



Retiree Medical Account

If you are an eligible Phillips 66 employee hired prior to January 1, 2013, you accumulate credits in a Phillips 66 Retiree Medical Account (RMA). You can use the credits at your discretion in retirement to offset your monthly premiums for your retiree or COBRA medical coverage through options identified by the company.

Through January 1, 2030, Phillips 66 will credit your RMA with:

- **Annual credits** for each year of service until you retire; and
- **Interest credits** calculated annually until you retire.

Your RMA is **not** a bank account — it consists of credits that can only be used to pay premiums for your retiree or COBRA medical coverage through options identified by the company.

Unlike a pension plan, you do not “vest” in your RMA, and you forfeit any credits in your account if you leave the company before becoming eligible for retiree medical benefits. If you are later rehired, your original account will **not** be reinstated.

As an active employee, you will continue to receive credits until January 1, 2030. After this date, no new credits will be made to your RMA, even if you are still employed by the company and have not yet retired. When you later retire, you will be able to use the credits in your RMA as of January 1, 2030, to offset your retiree medical premiums. While credits to the RMA are discretionary and may change over time, the current annual credit is \$1,050 (prorated monthly) and interest credits are calculated at 3%.

Your RMA balance is calculated as follows:

- **Annual credit:** \$1,050 for each full year of service (prorated monthly), credited to your account until you retire or the program end date, whichever comes first. The prorated annual credit is credited to your RMA on the last day of the month for each complete month of service.
- **Interest credit:** 3% of your December 31 RMA balance, credited on January 1 of the following year, each year until you retire or the program end date, whichever comes first.

Benefits of an RMA

- You know how much is in your account and can choose when to apply it.
- You determine how much you want applied toward your eligible retiree or COBRA medical premium.
- Annual interest allocations help offset medical inflation.

Note: Once you or your dependents become eligible for Medicare, if you enroll in a Medicare Supplement, you must contact your carrier for a proof of premium payment letter that can be submitted for reimbursement under the RMA. Instructions for submitting claims for reimbursement are available on Your Benefits Resources website at <http://resources.hewitt.com/phillips66>.

This communication may contain information regarding certain Phillips 66 compensation and benefits. The summary plan descriptions for the various benefit plans and other relevant terms and conditions provide more detailed information. Receipt of this communication does not guarantee eligibility for benefits or any other form of compensation. Phillips 66 reserves the right to correct any errors. If the information provided by this communication conflicts with the plan documents, the plan documents will prevail. Phillips 66 also reserves the right to amend, change or terminate its plans, any underlying contract or any other policy or program, at any time without notice, at its sole discretion. This information applies only to Non-Represented employees, as well as Represented Employees where provided for under the terms of an applicable collective bargaining agreement.