



PHILLIPS 66 COMPANY

LTD Commonly Asked Questions

This document is a compiled listing of commonly asked questions and answers concerning long term disability benefits (LTD) under the Phillips 66 Disability Plan (Plan). Please utilize this as a quick reference, but refer to the Long-Term Disability booklet and Other Information booklet, which are part of the Summary Plan Descriptions (SPD) for the Plan, for more detailed information concerning the LTD benefit.

In this document you will see references to Disability Leave of Absence. Disability Leave of Absence is the leave that begins after Short Term Disability (STD) benefits under the Plan end and all sources of pay from Phillips 66 have been exhausted. (Please see the Short-Term Disability Booklet and Other Information booklet for information regarding STD benefits under the Plan.) Disability Leave of Absence lasts for up to 24 months. If you are enrolled in the LTD benefit under the Plan and are approved for LTD benefits, you will receive LTD insurance benefits as long as your disability continues to be approved. If you have not elected the LTD benefit or have not been approved to receive the LTD benefit, your Disability Leave of Absence will still last for up to 24 months, but you will not receive LTD benefits under the Plan.

1) What is the elimination period? Elimination Period – To qualify for LTD benefits, you must be enrolled in the LTD benefit under the Plan and you must be disabled as defined by the Plan for a period of at least 180 days following the day you were last able to work at your regular job with the Company. During the elimination period, no LTD benefits are payable under the Plan. You must be under the continuous care of a doctor during your elimination period. If, at the end of the 180 day period:

- You still have unused vacation, the 180-day period is extended until your vacation is exhausted;
- You are still receiving or eligible to receive 100 percent of pay under the short-term disability benefit provisions of the Plan, the 180-day period is extended until your 100 percent of pay under the short-term disability benefit provisions is exhausted; or
- You still are receiving or eligible to receive 60 percent of pay under the short-term disability benefit provisions of the Plan, the 180-day period is extended until the time that your 60 percent of pay under the short-term disability benefit provisions is exhausted. However, you may waive your remaining 60 percent of pay under the short-term disability benefit provisions and begin receiving LTD benefits under the Plan, unless the terms of a collective bargaining agreement do not permit the waiver.

For more detailed information regarding this question see the Elimination Period section of the LTD booklet under “How does the plan work?”.

2) What happens if I return to work DURING the elimination period? If you return to work for 90 days or less (does not have to be consecutive days) before completion of your elimination period, you will not be required to begin a new elimination period if you become disabled again from the same cause. Those workdays will apply toward the completion of your elimination period.

If you return to work for more than 90 days (does not have to be consecutive days) before completion of your elimination period, you will be required to begin a new elimination period if you become disabled again from the same cause. Those workdays will not apply toward the completion of your new elimination period.

If you start an elimination period and return to work and then become disabled from a different cause, you must complete a new elimination period.

3) Now that I have initiated a LTD claim do I have to keep submitting the Employee Health Report (EHR) to Phillips 66 Health Services until my LTD begins? Yes, when receiving Short Term Disability (STD) benefits, you are required to submit updated EHRs to **Phillips 66 Health Services** per the Plan provisions outlined as follows (unless local practice or your collective bargaining agreement, if applicable, has a more stringent requirement):

- If you're absent from work for five or more consecutive calendar days due to a non-occupational illness or injury, you must provide Phillips 66 Health Services an EHR or other medical certification form authorized by Phillips 66 Health Services to demonstrate eligibility for STD benefits under the Plan.
- Your first EHR is due on the 5th consecutive calendar day of absence.
- After your first EHR and while you're unable to work without restrictions:
 - **If the last EHR does not specify the next physician appointment**, the next EHR is due within 30 days from the date of the last EHR.
 - **If the EHR specifies the next physician appointment date**, the next EHR is due the latter of 30 days from the last EHR or within one week after the next physician's appointment, not to exceed 60 days between EHR submissions.

This requirement continues to apply until your LTD benefit has started. If you have questions regarding the EHR process you should contact Phillips 66 HR Connections at 855-480-6634 or 918-977-7905, 8:00 a.m. to 6:00 p.m. CST.

4) Now that I've initiated my LTD claim with The Hartford, what happens next? The initial review process from start to finish can take several months. It is in your best interest to return the requested information to The Hartford as quickly as possible.

The Hartford may also call you for a short phone interview, regardless of whether the application was completed online or in paper format.

5) Does Phillips 66 offer any assistance in the medical portion of the LTD process? Yes. Once you receive your LTD packet, a letter from the Phillips 66 Medical Director will be enclosed. Employees may contact the medical director for assistance with the medical portion of the LTD application process. It is very important to submit a thorough application to The Hartford for consideration, and the Phillips 66 Medical Director is available to help you in this process without charge.

6) How do I know if my LTD claim has been approved or denied by The Hartford? You will receive a letter from The Hartford with the approval or denial decision. You may receive several letters from The Hartford prior to the approval/denial decision as the information needed is gathered to make a claim determination. As you receive The Hartford's communications, it is important that you and/or your physicians respond within any deadlines outlined.

By submitting your claim sooner than 90 days from your final day of pay, The Hartford may deny your claim. Your final day of pay includes exhaustion of all STD benefits under the Plan and vacation pay. Under the Employee Retirement Security Income Act of 1974 (ERISA) requirements, The Hartford must render a claim decision within 45 days from the date the LTD claim was received. If you receive a claim denial, instructions will be included in your decision communication from The Hartford. These instructions will outline the steps necessary to have your claim reviewed on appeal once you are approaching the 90 day period prior to your final day of pay.

7) If my LTD is approved, will I have to continue sending information to The Hartford? The Hartford will periodically request updated information from you and your physician(s). This information is crucial in the continued evaluation of your LTD benefit.

8) What does The Hartford review when making an approval/denial decision of my LTD claim? In the 24 months of disability leave of absence, The Hartford evaluates whether you are able to perform the material duties of the regular job you were assigned to as of the last day you were able to work and whether you are able to earn more than 80 percent of your pre-disability earnings or indexed pre-disability earnings.

After you have been on LTD for 24 months, The Hartford reviews your ability to earn more than 60 percent of your indexed pre-disability earnings from any employer in your local economy at any gainful occupation for which you are reasonably qualified, taking into account your training, education, experience and pre-disability earnings. The Hartford will continue to periodically request information from you and/or your physician(s) for continued evaluation of your LTD Claim.

For a more detailed explanation, and definitions for the terms used above, refer to the **"What do you mean by 'disabled'?"** section of the LTD booklet.

9) How does STD, vacation, holidays, etc. affect my LTD start date? If approved, LTD begins once all your Phillips 66 STD benefits and your pay have been exhausted and you have met the 180 day LTD elimination period. This pay includes all 100% pay under the STD benefit, vacation pay, banked vacation, holidays, etc.

10) I know The Hartford sends my LTD payments, but how much will I get paid during LTD? Basic LTD pays 50 percent and Enhanced LTD pays 60 percent of pre-disability earnings, and those payments are not taxable. Your pre-disability earnings are the monthly base salary you were earning the day prior to the LTD effective date.

Your LTD benefit can be offset by other sources of income you receive or are eligible to receive. You are responsible for making sure that The Hartford knows what other sources of income you are receiving so that your LTD benefit offset is accurate.

When added to the LTD benefit, your income from certain sources cannot be more than 70 percent of your pre-disability earnings. If your combined income exceeds 70 percent, your LTD benefit will be reduced until the 70 percent ceiling is met. Please refer to the **"What if I receive other disability income or benefits"** section of the LTD booklet for information regarding offsets and examples of how reductions are calculated.

11) How often does The Hartford pay my LTD benefit? The Hartford pays your LTD benefit once a month. Contact The Hartford (800-741-4306) for more information regarding LTD benefit payments.

12) If I have questions about my LTD benefits, whom do I call? Contact the LTD insurer, The Hartford at (800-741-4306).

13) While out on approved LTD, what benefits do I pay for through Phillips 66 Company? As an employee on disability leave of absence with active benefit rates, you will continue to pay premiums for all the benefits that you elect to continue. When you are on an approved LTD leave of absence, the LTD premium is waived. You will pay your benefit premiums via electronic bank draft as was explained in the cover letter of this packet.

If your LTD benefits are withdrawn anytime during the disability leave of absence and you do not return to work, you will not be eligible to enroll in and pay premiums for the LTD benefit.

After your 24 months of disability leave of absence, you will become a former employee of Phillips 66 and your benefit options change. These benefit options will be communicated to you by formal communication from the Benefits Center.

14) While my LTD is approved, will Phillips 66 continue to provide my basic life insurance? As an employee on disability leave of absence with active benefit rates, Phillips 66 will continue paying the premium for the company provided basic life insurance policy. You may continue paying premiums for your supplemental life insurance coverage.

15) Do I have to apply for Social Security Disability Income (SSDI) when on LTD? Yes, you are required to apply for SSDI as a part of the LTD application process. The SSDI approval/denial does not affect The Hartford's LTD approval/denial decision. If your LTD benefit is approved by The Hartford and you receive an approval or denial for SSDI you must communicate that information to The Hartford. SSDI is one of the sources of income that offsets your LTD benefit payment. (See the "**What if I receive other disability income or benefits**" section of the LTD booklet for information regarding the offsets and examples of how reductions are calculated.)

If The Hartford does not receive information from you concerning your SSDI approval/denial, they may calculate your LTD monthly benefit with the assumption that SSDI is approved, which means your LTD benefit will be a reduced amount.

IMPORTANT NOTE – If you are approved for SSDI while on STD, it could impact your STD Benefits, see pg. 13 of the STD Summary Plan Description. Call HR Connections (855-480-6634) immediately to make them aware if you are approved for SSDI while receiving STD.

16) Am I able to retire and be on disability leave of absence? No. You can, however, forego the disability leave of absence and initiate Retirement instead (if eligible). Phillips 66 consists of several heritage employees, each with their own qualifiers for retirement pension benefits; therefore, you should contact the Benefits Center at 800-965-4421.

17) I am a Heritage Conoco employee. Am I eligible for Incapacity Retirement (ICAP)? Heritage Conoco employees who become totally disabled while employed after completing 10 years of pension vesting service and who are age 40 or older at termination may be eligible for ICAP. Approval for ICAP can be determined by either The Hartford or approval for the Social Security benefit.

18) Once my employment status has changed to a former employee at the end of the Disability Leave of Absence, if continuation of my LTD is approved, do I have any options to also initiate my retirement benefit (if eligible)? Yes. You do have the option to take your retirement (if eligible) and continue receiving your LTD benefit (if approval continues).

PLEASE NOTE – if you are receiving LTD benefits under the Plan when you commence your pension benefit, your monthly LTD benefit may be impacted by the choice you make regarding the form of payment for your pension benefit. Please contact the Benefits Center to get more information before finalizing your election.

19) When am I eligible for Medicare? You should receive an application from Medicare approximately two years from your SSDI effective date regardless of your age. Be sure to apply for Part A (hospital) and Part B (physicians). Per the Phillips 66 Medical and Dental Assistance Plan, upon receipt of your approval for Medicare, you are obligated to contact the Benefits Center at 800-965-4421 or 646-254-3467.

Medicare is considered secondary to your Phillips 66 medical coverage while you are an employee on disability leave of absence receiving benefits at active rates. Once your employment status changes to former employee after 24 months, Medicare will become the primary coverage and your Phillips 66 retiree medical coverage, if available, will be secondary.

20) My employment status changes once I have been on a disability leave of absence for 24 months. What happens to my medical and LTD coverage? During the 24 months of disability leave of absence, you will continue to pay active rates for benefit coverage on an after-tax basis. Once you have been out on an approved disability leave of absence for 24 months, your employment with Phillips 66 ends.

If your LTD benefit is denied at any time during the 24 months of your disability leave of absence, and you do not return to work, you will not be eligible to enroll in and pay premiums for the LTD benefit.

If you return to work at the end of your 24 month disability leave of absence, you will be required to comply with the normal eligibility requirements to re-enroll in the LTD benefit.

Once you have been on disability leave of absence for 24 months, you will receive information from the Benefits Center explaining your options for continuation of medical coverage and life insurance conversion or portability options.

If your LTD benefit is approved by The Hartford beyond the first 24 months of disability, you are eligible for retiree medical benefits.

If your LTD is not approved by The Hartford beyond 24 months or your LTD benefits are denied at some point after 24 months, you will have the option to continue retiree medical coverage only if you are eligible for retiree medical. If you are not eligible for retiree medical and do not have an LTD approval by The Hartford then your only option for continuing coverage under the Phillips 66 Medical and Dental Assistance Plan is through COBRA.

If you were hired prior to January 1, 2013, you may have credits in a Retiree Medical Account (RMA) to offset the cost of medical premiums. Your RMA will receive credits for each year of service recognized by Phillips 66 through your employment end date. As long as your LTD continues to be approved by The Hartford you may continue to receive retiree medical benefits even if you are not retiree eligible. You may also use the RMA to offset the cost of medical premiums. For questions regarding retiree medical benefits under the Phillips 66 Medical and Dental Assistance Plan, please contact the Benefits Center at 800-965-4421.

21) If I have a loan under the Phillips 66 Savings Plan, how do I continue to make my loan payment to Vanguard once my employment status is changed to either disability leave of absence or former employee? Contact Vanguard at 800-523-1188 to make arrangements for continuing loan payments directly to Vanguard.

22) If I can return to work before or within the 24 months of disability leave of absence and my LTD benefit payments have started, what do I need to do? First, contact your local HR department and your supervisor to discuss returning to work. Next, contact the Benefits Center so that the LTD administrators at Phillips 66 can be notified of the return to work. Last, contact your The Hartford LTD claim representative to inform them that you will be returning to work.

23) Can I still use the Employee Assistance Plan (EAP) while in my 24 months of disability leave of absence? Yes, because you are an employee on leave of absence with active benefits, you still have access to the services through EAP. Contact EAP at 866-517-7617.

This communication contains information regarding certain Phillips 66 U.S. benefits. The summary plan descriptions for the various benefit plans provide more detailed information regarding the plans. Receipt of this communication does not guarantee eligibility for benefits. Phillips 66 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.