

FLEXIBLE SPENDING PLAN

Summary of Material Modifications



UPDATE

This is a summary of material modifications (“SMM”) to the **Phillips 66 Flexible Spending Plan** (“Plan”). This SMM, the “Flexible Spending Plan” chapter and “Other Information” chapter of the Phillips 66 Health and Well-Being Handbook (“Handbook”) together serve as the summary plan description (“SPD”) for the Plan. The SMM, when combined with the “Flexible Spending Plan” chapter and “Other Information” chapter of the Handbook, summarizes the Plan’s benefits, including amendments through January 1, 2019, and advises you of a change to your SPD.

Please read this SMM in conjunction with the Handbook.

UPoint (formerly Your Benefit Resources or YBR) Web Address Change

- Your Benefit Resources (YBR) website has changed to UPoint and all information related to benefit elections can be viewed at <https://digital.alight.com/phillips66>

Flexible Spending Account (“FSA”) Expense Reimbursement Change

- Beginning with calendar year 2018 FSA expenses, all requests for reimbursement of FSA expenses incurred during the calendar year must be submitted for reimbursement by March 31 of the following calendar year

Administrator Change

- Alight Solutions replaces Wage Works as the Health Care FSA and Dependent Care FSA administrator

Health Care FSA Contribution Limit Change

- Participants may contribute up to \$2,650 annually to their Health Care FSA, with a minimum annual contribution of \$120

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Health Savings Account (HSA) Change

- A participant can contribute an annual maximum of the following amounts to the HSA under the HDHP option with HSA:
 - \$3,000 for Employee only coverage
 - \$6,250 for Employee + spouse/domestic partner coverage
 - \$6,250 for Employee + child(ren) coverage
 - \$6,000 for Employee + family
- Participants age 55 or over can contribute an additional \$1,000 annually to their HSA
- Company contributions to the Phillips 66-affiliated HSA:
 - \$500 for Employee only coverage
 - \$750 for Employee + spouse/domestic partner coverage
 - \$750 for Employee + child(ren) coverage
 - \$1,000 for Employee + family
- Bank of America replaces HSA Bank as the administrator for the Phillips 66-affiliated HSA:
 - For participants who elected during annual enrollment to transfer their Phillips 66-affiliated HSA from HSA Bank to Bank of America, the transfer is scheduled to occur in January 2019
 - For participants who did not elect during annual enrollment to transfer their Phillips 66-affiliated HSA from HSA Bank to Bank of America, their HSA with HSA Bank may be subject to a monthly administrative fee(s)
 - All HSA payroll contributions, including the company contribution, on or after Jan. 1, 2019 will be deposited at Bank of America

Receipt of this information does not guarantee eligibility. Please refer to the summary plan description (SPD) and any summaries of material modifications (SMMs) for details, including information regarding eligibility, benefits provided under the plan, when coverage begins and ends, claims procedures and your legal rights. Phillips 66 reserves the right to amend, change or terminate the plan, any underlying contract or any other program, at any time without notice, at its sole discretion, according to the terms of the plan.