



TESORO CORPORATION

GROUP LIFE
INSURANCE PLAN

SUMMARY PLAN
DESCRIPTION

As of January 1, 2017

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

This document describes the Tesoro Group Life 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 Life Insurance Plan provides financial protection for your survivors to help them meet their financial obligations in the event of your death.

PARTICIPATION

You are eligible to participate in the Group Life Insurance 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 Group Life Insurance 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.

COST

The Company pays the entire cost of benefits under the Group Life Insurance Plan.

BENEFIT AMOUNT

Benefit coverage for participants will be equal to two (2) times Base Salary¹, which includes basic pay and scheduled overtime (but not unscheduled overtime), adjusted to the next lower multiple of \$100 (if not already an even multiple).

FOR EXAMPLE

If your Base Salary is	\$58,385
Two times that would be	\$116,770
Your coverage would be rounded to	\$116,700

The maximum coverage under the Plan for any Tesoro employee is \$1,000,000.

Repatriation of Remains Benefit

In addition to life insurance coverage, the Group Life Insurance Plan provides a repatriation of remains benefit. If you die while traveling away from home, the Plan will pay the expenses up to \$5,000 to transport your body to a mortuary near your primary place of residence.

Accelerated Death Benefit

If you are diagnosed as terminally ill with a life expectancy of twelve months or less, you may be eligible to receive up to 50% of your then in force life insurance, up to \$500,000 maximum, before death. A physician's certification is required in all instances and is subject to the Plan Insurer's review and concurrence. An accelerated death benefit is generally payable in a lump sum and can be elected only once. Your in force life insurance will be reduced by the amount of accelerated death benefit paid.

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

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.

Payment of benefits due for loss of life will be paid according to the beneficiary designation in effect at the time of your death. Beneficiary designations may be made or changed by you at any time through the Tesoro Benefits Center, 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, if any;
- (2) Your children, in equal shares;
- (3) Your parents, equally or to the survivor;
- (4) Your brothers and sisters, in equal shares;
- (5) The executors or administrators of your estate.

TAX CONSIDERATIONS

Federal law provides that, with certain exceptions, your gross income must include the cost of insurance over \$50,000 provided by any group term life insurance policy you carry, less the amount you pay toward the purchase of such insurance. This income is subject to Federal income tax and Social Security tax and will be included as income on your W-2. When required, this amount will also be reported for purposes of state or municipal taxes.

EXCLUSIONS AND LIMITATIONS

There are no exclusions or limitations other than those already discussed above (see Benefit Amount).

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 life insurance 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 life insurance 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 Group Life Insurance 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 Life 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 Group Life Insurance coverage to another form of insurance issued through the Plan Insurer within thirty-one (31) days after the date coverage ends. The premium rates will be based on the Plan Insurer's rates in effect for new applicants of your class and age at conversion. Contact Metropolitan Life Insurance Company at 1-800-638-6420 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 Group Life 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

Metropolitan Life Insurance Company
One Madison Avenue
New York, NY 10010
1-800-638-6420

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 1-866-787-6314.