



## Marathon Petroleum Relocation Policy Frequently Asked Questions

### Relocation Allowance

#### **Is the Relocation Allowance intended to cover all of my relocation expenses?**

No, your Relocation Allowance is intended to cover only those relocation expenses that are not specifically covered under other provisions of the Relocation Policy.

#### **Do I need to keep track or report how the Relocation Allowance is spent?**

No, you do not need to document or report how your Relocation Allowance is spent. However, its purpose is to assist you in covering miscellaneous expenses incurred as a result of your relocation. It is not intended as additional compensation or for the down payment on a home or new car.

#### **Do I need to repay any unused portion of the Relocation Allowance?**

No, you do not need to repay any unused portion of the Relocation Allowance.

### Advance House-Hunting Trip

#### **What expenses are covered under the advance house-hunting trip provision?**

Expenses covered under the advance house-hunting trip include:

- Round-trip transportation
  - If driving a personal vehicle, reimbursement will include total round-trip mileage, plus local miles for house-hunting, at the current mileage rate.
  - If public transportation is used, accommodations should be in the economy or tourist class for air travel, and the most practical class for rail travel (includes rental vehicle and fuel, if needed).
- Reasonable meal/grocery expenses (food/beverage items only).
- Reasonable lodging accommodations.

These expenses are covered for the employee and one other person. In certain instances, where the employee is being transferred a short distance (less than 300 miles round trip), additional trips may be permitted (no more than four).

#### **Can I take my spouse and children on the advance house-hunting trip?**

Reimbursed expenses for the advance house-hunting trip are limited to the employee and one other person.

#### **Can I take more than one advance house-hunting trip?**

Additional trips are permitted if the distance to the new location is less than 150 miles (no more than four).

#### **How many days am I allowed for an advance house-hunting trip?**

For exempt transferred employees, a maximum of 45 days are allowed for the advance house-hunting trip and temporary living period combined. For experienced new employees, a maximum of 25 days is allowed.

### **Are child care expenses covered during the advance house-hunting trip?**

If you must pay a provider for the care of dependent children, elderly parents or an incapacitated spouse during the advance house-hunting trip, those expenses are covered (see “Relocation Policy – Home Site Expenses” for limitations).

### **Are pet kenneling expenses covered during the advance house-hunting trip?**

Yes (see “Relocation Policy – Home Site Expenses” for limitations).

## **Travel Expenses to New Location (Final Trip)**

### **What expenses are covered under the travel provisions?**

In addition to the 45 maximum days (exempt transferee) or 25 maximum days (experienced new employee) allowed for advance house-hunting trip/temporary living, the Company will reimburse an employee for the cost of transporting self and household members to the new work location. Expenses covered are:

- One-way public transportation or mileage reimbursement from old location to new location.
- Reasonable meal/grocery expenses (food/beverage items only).
- Reasonable lodging accommodations (limited to one night at old location, nights during travel and one night at new location).

It is expected the employee will use their personal vehicle(s) for this trip, and one-way mileage will be reimbursed for up to three personal vehicles.

### **My family and I would rather fly to the new location and have our personal vehicle shipped. Will the airfare and vehicle shipping costs be covered under the Policy?**

The shipment of one vehicle is permitted at Company expense if the distance to the new location is over 400 miles. However, if one vehicle is shipped, public transportation is not reimbursed, and mileage is limited to two vehicles.

## **Shipment/Storage of Household Goods and Personal Effects**

### **Can I move myself?**

If no other means are used to move your household goods, the Company will reimburse you for the rental of leased towing equipment. If you use your personal vehicle to tow a rented trailer, the Company will reimburse you for the rental and pay you one and one-half times the current mileage reimbursement rate. If you rent a truck, the Company will reimburse you for the rental and the actual gas used by the truck. To be eligible for reimbursement, the leasing and/or towing must qualify as the most economical method of transportation.

### **How long can I keep my household goods in storage?**

The Company will pay for a maximum of 365 days of storage provided the storage days fall within your one-year relocation period. This starts on your effective date of transfer or hire. **Note:** The Company will not pay for any outside storage facility. Storage is only allowed if the moving company is taking your household goods to their warehouse.

### **Can I access the items I have in permanent storage?**

Items placed in long-term storage are located in the moving company’s warehouse and may not be readily accessible. Because of the time and cost involved in pulling items from storage, you are not permitted to access these items until they are delivered to your new location.

### **What if my household goods are damaged during shipment? Can I submit a claim?**

Your items are insured during shipment and storage. Please contact the moving company directly to submit a claim.

### **Can I ship one of my personal vehicles?**

If the distance to the new location is over 400 miles, you can ship one vehicle. The shipment of other vehicles will be at the employee’s expense. Keep in mind that public transportation is not reimbursed if you ship a vehicle.

### **Will the Company pay to ship my boat to the new location?**

The cost to ship recreational vehicles includes both weight and weight additive (charge for the extra space used on the van). The Company will pay for a combined maximum of 1,500 pounds for the weight and weight additive costs. Additional charges will be at the employee's expense.

### **Will the Company pay to ship my pets?**

Yes, the Company will cover transportation costs for up to two household pets (such as cats and dogs) from the old location to the new location if it is not practical for the animals to accompany the employee in their vehicle. However, additional expenses, such as vet expenses or crates required for shipment, are not covered. Transportation costs for animals, such as horses or livestock, are not covered.

### **I moved into temporary housing at my new location. Will the Company pay to move me a second time when I purchase a home?**

Yes, as long as you designate the first residence as temporary when you move into it, and you make the second move within 12 months of your original transfer date.

**Note:** Does not apply to experienced new hires.

## **Temporary Living**

### **How many days are allowed for the temporary living period?**

For exempt transferred employees, a maximum of 45 days is allowed for the temporary living and advance house-hunting trip combined. For experienced new employees, a maximum of 25 days is allowed. These days do not need to be used consecutively and can be used at either the old or new location.

### **What expenses are covered for the temporary living period?**

Reasonable meal/grocery expenses (food/beverage items only) and lodging are covered during the temporary living period.

### **Are rental cars and fuel covered during the temporary living period?**

If necessary, a maximum of 30 days is allowed for the rental of one vehicle. This does not include fuel for the rental car.

### **Are child care expenses covered during the temporary living period?**

No, it is assumed that during the temporary living period the family is together as a unit, and any child care needs are the responsibility of the employee.

### **Are telephone charges reimbursable during the temporary living period?**

No, telephone charges are not reimbursable during the temporary living period.

### **If I stay with family or friends during the temporary living period, am I eligible for the reimbursement of any lodging expenses?**

The Company does not provide any lodging reimbursement during the temporary living period if you are staying with family or friends. However, meals/groceries (food/beverage items only) purchased in this situation would be reimbursable.

## Home Sale Assistance

### **I don't want to participate in the Home Sale Assistance program. Will the Company still reimburse me for home sale expenses?**

If you sell your home without the assistance of the relocation company, you will be eligible for reimbursement of customary selling expenses if you complete the sale no later than 90 days after you have rejected the guaranteed offer or refused to participate in the Home Sale Assistance program. If you do not complete the sale within this timeframe, you will not be eligible for the reimbursement of home selling expenses.

### **Can I select the realtor I want to list with?**

The Company is using a Broker Registration program with TRC Global Mobility, Inc. (TRC). You may select the real estate agent you want to use, but you must let your TRC Relocation Counselor know who the agent is before speaking to them. The listing agreement you sign with your agent must contain a specific exclusion clause.

### **Why can't the appraisals be done at the very beginning of the process?**

Employees are expected to actively market their home in order to produce a sale. If the home sells during the 60-day marketing period, appraisals are not necessary. In addition, if appraisals were completed at the beginning of the process, employees may have no incentive to actively participate in the sale of their home.

### **I don't agree with the guaranteed offer (appraised value) of my home. Is there anything I can do?**

While you are entitled to appeal the guaranteed offer because you do not agree with the appraised value of your home, disappointment is not a valid reason to re-evaluate the appraisal. You must provide valid information as to why you feel the appraisal should be re-examined.

### **If I decline the guaranteed offer, does the Company offer any other home sale assistance?**

If you decline the guaranteed offer, the Company still allows for the reimbursement of customary home selling costs as long as you complete the sale within 90 days from the date you reject the guaranteed offer.

### **I have made several improvements to my home. Are these improvements included in the loss-on-sale calculation?**

In some situations, the Company may allow for certain home improvements to be included in the loss-on-sale calculation (see "Relocation Policy" for details).

**Note:** Experienced new employees are not eligible for the loss-on-sale provisions.

### **I own two homes. Are both homes eligible for home sale assistance?**

No, only your primary residence is eligible for home sale assistance.

## Home Purchase Assistance

### **Are all of my closing costs covered?**

If you owned a home at your old location and purchase a home at the new location within 12 months of your original transfer/hire date, all reasonable and customary closing costs are covered. Loan origination fees are capped at \$500 for exempt transferred employees and \$250 for experienced new employees. (Please see "Relocation Policy" for limitations on reimbursement of loan discount fees, based on interest rates.)

### **I was a renter at my old location. Am I still eligible for home purchase assistance?**

If you were a renter at the old location, you are eligible for reimbursement of up to a maximum of \$1,000 towards closing costs on the purchase of a home in your new location.

**Note:** Experienced new employees are not eligible for home purchase assistance in this situation.

### **Do I have to use a lender from the list provided by TRC?**

You can use any lender you want. However, the lenders recommended by TRC are familiar with MPC's Relocation Policy and know what closing costs are covered by the Policy. In addition, these lenders will direct bill the relocation company 50% of the reimbursable loan discount points and 100% of the other reimbursable closing costs. If you use your own lender, make sure the lender is aware of the closing costs that are covered by the Policy.

### **I used a national lender who direct billed my home purchase costs. Do I still need to include a settlement statement with my relocation expense report?**

Yes, you should provide a copy of the settlement statement so the direct-bill line items and amounts can be audited. You should also include home inspection receipts that may have been paid outside of closing and not direct billed.

### **Can I request an equity advance greater than the required down payment on my new home?**

No, the amount of your equity advance cannot exceed the lesser of the equity you have in your home or the amount necessary to cover the down payment. Any remaining equity will be returned to you at closing.

## **Duplicate Expenses**

### **What are duplicate expenses?**

If you buy or rent a home prior to closing the sale of your home in the old location, you may incur expenses associated with maintaining both homes concurrently. This includes real estate taxes, homeowner's insurance, mortgage interest and necessary utilities (gas, electric, water/sewage).

### **What is the timeframe for the reimbursement of duplicate expenses?**

Duplicate expenses can start no earlier than the date you list your home at the old location for sale. If you sell your home during the 60-day Marketing Assistance Period or 30-day Guaranteed Offer Period, or accept the Guaranteed Offer, duplicate expenses will be reimbursed until the title to the property is transferred. If you do not secure a sale during the 60-day Marketing Assistance Period or the 30-day Guaranteed Offer Period, nor accept the Guaranteed Offer, duplicate expenses will be limited to 60 days (see "Relocation Policy" for details).

**Note:** Experienced new employees are not eligible for duplicate expenses.

## **Tax Treatment of Relocation Expenses**

### **Are all of my reimbursed relocation expenses taxable to me?**

All reimbursed expenses are taxable to you except those expenses determined by the IRS to be excludable (non-taxable). Those items considered non-taxable are the shipment of household goods, airfare and lodging on the final trip to your new location, first 30 days of storage and part of your mileage reimbursement on the final trip to your new location.

### **Does the Company provide a tax allowance on all reimbursed relocation expenses?**

The Company provides a tax allowance on most taxable relocation expenses. However, expenses that can be included with an employee's itemized deductions when filing their income tax return are not eligible for a tax allowance.

## Adverse Tax Review

If your taxable relocation expenses, when added to all other taxable income, cause:

- You to be wholly or partially ineligible for:
  - Child tax credits;
  - Educational credits/deductions;
- You to be 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 your federal income tax return and reimburse the missing credit, deduction, or AMT adjustment to you.

You will be required to submit a copy of your federal tax return (as filed with the IRS) to the Relocation Office with an explanation of why you are requesting a review. The Company will not review federal tax returns more than two years old. Any reimbursement for which you may be eligible will be processed through payroll and tax allowance provided, if applicable. State and local taxes are NOT reviewed.

## Exceptions

### **I don't want my family to move until school is out. Can I get an extension on my 12-month relocation period?**

Exceptions to the Relocation Policy may be granted in limited circumstances, and require the approval of the organizational Vice President and the Benefits Policy Manager. Keep in mind that extensions beyond the Policy's 12-month requirement for completing a transfer may result in reimbursements being taxable. In such cases, the added tax costs will be borne by the employee.