

Marathon Petroleum Educational Reimbursement Plan

Effective January 1, 2018





Educational Reimbursement Plan

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Educational Reimbursement Plan

I. Objective

Marathon Petroleum offers educational reimbursement benefits to encourage self-development by providing financial assistance for certain education-related expenses. This benefit is intended to encourage professionalism and assist employees in increasing effectiveness in their current position, preparing them for possible advancement, and/or increasing their adaptability to new ideas and change.

The Educational Reimbursement Plan includes assistance with the cost of tuition and other expenses related to either the pursuit of a degree or the expenses related to a non-degree college course (“Tuition Assistance”), as well as expense reimbursement for the preparation and taking of Company-approved Certification or Licensing programs and the examinations required as part of those programs (“C&L Assistance”).

II. Employee Eligibility

Employees are eligible for educational reimbursement benefits provided they are a Regular employee working on a full-time or part-time basis at the time of enrollment in and completion of the course or program.

For purposes of benefit eligibility, Regular “full-time” basis means the employee has a normal work schedule of at least 40 hours per week, or at least 80 hours on a bi-weekly basis.

Regular “part-time” means the employee is a non-supervisory employee employed to work on a part-time basis (minimum of 20 hours but less than 35 hours per week), and not on a time, special job completion, or call when needed basis.

A. Leave of Absence

Employees on an approved Medical Leave, Family Leave, “Wounded Warrior” Family Leave of 26 workweeks or less, Military Leave while receiving Company pay offset, or Personal Leave are eligible for Plan participation.

Employees on an Educational Leave are not eligible for Plan participation.

B. Transfer

In the event that a transfer to a nonparticipating employer within the controlled group to which Marathon Petroleum Company LP belongs takes place after an employee has enrolled in a course or C&L program that is eligible under the Educational Reimbursement Plan, eligibility will continue until the end of the respective semester, quarter, or session. If the employee has enrolled in a C&L program that requires an examination, eligibility will continue up to and including the first sitting of the exam, or the first sitting of the first examination if a series of examinations is required, provided the transfer is within the U.S.

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C. Termination

Terminated employees who satisfy all conditions for the commencement of a benefit under the Marathon Petroleum Termination Allowance Plan who, on the effective date of their termination, have started a course or a C&L program eligible for reimbursement under this Plan will continue eligibility until the end of the respective semester, quarter, or session. If the employee has enrolled in a C&L program that requires an examination, eligibility will continue up to and including the first sitting of the exam, or the first sitting of the first examination if a series of examinations is required.

III. Educational Reimbursement Benefits

A. Tuition Assistance

Tuition Assistance is designed to encourage self-improvement through outside study by providing financial assistance with the cost of education-related expenses incurred at an approved facility or institution in the pursuit of a degree or in taking a non-degree related college course.

1. Approval

Employees must secure proper approval prior to enrolling in a course to avoid paying tuition and required fees that are not reimbursable under Tuition Assistance. Approval is at the discretion of management in conjunction with Human Resources.

To obtain approval, an employee must take the following actions:

a) For a Degree Program and related courses:

- Employee completes a Marathon Petroleum Educational Reimbursement Plan Degree Program Application and provides it, along with the documentation described on the form, to their Manager/Supervisor for approval.
- Once the Manager/Supervisor approves the Degree Program Application, employee completes a Marathon Petroleum Tuition Reimbursement Repayment Agreement.
- Employee sends the Degree Program Application and Tuition Reimbursement Repayment Agreement to the local Human Resources Consultant (HRC) for approval.
- Once notice of approval is received, employee creates a degree record through SAP Online Services to obtain electronic approval before classes commence.

Note: An employee who is initially approved to commence a Degree Program under a specific degree and later changes degrees and moves to a new Degree Program must complete a new Marathon Petroleum Educational Reimbursement Plan Degree Program Application, even if attending the same institution. However, a new application is not required if an employee transfers schools, but remains within the same Degree Program.

Also, an employee who has submitted a Degree Program Application but has not commenced classes within one (1) year of the date the form was approved must complete an updated Degree Program Application for approval.

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b) For Non-Degree courses:

- Employee provides Manager/Supervisor with a description of the course they wish to take, the cost and duration of the course, and how it relates to their career at MPC.
- Once an employee obtains verbal approval from their Manager/Supervisor, they create a non-degree record through SAP Online Services to obtain electronic approval of the course before it commences.

2. Course Criteria

In order to qualify for Tuition Assistance benefits under this Plan:

- The course must be consistent with standard high school or college subjects and reasonably applicable to the work the employee is doing or for which they might be reasonably expected to be qualified to do.
- The course should be consistent with the employee's ability, potential, and scholastic background and in a field of interest to the company.
- The required curriculum leading to a degree and the number of hours completed must be appropriate.
- A reasonable chance must exist for the employee to use the acquired skill or knowledge and for the Company to derive some benefit from it.
- The employee must have been in their position a reasonable amount of time to allow pursuit of further education without impacting job performance (i.e., consideration in approving new hires).
- Course schedules should not conflict with the employee's work schedule. However, special situations which might require time off the job may be considered. Such situations might involve the scheduling of an examination by the school or graduation exercises at a time when the employee is usually at work.

3. Course Eligibility

The following types of courses **are** eligible for reimbursement consideration under Tuition Assistance:

- Formal college credit courses offered by an accredited college or university which includes courses taken as part of a Degree Program and single courses taken when not pursuing a degree ("non-degree courses").
- Online courses offered by an accredited college or university.
- Adult education non-credit and/or non-degree courses offered by an accredited institution, including public school systems, colleges, or universities.
- Private, business, or technical school courses, when comparable training is not available through one of the above categories. Before approving such courses, the Manager/Supervisor should evaluate the school's standards and determine if costs are compatible with the level of training received.

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- Required courses within a curriculum that lead to a diploma, certificate, or degree in a field of interest to the Company, even though these courses are not specifically job-related (i.e., Religion or Art).

The following types of courses are **not** eligible for reimbursement consideration under Tuition Assistance:

- Recreation or leisure time courses such as golf, bridge, sewing, and dancing are not covered, unless they are part of the curriculum stated above.
- Dale Carnegie, Evelyn Wood Reading Dynamics, and other similar programs are not covered under Tuition Assistance. If a Manager/Supervisor recommends one of these courses for an employee as a Company-sponsored development action, it is handled in the same manner as any other course which an employee attends at the Company's request.
- Preparation courses to prepare for an exam that is required to attend graduate school, including GMAT/GRE test-prep courses.
- College courses required to complete an employee's usual job responsibilities.
- College credit granted for Company-sponsored training (in-house and outside training).
- College credit granted for work or life experience.
- Expenses for auditing or testing out of a college level course.

4. Eligible Expenses

The following expenses related to the course may be eligible for reimbursement under the Plan:

- **Tuition fees** charged by the institution for both undergraduate and graduate course work; applies to both degree related courses and non-degree courses.
- **Required textbooks** may include books in printed or electronic format (including shipping charges if purchased online by the student), newspaper subscriptions, or magazine subscriptions, provided the materials are required for the enrolled course(s).
- **Required supplies** for the course may be reimbursable if they are required for the enrolled course(s). Any other items that are needed, but not specifically required (i.e., stated in the syllabus), will **not** be eligible for reimbursement.
- **Required fees** assessed by the institution which are required for enrollment in and completion of an approved course or degree and are not refundable after completion of a course or course of study. For a list of Required Fees that are eligible for reimbursement under this Plan, see Appendix A.

Although it is not required when requesting reimbursement, employees may be asked to provide a copy of the course syllabus if there is a discrepancy between the documentation provided and the amount of reimbursement being requested and/or to provide documentation that textbooks, subscriptions, and/or supplies were required for the enrolled course.

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5. Expenses Not Covered

- The costs of materials, instruments, supplies, or equipment are not reimbursable unless they are included as an indistinguishable part of the total cost of the course.
- Shipping charges/fees associated with the return of required textbooks and materials.
- Optional fees associated with a course. “Optional” fees are the result of the institution providing services not automatically assessed or related to the enrollment in and completion of a course or degree. Optional fees also include those fees charged as the result of employee choice or negligence. See Appendix B for a list of Optional Fees.
- Computer hardware, internet access fees, and connectivity equipment/charges related to online courses and/or software used for program and system upgrades are not eligible for reimbursement.

6. Reimbursement

Once the course has been satisfactorily completed, the employee is eligible to request reimbursement for the expenses related to the course at the end of the semester, quarter, or session. In order to qualify for reimbursement, the employee must receive a grade of “C” or better, or “Pass” if a “Pass/Fail” course.

The reimbursement rate and dollar amount limit per hour are as follows.

College Course — Reimbursement Percentage	Credit Hour Dollar Limits	
	Per Semester Hour	Per Quarter Hour
100%	Up to \$675	Up to \$450

Note: There is no annual or per semester, quarter, or session limit on the number of credit hours that can be taken.

Calculating the Reimbursement Amount:

- All eligible expenses (including tuition, required textbooks and required fees) will be added together and divided by the total number of credit hours before calculating the appropriate reimbursement amount.
- The NET bursar’s bill is used to determine the Plan’s reimbursement amount. Any grant, scholarship, financial aid, and all other sources of reimbursement are applied to the bursar’s bill before calculating the appropriate reimbursement amount to eligible expenses. In no event shall the reimbursement amount exceed the net bursar’s bill.

Note: Financial aid is considered any form of financial assistance that does **not** have to be repaid by the individual receiving the assistance (i.e., a grant or scholarship). A loan that requires repayment to the lending institution (i.e., Stafford loan) is not considered financial aid; therefore, the principal loan amount will be included when calculating the reimbursement amount.

- Reimbursements made by the Company shall not duplicate those made by other parties, including partial or full payments or reimbursements made by the Veteran’s Administration.

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7. Reimbursement Deadline

Reimbursement requests must be submitted **no later than six (6) months following completion of the course**. A reimbursement request that is submitted more than six (6) months following course completion is not eligible for reimbursement.

Upon Manager/Supervisor and HR approval, incomplete course work may still qualify for reimbursement if an employee is prevented from completing the course because of a transfer, temporary relocation, change in work schedule, or a significant increase in work load.

8. Thesis Research

Employees assessed tuition and required fees while conducting thesis research after all other course work has been completed will be reimbursed subject to the following:

- One-half of the eligible costs associated with thesis research may be reimbursed upon completion of semesters or quarters. The remainder of the reimbursement will not take place until the employee's thesis has been assigned a grade or approved by the school.
 - Master's Thesis: Reimbursement will be considered for the first two semesters or first three quarters of thesis research only.
 - Ph.D. Thesis: Reimbursement will be considered for the first four semesters or first six quarters of thesis research only. A complete transcript should be requested at the time of approval for verification.
- Tuition and required fees will be reimbursed based on the Tuition Assistance guidelines in effect on the date the employee's thesis is assigned a grade or approved by the school.

9. Repayment

The Marathon Petroleum Tuition Assistance Repayment Agreement is a provision requiring an employee to repay amounts received for tuition assistance in the event the employee departs the Company voluntarily.

Should an employee terminate employment with the Company on a voluntary basis, they agree to repay tuition assistance based on the following schedule:

Time Elapsed <i>The amount of time between the date(s) of the Tuition Assistance reimbursement and the employee's termination date.</i>	Percentage of Repayment <i>Applicable to the amount of Tuition Assistance received during the 24 months prior to the employee's termination date.</i>
6 months or less	100 percent
More than 6 months, but less than 12 months	75 percent
More than 12 months, but less than 18 months	50 percent
More than 18 months, but less than 24 months	25 percent

Under this provision, the Company may withhold from an employee's final paycheck (base salary, bonuses, vacation pay, and/or expense reimbursements), to the extent permitted by applicable law, monies up to the amount due the Company for any Tuition Assistance paid.

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10. Date a Course Commences

A course will ordinarily be considered to commence on the “first regular day of class” for any course that is offered during a regular academic term at an educational institution. The first regular day of class is considered to be the first day on which regular classes generally commence for courses offered during that term.

The date on which an individual registers for or enrolls in a course does not determine when the course commences.

B. Certification and Licensing (C&L) Assistance

Certification and Licensing (C&L) benefits allow time and expense reimbursement for the preparation and taking of a Company-approved certification or licensing program and required examinations.

If an employee requests Certification and Licensing Assistance, the Manager/Supervisor will determine whether or not the certification or license is related to the employee’s job function or career and will ensure the appropriate review course is being taken, if applicable.

An employee may obtain a certification or license in more than one area. For example, an employee in the Auditing Organization might pursue certification as an Internal Auditor as well as a CPA.

1. Approval

Employees must secure proper approval prior to enrolling in a Certification or Licensing Program to avoid incurring expenses that are not reimbursable under C&L Assistance. To obtain approval, an employee must:

- Discuss the program with their Manager/Supervisor and provide documentation, as needed, including a description of the program for the Certification or License they wish to pursue along the total cost and duration of the program.
- Once the Manager/Supervisor approves the C&L program, the employee sends a copy of the information to their local Human Resources Consultant (HRC) for review.
- **Note:** The employee will create a record through SAP Online Services after the program has been completed and reimbursement for expenses relating to the program is being requested.

The approval of expenses related to obtaining a certification or license is made by the employee’s Manager/Supervisor and HRC and is based on the eligible expenses as described below and the supporting documentation provided at the time of the request.

2. Program Criteria

In order to qualify for C&L Assistance:

- The certification or license must relate to the employee’s job function or career.
- The employee must incur expenses related to completing the program to obtain the Certification or License and must not be reimbursed for these expenses in any other manner.

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3. Eligible Expenses

The following expenses are eligible for reimbursement consideration when an employee is pursuing a certification or license:

- **Expenses associated with obtaining a specific certification or license.** The expenses related to obtaining a certificate or license are eligible, but the expenses associated with maintaining it are not eligible.

Note: When maintaining a certification or license is necessary for an employee to perform their job (for example, a yearly recertification exam), reimbursement may be made through business expense if approved by the employee's Manager/Supervisor.

- **Expenses associated with a review course.** Employees will be reimbursed for the cost of one review course, provided they qualify and sit for the examination (i.e., review course for the CPA Exam).

The review course is at the choice of the employee, but it must be properly approved by the employee's Manager/Supervisor in advance and must be specific to the certification or licensing exam being taken. Books, materials, and fees required as a part of the review course, including online or electronic review courses or materials, are also eligible for reimbursement.

Note: The expenses related to the review course cannot be submitted until the employee sits for the exam, unless the employee is prevented from completing the course or from taking the exam because of a transfer, temporary relocation, change in work schedule, or a significant increase in work load. In that case, the expenses may still be eligible as determined by the employee's Manager/Supervisor.

- **Examination Fees and Expenses.** Employees will be reimbursed the cost of sitting for an exam related to a specific certification or license. No more than two sittings of the examination are eligible. If a second sitting is necessary, it is recommended an approved review course be completed prior to the second exam sitting. **Note:** As stated above, employees will be reimbursed for one review course.

If a series of examinations is required in order to obtain a certification or license, two sittings are permitted for each examination in the series.

Other expenses associated with sitting for an exam are also eligible. For example, fees for a background check, an application fee, and/or an exam sitting fee required to take the exam are eligible for reimbursement.

- **Travel Expenses.** Employees will be reimbursed for meals while away taking the examination. Lodging will be reimbursed only when the designated test site is more than 65 miles from the employee's Company location. Employees will be provided the necessary transportation to the location for taking the examination or will be reimbursed for mileage if the employee's personal vehicle is used. The examination must be taken at the test site nearest to the employee's Company location.

When it is necessary to travel by air to take an examination, it must be indicated on the travel requisition that the airfare is to be charged to the employee's credit card and the reason for the travel. When the employee receives the invoice from the credit card company, it must be submitted as documentation for reimbursement. If this is not done, the airfare will not be processed properly from a tax standpoint.

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4. Expenses Not Covered

- Certifications and licenses which qualify an employee for a specific career from which the Company would be unlikely to benefit (i.e., real estate agent).
- Dale Carnegie, Evelyn Wood Reading Dynamics, and other similar programs are not considered professional certifications or licenses and, therefore, are not covered under these guidelines. If a Manager/Supervisor recommends one of these courses for an employee as a Company-sponsored development action, it is handled in the same manner as any other course which an employee attends at the Company's request.
- Costs associated with periodic license renewal and dues for membership in professional affiliations are not covered under these guidelines. Such expenses should be submitted as business expense if the license renewal or membership is necessary for the employee to perform their job and if approved by the employee's Manager/Supervisor.
- Reimbursements made under these guidelines shall not duplicate those made by other parties.

5. Reimbursement

Eligible expenses are reimbursed at the rate of 100% after any grants, scholarships, financial aid, and all other sources of reimbursement are applied to the bill. The employee must submit the original invoices and/or receipts of their expenses in order to be reimbursed.

Requests for reimbursement may be submitted as follows:

- **Reimbursement Requests for Required C&L Programs:** If the employee is requested or required by the Company to obtain a specific license or certification, reimbursement for approved expenses may be made at any time after they are incurred, but not later than six (6) months following completion of the program. For example, if the certification requires the purchase of materials and an exam fee, the expenses can be submitted prior to sitting for the exam.
- **Reimbursement Requests for Voluntary C&L Programs:** If the employee is voluntarily attempting to obtain a certification or license, reimbursement for approved expenses may be made after sitting for the examination, but not later than six (6) months following completion of the program.

Whether the program is required or voluntary, reimbursement is not contingent upon an employee passing the examination.

6. Reimbursement Deadline

All C&L reimbursement requests must be submitted **no later than six (6) months following completion of the program.**

Note: If the program involves a series of exams to obtain a certification or license, eligible expenses must be submitted **no later than six (6) months following completion of each individual exam.** For example, an employee can submit expenses after completion of the exam for each component of the CPA Program or the CEBS Program versus waiting to submit expenses after obtaining their CPA or CEBS certification.

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7. Time off Work for C&L

Unless prohibited by urgent work schedules or work load (as determined by the employee's Manager/Supervisor), an employee must sit for the examination required for a C&L Program on the first opportunity following completion of the review or certification course. Employees are permitted time off from work for the day(s) the examination is given.

In terms of time off from work to study or attend review courses:

- **Voluntary C&L Programs:** Employees who voluntarily pursue a particular certification or license are not permitted time off from work to study and attend a review course class or classes.
- **Required C&L Programs:** Employees who are required or requested by the Company to obtain a specific certification or license may be permitted time off from work to study and attend a review course class or classes, if approved by the employee's Manager/Supervisor.

IV. Taxability of Educational Reimbursement Benefits

Taxable and non-taxable reimbursements made under the Educational Reimbursement Plan will be processed through Payroll. Taxable reimbursements will be included as gross income on the employee's W-2 form. The following rules apply:

A. Tuition Assistance

- **Undergraduate-level courses:** Reimbursements up to \$5,250 per calendar year per employee are non-taxable; reimbursements in excess of \$5,250 per calendar year per employee are taxable and subject to tax withholding. **Note:** The \$5,250 is an IRS limit and is subject to change based on IRS guidelines.
- **Graduate-level courses:** Reimbursements up to \$5,250 per calendar year per employee are non-taxable for courses commencing after December 31, 2001. Reimbursements in excess of \$5,250 per calendar year per employee are taxable and subject to tax withholding.

A "graduate level course" is defined as any course taken by an employee who has a bachelor's degree or is receiving credit toward a more advanced degree, if the particular course can be taken for credit by any individual in a program leading to a law, business medical, or other advanced academic or professional degree.

B. C&L Assistance

- **Certification & Licensing program:** Reimbursements up to \$5,250 per calendar year per employee are non-taxable; reimbursements in excess of \$5,250 per calendar year per employee are taxable and subject to withholding.
- **Travel expenses:** Reimbursement for travel expenses is taxable unless it qualifies as a business expense deduction. Non-taxable travel expenses do not count toward the \$5,250 annual exclusion limitation.

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C. Tax Allowances

Employees receiving reimbursements which are taxable and are for expenses related to obtaining a certification or license which is requested or required by the Company may receive a tax allowance. Such a situation may occur when an employee is transferred from one state to another and must be licensed in the new state, and the expenses related to obtaining the new license are taxable. Another example is when a newly-hired employee is required to obtain a certain license in order to perform their job.

The employee's Manager/Supervisor makes the determination of whether or not the certification or license is requested or required by the Company and, therefore, whether or not the employee is eligible for a tax allowance.

V. Participation by Associated Companies and Organizations

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 Plan. Currently, these participating companies include, but are not limited to, Marathon Petroleum Company LP, Marathon Petroleum Corporation, Marathon Petroleum Service Company, Marathon Petroleum Logistics Services LLC, MW 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. The term "employee" and other similar words shall include any eligible employee of these companies.

VI. Further Information

Human Resources Services coordinates the administration of these guidelines throughout the Company.

Local Human Resources assists with the administration of these guidelines.

VII. Modification and Termination

The Company reserves the right to modify or terminate this Plan, in whole or in part, in such manner as it shall determine, either alone or in conjunction with other plans 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 regulations.

Modifications or termination can be applied, at the sole discretion of the Company, to any or all members.

Appendix A

Required Fees — Tuition Assistance

The following are examples of required fees or charges that **are** eligible for reimbursement consideration:

- Tuition fees
- Registration fees
- Student ID card fees
- Required lab fees
- Required textbooks, including those ordered online
- Required supplies or equipment
- Required student fees or charges assessed to all students when unable to opt out
- 1st time enrollment fees
- Application fees
- Printed course material and/or electronic media/material, in lieu of textbooks (subscriptions, online articles, etc.)
- Non-resident fees
- Matriculation fees
- Exam fees (includes GRE and GMAT)*
- Building use fees
- Proficiency exams
- Library fees
- Student activity fees
- Technology fees

* Although charges related to the GRE and GMAT exam would be eligible for reimbursement, any prep courses or charges related to studying or preparing for the exam are **NOT** eligible. Also, expenses related to the GRE/GMAT are considered pre-admission testing and, therefore, must be submitted along with the first eligible course. They are not able to be reimbursed separately or on a stand-alone basis.

Note: This list is not all-inclusive. As a general rule, if the charge is mandatory and applied to all students attending that school, it may eligible for reimbursement under the Plan.

Appendix B

Optional Fees — Tuition Assistance

The following are examples of optional fees or charges that are **NOT** eligible for reimbursement consideration:

- Parking fees
- Meals
- Room & board or lodging
- Travel, transportation fees, or mileage
- Late fees/service charges
- Health care related expenses
- Fees for dropped or added classes
- Fees to repeat a course
- Fees to replace equipment or supplies
- Class ring fees
- Deferred payment charges
- Interest charges
- Credit transfer fees
- Living costs
- Tutoring fees
- Fines
- Field trips
- Recreation facility fees, unless charged to all students
- Deposit fees
- Graduation fees, including fees for cap and gown
- Legal and/or insurance fees, when able to opt out
- Green Fees, when able to opt out
- Shipping charges/fees associated with the return of required textbooks or materials.
- The cost of materials, instruments, or equipment are not reimbursable unless they are an indistinguishable part of the total cost of the course

Note: Schools often vary in the type of required fees assessed to their students. If any of the above charges are proven to be mandatory or required fees, then they may be eligible for reimbursement consideration.