



TESORO CORPORATION

GROUP ACCIDENTAL
DEATH &
DISMEMBERMENT
INSURANCE PLAN

SUMMARY PLAN
DESCRIPTION

As of January 1, 2017

This Summary Plan Description (SPD) outlines the major features of the Tesoro Group Accidental Death & Dismemberment (AD&D) Insurance Plan. If you have questions regarding your coverage under the Group Accidental Death & Dismemberment Insurance Plan, contact the Tesoro Benefit Center at (866) 787-6314.

This document describes the Tesoro Group AD&D Insurance Plan as of January 1, 2017. This Plan is available to eligible Tesoro employees on the U.S., Canada, and Singapore payrolls. This information comprises the SPD of this Plan as required by the Employee Retirement Income Security Act of 1974 (ERISA).

This description doesn't cover every provision of the Plan. Some complex concepts may have been simplified or omitted in order to present a more understandable plan description. If this plan description is incomplete, or if there's any inconsistency between the information provided here and the official plan texts, the provisions of the official plan texts will prevail.

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The Tesoro Group AD&D Insurance Plan provides you and your survivor's extra financial protection against your accidental dismemberment or loss of life.

PARTICIPATION

You are eligible to participate in the AD&D Plan upon hire if you're a regular full-time employee of one of Tesoro Corporation's participating subsidiary companies. You will be considered a full-time employee if you are regularly scheduled to work at least thirty (30) hours each week.

If you are in a job covered by a collective bargaining agreement, you are not eligible for participation in this Plan unless the provisions are included or incorporated in your collective bargaining agreement.

ENROLLMENT

If you are eligible to participate in the AD&D Plan, you are automatically enrolled in the Plan as of your eligibility date. Your coverage will begin on your eligibility date as long as you are actively at work. If you are not at work on the day the coverage would otherwise begin, your coverage will begin on the day you return to active full-time work.

BENEFICIARY DESIGNATIONS

You may make your beneficiary designations through the Tesoro Benefits Center website at tsocorp.com/benefits or by calling (866) 787-6314. Beneficiary designations may be changed by you at any time through the Tesoro Benefit Center or in writing, without the consent of the beneficiary.

If you fail to designate a beneficiary, your benefits will be paid to your survivor(s) in the following order:

- (1) Your spouse;
- (2) Your child or children;
- (3) Your mother or father;
- (4) Your sisters or brothers;
- (5) Your estate.

COST

The Company pays the entire cost of benefits under the Group Accidental Death & Dismemberment Plan.

BENEFIT AMOUNT

Benefits are paid as a percentage of the Principal Sum, which is equal to two (2) times Base Salary¹, which includes basic pay and scheduled overtime, adjusted to the next lower multiple of \$100 (if not already an even multiple).

<u>ACCIDENTAL LOSS</u>	<u>PERCENTAGE OF PRINCIPAL SUM</u>
Loss of life	100%
Loss of two or more members (hand, foot, speech, hearing or sight of eye)	100%
Quadriplegia ²	100%
Paraplegia ³	75%
Hemiplegia ⁴	50%
Loss of one member (hand, foot, speech, hearing or sight of eye)	50%
Uniplegia ⁵	25%

¹ Base Salary is the salary or wage you would receive as a result of your normal work schedule.

² Quadriplegia means total paralysis of both upper and both lower limbs.

³ Paraplegia means total paralysis of both lower limbs or both upper limbs.

⁴ Hemiplegia means total paralysis of the upper and lower limbs on one side of the body.

Loss of thumb and index finger of same hand	25%
Loss of all toes on the same foot	20%

The covered loss must occur within one year after the accident. Only one benefit, the largest to which you are entitled, is payable for all losses resulting from one accident. The maximum coverage under the Plan for any Tesoro employee is \$1,000,000.

Additional Benefits

Bereavement and Trauma Counseling Benefit: \$250 per session up to 100 sessions or \$25,000 per covered accident.

Rehabilitation Benefit: 5% of the Principal Sum up to a maximum of \$25,000.

Seat Belt and Airbag Benefit: 10% of the Principal Sum up to a maximum of \$25,000.

APPLYING FOR BENEFITS

In the event of a loss, your supervisor or the Tesoro Corporate Benefits Department should be contacted to coordinate claim processing. Benefits are paid as a lump sum or through other options as provided by the Plan Insurer.

Written claim notice must be given to the Plan Insurer within 31 days after the occurrence or commencement of any loss covered by the Plan or as soon as reasonably possible. If your claim is approved, the appropriate benefit will be paid to you, if living. Payment of benefits due for loss of life will be paid according to the beneficiary designation in effect at the time of your death.

EXCLUSIONS AND LIMITATIONS

The AD&D Plan will not cover any accident, accidental bodily injury, or loss caused by or resulting from:

- intentionally self-inflicted injury, suicide or any attempt thereof while sane or insane;
- commission or attempt to commit a felony or an assault;
- commission of or active participation in a riot or insurrection;
- bungee jumping; parachuting; skydiving; parasailing; hang-gliding;
- declared or undeclared war or act of war;
- flight in, boarding or alighting from an aircraft or any craft designed to fly above the Earth's surface, except as a fair paying passenger or a passenger traveling in a Company owned aircraft. This exclusion includes:
 - the use of ultra-light aircraft and gliders;
 - aircraft being flown by the covered person or aircraft in which the covered person is a member of the crew;
 - aircraft being used for crop dusting, spraying or seeding, giving and receiving flying instruction, fire-fighting, sky writing, sky diving or hang-gliding, pipeline or power line inspection, aerial photography or exploration, racing, endurance tests, stunt or acrobatic flying; or any operation that requires a special permit from the FAA, even if it is granted (this does not apply if the permit is required only because of the territory flown over or landed on);
 - aircraft being used for the purpose of parachuting or skydiving;
 - aircraft being used by any military authority, except an aircraft used by the Air Mobility Command or its foreign equivalent;

⁵ Uniplegia means total paralysis of one upper or one lower limb.

- Sickness, disease, bodily or mental infirmity, bacterial or viral infection or medical or surgical treatment thereof, except for any bacterial infection resulting from an accidental external cut or wound or accidental ingestion of contaminated food;
- an accident that occurs while engaged in the activities of active duty service in the military, navy or air force of any country or international organization. (Accidents that occur while engaged in Reserve or National Guard training are not excluded until training extends beyond 31 days).
- operating any type of vehicle while under the influence of alcohol or any drug, narcotic or other intoxicant including any prescribed drug for which the covered person has been provided a written warning against operating a vehicle while taking it. (Under the influence of alcohol, for purposes of this exclusion, means intoxicated, as defined by the law of the state in which the accident occurred);
- voluntary ingestion of any narcotic, drug, poison, gas or fumes, unless prescribed or taken under the direction of a physician and taken in accordance with the prescribed dosage.

EVENTS AFFECTING COVERAGE

Disability

If you are disabled and receiving Long-Term Disability income benefits from a the Company sponsored group long-term disability program, the AD&D coverage that was in effect at the time your disability began will be continued. The Company currently pays 100% of the premium cost for this coverage. Such coverage is subject to the same rules that would apply if you were actively employed and is subject to change (see Future of the Plan).

Leave Of Absence

If you are on a Company approved leave of absence (unpaid), you may continue the same AD&D coverage you had when active employment ceased up to a maximum of six (6) months. Your cost for this coverage, if any, will be the same as for an active employee. You must make arrangements with the Corporate Benefits Department to pay any necessary contributions (if required) for the entire period of the leave, prior to going on leave.

Such coverage may be continued for a leave of absence taken under the Family and Medical Leave Act of 1993 (as amended). Continued coverage is subject to the same rules that would apply if you were an active employee.

Reduction in Number of Hours Worked

If your regularly scheduled hours are reduced to less than thirty (30) hours per week, your coverage will end as of the date the schedule change is effective. If your regularly scheduled hours later increase to at least thirty (30) hours per week, you'll once again be eligible to participate in the AD&D Plan.

Labor Dispute

If you are a union member and absent from active work because of strike, lockout or other general work stoppage, you may continue the coverage in which you were enrolled when active employment ceased. Your cost for this coverage will be the entire premium for such insurance, including your employer's share. You must make arrangements with the Corporate Benefits Department to pay your contributions. Your coverage will end on the earlier of the date you fail to make the required premium payment, the date you go to work full-time for any other employer, or the date you are absent from work for six (6) months. If less than 75% of the eligible employees fail to continue Group AD&D Insurance coverage under this paragraph, the Plan Insurer providing this benefit may cancel your coverage as of any premium due date.

Layoff or Termination of Employment

Your coverage ends when your employment terminates.

Death

Coverage ends as of the date of your death.

PLAN AMENDMENT OR TERMINATION

Tesoro expects to continue the employee benefits described in this section, but reserves the right to amend or discontinue any or all parts at any time and for any reason. In no event will you become entitled to any vested rights under this Plan.

CONVERSION PRIVILEGE

If your employment terminates, you have the option to convert your existing AD&D Plan coverage to an individual accident insurance policy through the Plan Insurer within thirty-one (31) days after the date coverage ends. Contact Life Insurance of North America at 1-800-547-5515 for additional information or to request coverage conversion.

ADDITIONAL INFORMATION

The Plans that comprise your Benefits Package are part of the pay you receive from Tesoro for your contributions to the Company's continuing success. In addition to informing you about your employee benefits, this "Summary Plan Description" (SPD) is designed to meet disclosure requirements of a Federal law called the Employee Retirement Income Security Act of 1974 (ERISA). This SPD was written from the documents that legally govern the operations of the Plan. Although every attempt has been made to ensure that the SPD is accurate, the official documents will rule in case of any conflict in meaning.

ERISA

In September 1974, the Employee Retirement Income Security Act (ERISA) was signed into law. The purpose of this law is to protect our rights as participants in employee benefit plans. Although the Tesoro Plans have always been written and administered to assure that each participant received his or her full benefits, we want you to be aware of the additional protection provided by this law. As a participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plans. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a State or

Federal court. In addition, if you disagree with a Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court.

If it should happen that plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

As Plan Sponsor, Tesoro Corporation prides itself on operating its Plans fairly and objectively and is also proud of its open lines of communication with its employees. If you have any questions about the information presented here, please contact the Corporate Benefits Department or your local HR Business Partner/Manager.

If you have any questions about your rights under ERISA, you should contact the nearest Area Office of the U.S. Labor Management Services Administration, Department of Labor.

GENERAL CLAIMS PROCEDURE

A participant or beneficiary who feels he or she is being denied any benefit or right provided under the Plans shall have the right to file a written claim with the Plan Administrator. All such claims shall be submitted on a form provided by the Plan Administrator, which shall be signed by the claimant and shall be considered filed on the date the claim is received by the Plan Administrator.

Upon the receipt of such a claim and in the event the claim is denied, the Plan Administrator shall, within a reasonable period of time, provide such claimant a written statement which shall be delivered or mailed to the claimant by certified or registered mail to the claimant's last known address and shall contain the following:

- The specific reason or reasons for the denial of benefits;
- A specific reference to the pertinent provisions of the Plan upon which the denial is based;
- A description of any additional material or information which is necessary;
- An explanation of the review procedures and the time limits that apply; and
- In the case of a plan providing disability benefits, a copy of the internal rules, guidelines, other protocols or similar criteria will be provided free on request following an adverse benefit determination.

Within 90 days (180 days in the case of a claim for disability benefits) after receipt of notice of denial of benefits as provided above, the claimant or authorized representative may request, in writing, to appear before the Plan Administrator for a review of the claim. In conducting its review, the Plan Administrator shall consider any written statement or other evidence presented by the claimant or authorized representative in support of the claim. The Plan Administrator will give the claimant and/or authorized representative reasonable access to all pertinent documents necessary for the preparation of the claim.

Within 60 days after receipt by the Plan Administrator of a written request for review of the claim, unless special circumstances require an extension of time for processing such request for review, but not later than 120 days after receipt of such request, the Plan Administrator shall notify the claimant of its decision by delivery or by certified or registered mail

to the claimant's last known address. In the case of a claim for disability benefits, the notification of the Plan Administrator's decision shall be made not later than 45 days after receipt of the claim, unless special circumstances require an extension of time for processing such request for review, and such extension shall require a decision not later than 105 days after receipt of such request and following appropriate notice of extension (limited to two 30 day extensions).

The decision of the Plan Administrator shall be in writing and shall include the specific reasons for the decision presented in a manner calculated to be understood by the claimant and shall contain references to all relevant Plan provisions on which the decision was based. The decision of the Plan Administrator shall be final and conclusive. In addition to the General Claims Procedure described above, the Plan Insurer may have specific requirements, which you will need to follow in filing your claim.

Future of the Plan

Tesoro expects and intends to continue the employee benefits described in this SPD indefinitely, but reserves the right to amend or discontinue any or all parts at any time.

Interpretation of the Plan

Only the Plan Administrator is authorized to make administrative interpretations of the Plan and will do so only in writing. You should not rely on any representation, whether oral or in writing, which another person may make concerning provisions of the Plan and your entitlements under them.

The Plan Insurer has authority to administer claims and to manage and interpret the Group Policy, consistent with the provisions of the Plan.

IMPORTANT FACTS ABOUT THE PLAN

Plan Name

The Tesoro Corporation Accidental Death & Dismemberment Insurance Plan is a Constituent Benefit Program of the Tesoro Corporation Omnibus Group Welfare Benefits Plan.

Plan Sponsor

Tesoro Corporation
19100 Ridgewood Parkway
San Antonio, TX 78259
(210) 828-8484

Plan Administrator

Tesoro Employee Benefits Committee
Tesoro Corporation
19100 Ridgewood Parkway
San Antonio, TX 78259

Plan Funding

The plan is funded solely by employer contributions.

Plan Insurer

Life Insurance of North America
1601 Chestnut Street,
Philadelphia, PA 19192-2235

Other Employers Whose Employees Are Covered By the Plan

Upon written request to the Plan Administrator, a complete list of the employers participating in the Plan will be provided.

Agent for Service of Legal Process

General Counsel
Tesoro Corporation
19100 Ridgewood Parkway
San Antonio, TX 78259

Note: Legal process may also be served upon the Plan Administrator.

Plan Type

Welfare benefit plan.

Plan Number

The plan number is 501.

Employer Identification Number (EIN)

The EIN under which the documents and reports for this plan are filed with the U.S. Department of Labor is 95-0862768.

Plan Year

The plan year is a calendar year beginning January 1 and ending December 31.

QUESTIONS

If you have questions about your Tesoro employee benefits, contact the Tesoro Benefit Center at (866) 787-6314.