up contributions effective January 1, 2020, of up to 75% of your compensation (up to the 2020 maximum of \$6,500). ***A separate election is required so you must contact Fidelity to make a Catch-Up contribution election. Please note that catch-up contribution elections apply concurrently to all other Pre-Tax, Roth, and/or After-Tax contribution elections. (For***

example, if you have a 6% Pre-Tax election and a 2% Pre-Tax Catch-Up contribution election, both contributions, a combined 8%, will be deducted from each paycheck until you reach either/both IRS limits, \$19,500 and \$6,500 respectively.)

Your catch-up contributions will be invested in the same manner as your Pre-Tax or Roth basic contributions. If an investment election is not made, the contributions are invested in the Plan's default fund, the **FIAM Target Date Income Commingled Pool Funds.** These investment elections can be changed at anytime by contacting Fidelity.

Note: When making a catch-up contribution election, please take into account monies already being withheld from your check so that the ability to continue those withholdings will not be jeopardized as a result of your catch-up contribution election. Catch-up contributions will be limited to amounts remaining after all other required withholdings from wages, such as federal income taxes, payroll tax withholdings, benefit premiums, etc.

What happens on January 1, 2020, if I had reached the catch-up dollar limit in 2019?

If you reached the \$6,000 catch-up contribution limit in 2019 (increasing to \$6,500 in 2020), catch-up contributions ceased at that time. Similar to Pre-Tax and Roth contributions, **beginning on your first paycheck in 2020, your elected catch-up contribution percentage will again resume unless a new election is made.**

Can I initiate an In-Plan Conversion of my After-Tax contributions to Roth contributions?

While a Roth In-Plan conversion has been an option within our plan for several years, beginning January 1, 2020, a new feature being added is the ability of electing the automatic conversion of After-Tax contributions to Roth contributions within the plan. In order to enroll in this feature you must call Fidelity Investments at 1-866-602-0595 and ask to enroll in the automatic in-plan conversion of After-Tax contributions to Roth contributions. Upon enrolling you will be notified of the requirement of having a \$0.00 balance in your After-Tax source. The Fidelity phone representative can explain the options available to you. From that point forward, any payroll-deducted After-Tax contributions deposited to your Thrift Plan account will be immediately converted to Roth contributions, eliminating any opportunity for earnings on your After-Tax contributions (and, therefore, no additional tax consequence) and placed into the Roth In-Plan Conversion source within your account. The contributions converted from After-Tax to Roth within the Thrift Plan have no impact on the annual IRS limits on Pre-Tax/Roth contributions so you are still able to make payroll-deducted contributions up to \$19,500 on a Pre-Tax/Roth basis during 2020.

How can I make a change to my elected payroll contributions?

To make payroll contribution changes or for more information regarding the Thrift Plan, contact Fidelity Investments at 1-866-602-0595 or www.netbenefits.com/marathonpetroleum.