



Marathon Petroleum Parental Pay Policy

**Effective Date
January 1, 2018**



Parental Pay Policy



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I. Introduction

Parental Pay provides compensation to employees for the purpose of caring for a child following birth, adoption, and foster placement. Parental Pay is effective for a birth, adoption, or foster care placement event occurring on or after January 1, 2018.

II. Eligibility

Employees who work on a Regular “full-time” or Regular “part-time” basis are eligible. For purposes of eligibility, “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. “Part-time” basis means the employee is a non-supervisory employee who is employed to work a minimum of 20 hours but less than 35 hours per week and not on a time, special job completion, or call when needed basis.

Employees who are members of a bargaining unit are not eligible, unless Parental Pay is included in the terms of a collective bargaining agreement or other negotiated agreement

Casual employees are not eligible.

III. Reasons for Parental Pay

Parental Pay is applicable for the following reasons:

- The birth of a child, in order to care for that child within the 12-week period following the birth;
- The placement of a child for adoption, in order to care for that child within the 12-week period following the placement; and
- The placement of a child for foster care, in order to care for that child within the 12-week period following the placement.

IV. Amount and Duration of Parental Pay

Eligible employees are entitled to up to two weeks of Parental Pay based on their base pay for their principal occupation. Two weeks is based on the normal scheduled hours in an employee’s average work week. Parental Pay must be used within the 12-week period following the “event.” For purposes of this Policy, “event” means:

- For a birth, the event is the date the birth mother or gestational carrier (surrogate) commences labor.
- For an adoption, the event is the date on which a child is placed in the employee’s household.
- For a foster care placement, the event is the date on which a child is placed in the employee’s household.

The paid time may be taken in one increment or in two increments not to exceed the allotted two paid weeks. Parental Pay of two weeks is credited toward the calendar year in which the event occurred. Multiple births and multiple adoptions do not increase the length of Parental Pay.

Parental Pay will be paid through regular payroll cycles and subject to normal authorized and/or required payroll deductions.

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The Marathon Petroleum Sick Benefit Policy provides pay for employees on Medical Leave due to childbirth. Parental Pay can be applied after Sick Benefits are exhausted or at the conclusion of the Medical Leave.

If a holiday occurs during the period when Parental Pay is applied, the employee will receive holiday pay and Parental Pay will not be deducted from the Parental Pay quota balance for that day.

V. Notification and Documentation Requirements

In conjunction with FMLA/Family Leave paperwork, the employee must complete a Parental Pay Request form and may be required to provide documentation that substantiates the reason for Parental Pay. If the requested Parental Pay is foreseeable, employees must provide the Company with at least 30 days advance notice of the anticipated event date. If 30 days advance notice is not provided, the employee may be required to explain why it was not provided. The Company can deny Parental Pay until at least 30 days after the date the employee provides notice (if the employee fails to give 30 days' advance notice), where the need for pay and the approximate event date were clearly foreseeable with no reasonable excuse for the delay.

VI. Approval Requirements and Considerations

Parental Pay does not require supervisor approval; however, the employee must complete the required forms and satisfy the eligibility requirements. Parental Pay will run concurrently with FMLA/Family Leave.

VII. 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 Policy. 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, Marathon Refining Logistics Services LLC, and MW Logistics Services LLC.

VIII. Further Information

Benefits Administration, Payroll, and Human Resources personnel coordinate the administration of this Policy throughout the Company. The Manager, Benefits Administration, reviews Parental Pay requests for completeness and compliance with Policy provisions.

The Company reserves the right to modify or terminate this Policy, in whole or in part, in such manner, as it shall determine.



Appendix A

Parental Pay Frequently Asked Questions

1. Why is MPC implementing a Parental Pay Policy?

MPC is supportive of parent and child bonding and wants to demonstrate this support in a way that is consistent and competitive within our industry, therefore, we are amending our policies to provide two weeks of paid parental leave.

2. When does the Parental Pay Policy begin?

The Parental Pay Policy is effective for births, adoptions, and foster care placements occurring on or after January 1, 2018. For a birth mother, two weeks of paid parental leave begins after Sick Benefit pay ends; for a birth father or an adoptive or foster care placement parent, it can begin on or after the date of the event. Under no circumstances can paid parental leave commence prior to the birth, adoption, or foster care placement event.

3. If an employee's Family Leave started in December 2017 and extends into 2018, is that employee eligible for Parental Pay?

No. Two weeks of paid parental leave will be effective for all births, adoptions, and foster care placements that occur on or after January 1, 2018. In this case, the employee will continue under the current leave policies and pay practices.

4. Who is eligible for Parental Pay?

An employee who is a Regular full-time or part-time employee and who has a birth, adoption, or foster care event on or after January 1, 2018, is eligible for up to two weeks of paid parental leave. An employee who is part of a bargaining unit is not eligible, unless Parental Pay is included in the terms of a collective bargaining agreement or other negotiated agreement.

5. For what reasons can Parental Pay be used?

Two weeks of paid parental leave is applicable for the following reasons:

- The birth of an employee's own child, in order to care for that child within the 12-week period following the birth;
- The placement of a child for adoption, in order to care for that child within the 12-week period following the placement; and
- The placement of a child for foster care, in order to care for that child within the 12-week period following the placement.

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6. How does Parental Pay work in conjunction with FMLA and Family Leave?

Paid parental leave will run concurrently with FMLA and Family Leave. This new pay policy, effective January 1, 2018, is a change whereby all time off qualifying for reasons under FMLA will be applied on a concurrent basis with the FMLA 12-week maximum that is available in a rolling 12 months.

7. Is a birth mother still eligible for up to 12 weeks of time off, following their Medical Leave, for the birth of a child under the Family Leave Policy?

Yes. A birth mother will receive their medical leave (typically 6 or 8 weeks) then followed by Family Leave (if requested, up to 12 weeks) of which 2 weeks will be paid under the Parental Pay Policy.

In addition, a birth father, adoptive or foster care placement parent will receive up to 12 weeks of Family Leave, if requested, of which 2 weeks will be paid under the Parental Pay Policy.

8. In addition to the two weeks of Parental Pay, can an employee be given paid time off under the Permissible Absences for Personal Reasons Policy for birth/adoption/foster care placement?

No. Additional paid time off for these reasons cannot be granted under the Permissible Absences for Personal Reasons Policy.

9. Is there a waiting period for Parental Pay?

No. An eligible employee can receive Parental Pay upon commencement of employment.

10. How much Parental Pay does an employee have available?

An employee is eligible for up to two weeks of paid parental leave credited toward the calendar year in which the event occurred. Multiple births/adoptions/foster care placements will not increase the amount of paid parental leave permitted in a calendar year.

Also, an employee is eligible for paid parental leave once per child. If paid parental leave is used for the care of a child at the time of foster care placement and the child is later adopted, additional paid parental leave is not provided upon the adoption.

11. How long does an employee have to use Parental Pay?

Paid parental leave must be taken within the first 12 weeks following birth, adoption, or foster care placement. Paid parental leave may be applied all at once or in two separate periods within the 12-week period; the total of which cannot exceed two weeks with each week based on the normal scheduled hours in an employee's average work week and base pay.

12. Does an employee need to complete any forms to receive Parental Pay?

Yes. In conjunction with FMLA/Family Leave paperwork (Form WH-380-E or WH-380-F) which may be applicable, a Parental Pay Request form must be completed and submitted to Absence Management before paid parental leave can be applied. Absence Management and Payroll will verify time is coded appropriately in SAP. The form can be found at www.myMPCbenefits.com under Forms.

Absence Management should be contacted to ensure the appropriate forms are completed. A 30-day notice is requested for FMLA/Family Leave to apply paid parental leave.

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13. The parents of a newborn child both work for MPC; do they each get two weeks Parental Pay?

Yes. Each parent who is employed by MPC, and is eligible, will receive two weeks of paid parental leave to be used within the 12 weeks following a birth, adoption, or foster care placement.

14. Can a supervisor deny Parental Pay?

No. Paid parental leave cannot be denied by a supervisor or manager for an eligible employee.

15. How will supervisors/managers know how much Parental Pay an employee has utilized?

An employee is permitted two weeks of paid parental leave credited toward the calendar year in which the event occurred. Two weeks is based on the normal scheduled hours in an employee's average work week. A separate pay code (PLBA) will be used to record paid parental leave (by Absence Management and Payroll) and like all other absences, supervisors/managers can view an employee's absence in SAP.

16. What happens if an employee terminates?

Unused paid parental leave will not be paid out upon separation of employment and cannot be used to extend an employee's separation date.

17. Will benefits continue while receiving Parental Pay?

Yes.

18. If an employee has questions on Parental Pay, who should be contacted?

All questions should be directed to the Marathon Petroleum Benefits Service Center by calling 1-888-421-2199 or sending an email to benefits@marathonpetroleum.com.



Appendix B

Parental Pay Examples

Birth Examples

(Each example assumes the employee has at least two years of Accredited Service with the Company; an employee with less than two years will receive fewer weeks of Sick Benefit pay.)

- Sue gives birth by natural delivery. Sue has requested leave for 12 weeks. During these 12 weeks, Sue will be paid 6 weeks of Sick Benefit pay, 2 weeks of Parental Pay and the remaining 4 weeks of Sue's leave will be unpaid.
- Sally gives birth by cesarean delivery. Sally has requested leave for 12 weeks. During these 12 weeks, Sally will be paid 8 weeks of Sick Benefit pay, 2 weeks of Parental Pay and the remaining 2 weeks will be unpaid.
- Sarah gives birth by natural delivery. Sarah has requested leave for 18 weeks. During these 18 weeks, Sarah will be paid 6 weeks of Sick Benefit pay, 2 weeks of Parental Pay and the remaining 10 weeks will be unpaid.
- Samantha has complications and will be off work for 3 weeks before giving birth. Samantha gives birth by natural delivery and has requested leave for 21 weeks. Samantha will be paid 3 weeks of Sick Benefit pay before the birth and 6 weeks of Sick Benefit pay after the birth, 2 weeks Parental Pay and the remaining 10 weeks will be unpaid.
- Joe's non-employee spouse gives birth. Joe has requested leave for 2 weeks following the birth. During these 2 weeks, Joe will be paid 2 weeks of Parental Pay.
- John's non-employee spouse gives birth. John has requested leave for 2 weeks following birth to be taken as 3 days at birth and the remaining 7 days when the spouse returns to work. John will be paid 3 days and 7 days of Parental Pay. (All paid time was taken within 12 weeks of his child's birth.)

Adoption Example

- Zoe and Zach both work at MPC and are adopting twins. Zoe and Zach are each requesting 4 weeks of leave following the final adoption. Zoe and Zach will each be paid 2 weeks of Parental Pay and the remaining 2 weeks of leave for each will be unpaid. (Parental Pay is not doubled for multiple births/adoptions/foster care placements.)

Foster Care Example

- Jim received a child for foster care and has requested leave for 3 weeks. Jim will be paid 2 weeks of Parental Pay and the remaining 1 week will be unpaid. Jim adopts this child 1 year later; Jim is not eligible for Parental Pay for the adoption event. (An employee is eligible for Parental Pay once per child.)



Appendix C

Parental Pay Examples of Hours

An average work week equates to the total number of normal scheduled hours assigned to a Regular employee on a weekly basis. For example,

- Employee A has 40 normal scheduled hours in a week and works 5 days during the week at 8 hours per day. Therefore, each day of Parental Pay has 8 hours charged against total eligible Parental Pay hours.
- Employee B has 48 normal scheduled hours in a week and works 4 days during the week at 12 hours per day. Therefore, each day of Parental Pay has 12 hours charged against total eligible Parental Pay hours.
- Employee C has 30 normal scheduled hours in a week and works 4 days during the week at 7.5 hours per day. Therefore, each day of Parental Pay has 7.5 hours charged against total eligible Parental Pay hours.
- Employee D has 28 normal scheduled hours in a week and works 3 days during the week at 8 hours per day and 1 day at 4 hours per day. Therefore, each day of Parental Pay has the hours scheduled for that day charged against total eligible Parental Pay hours.
- Employee E has 42 normal scheduled hours in a week and works 4 days during one week at 12 hours per day and works 3 days during the following week at 12 hours per day, for 42 hours on a weekly basis. Therefore, each day of Parental Pay has 12 hours charged against total eligible Parental Pay hours.