

**Saudi Arabian Oil Company  
(Saudi Aramco)**

**U.S. Dollar Payroll  
Group Life Insurance Plan**

**January 1, 2016**

## GROUP INSURANCE PLAN

|   |                   |
|---|-------------------|
| <b>WHO IS ELIGIBLE.....</b>                                       | <b>1</b>          |
| <b>HOW TO PARTICIPATE.....</b>                                    | <b>1</b>          |
| <b>COST AND FUNDING .....</b>                                     | <b>2</b>          |
| <b>WHEN BENEFITS ARE PAYABLE .....</b>                            | <b>2</b>          |
| <b>AMOUNT OF BENEFITS.....</b>                                    | <b>2</b>          |
| <b>GROUP LIFE INSURANCE COVERAGE AND BENEFITS .....</b>           | <b>3</b>          |
| <b>ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS .....</b>          | <b>4</b>          |
| <b>TERMINATED AND RETIRED EMPLOYEES .....</b>                     | <b>6</b>          |
| <b>LAYOFF.....</b>  | <b>8</b>          |
| <b>LONG-TERM DISABILITY.....</b>                                  | <b>8</b>          |
| <b>HOW TO FILE A CLAIM.....</b>                                   | <b>9</b>          |
| <b>PAYMENT OF BENEFITS .....</b>                                  | <b>10</b>         |
| <b>NON-DUPLICATION OF BENEFITS .....</b>                          | <b>10</b>         |
| <b>AMENDMENT AND TERMINATION OF PLAN.....</b>                     | <b>10</b>         |
| <b>SUMMARY PLAN DESCRIPTION.....</b>                              | <b>10</b>         |
| <b>U.S. Group Life Insurance and AD&amp;D Summary Information</b> | <b>Appendix A</b> |
| <b>Contributory Life Insurance (Plan B)</b>                       | <b>Appendix B</b> |
| <b>Retired Employee Legacy Life Insurance</b>                     | <b>Appendix C</b> |

## **GROUP INSURANCE PLAN**

The Group Life and Accidental Death and Dismemberment Insurance Plan (“Group Insurance Plan”) provides Company-paid life insurance and Company-paid accidental death and dismemberment insurance offering specified benefits to Employees of the Saudi Arabian Oil Company and Participating Companies (as defined below) (collectively referred to as the “Company”) and their beneficiaries. Employees may also purchase additional life insurance and accidental death and dismemberment insurance, all of which are described below.

### **WHO IS ELIGIBLE**

Salaried Employees on the U.S. Dollar payroll of the Company, retired Employees, and their eligible dependents and designated beneficiaries are eligible for certain benefits provided under the Group Insurance Plan. An Employee’s and retired Employee’s eligible dependents include children from date of birth to 26 years of age. An Employee’s legally recognized Spouse or child (except for a new born) is not eligible if receiving in-patient care in a hospital, hospice, intermediate or long-term care facility or out-patient care for chemotherapy, radiation therapy or dialysis on the enrollment date. A Spouse or child is also not eligible if receiving disability income from any source or if confined at home under the care of a physician due to sickness or injury on the enrollment date.

Employees hired before April 1, 2012 were eligible to elect to participate in Plan A, a contributory life plan, and Plan B, a contributory monthly benefit plan, as described below. See Appendix B for a summary of Plan B, which is closed to new Employees.

### **HOW TO PARTICIPATE**

Basic Life Insurance coverage and Basic Accidental Death and Dismemberment Insurance coverage is paid for by the Company and begins on the first day of an Employee’s employment, unless the Employee elects in writing not to participate in the Group Insurance Plan. To enroll for any or all of the available optional contributory coverage under the Group Insurance Plan, Employees must complete and file the required application and payroll deduction authorization form with their Area HR Service Center or Personnel. If an Employee files a completed application within 31 days from the date of employment, coverage will begin on the employees hire date. (Note: the minimum premium for the optional contributory coverage is the monthly premium and is not prorated for coverage commencing on a hire date that is after the first day of the month.) If the application is filed after 31 days but prior to 3 months from the date of employment, coverage will begin on the first day of the month following the date on which the application is filed.

If an Employee files an application to elect optional contributory coverage within 3 months from the date of employment, no evidence of insurability will be required. If, however, an application to enroll in coverage or to increase coverage is not filed within 3 months from the date of employment, the Employee’s requested changes will be limited to periods of open enrollment and the Employee may be required to furnish evidence of insurability (not required for Accidental Death and Dismemberment) unless the new or additional insurance coverage is directly related to a change in an Employee’s family or dependent status. For a summary of eligibility and enrollment requirements under the Group Insurance Plan, refer to Appendix A.

## **COST AND FUNDING**

The Company pays the insurance premiums for Basic Life Insurance, Basic Accidental Death and Dismemberment Insurance and for Retiree Life Insurance. Employees pay the insurance premiums for all optional contributory insurance coverage. Payment of premiums is made by payroll deduction except when the Employee is on an approved leave of absence without pay, in which case the Employee must arrange to pay the premiums by other means. The insurance premiums for optional contributory insurance coverage are determined on the following basis:

- Contributory Life Insurance (PLAN A) – calculated using an age band charge per month per \$1,000 of coverage.
- Contributory Accidental Death and Dismemberment Insurance – calculated using a fixed charge per month per \$1,000 of coverage.
- Contributory Spouse Life Insurance – calculated using a fixed charge per month per \$1,000 of coverage.
- Contributory Spouse Accidental Death and Dismemberment Insurance – calculated using a fixed charge per month per \$1,000 of coverage.
- Contributory Child Life Insurance – calculated using a fixed charge per month regardless of the number or ages of eligible children.

Premiums for the Group Insurance Plan which are paid by the Company are remitted to the Metropolitan Life Insurance Company (the “Insurance Company”) for the sole purpose of paying benefits to Employees, retired Employees, and their beneficiaries as provided under the applicable insurance contracts. Employee premiums and any dividends earned from Employee premiums are also used solely to pay benefits as specified under this Group Insurance Plan. Premiums paid by Employees are reviewed annually and may be adjusted as determined by the Company.

## **WHEN BENEFITS ARE PAYABLE**

Life insurance benefits are payable following the death of an insured person, after the beneficiary files a claim for payment and following review and approval by the Insurance Company. Benefits for dismemberment and certain other listed injuries are also paid after a claim for payment has been filed, reviewed and approved by the Insurance Company.

## **AMOUNT OF BENEFITS**

The amount of benefits payable depends upon the Employee’s Monthly Base Earnings; in the case of death, the contributory and optional insurance coverage in which the Employee has enrolled and whether or not the death is accidental; and, in the case of injury, the type of insured injury. An Employee’s Monthly Base Earnings includes regular monthly base salary and does not include foreign-service premium, overtime pay, bonuses, living or any other expense allowances.

## **GROUP LIFE INSURANCE COVERAGE AND BENEFITS** **(See Appendix A for Additional Summary Information)**

**Basic Life Insurance** provides Company-paid life insurance coverage for Employees on the U.S. Dollar payroll of the Saudi Arabian Oil Company in an amount equal to 24 times Monthly Base Earnings. For Employees on the U.S. Dollar payroll of other Participating Companies, Company-paid life insurance coverage is provided in an amount equal to 18 times Monthly Base Earnings. All Basic Life Insurance benefits are payable to the designated beneficiary or beneficiaries upon the death of the Employee.

**Contributory Life Insurance** is optional and may be purchased by the Employee in addition to Company-paid Basic Life Insurance. Contributory life insurance benefits will not be paid to a beneficiary if death is by suicide within 2 years from the effective date of coverage. Employees may enroll in any or all of the following contributory life insurance coverage at group rates:

- **Contributory Life Insurance (PLAN A)**: Pays the designated beneficiary or beneficiaries 12, 18, 24, 30, 36, 42, 48, 54 or 60 times the Employee's Monthly Base Earnings upon the death of the Employee.
- **Contributory Spouse Life Insurance**: Pays the Employee or contingent beneficiary or beneficiaries 6, 12, 18, 24 or 30 times the Employee's Monthly Base Earnings upon the death of the Employee's legally recognized Spouse. The maximum coverage is the lesser of (1) \$250,000; or (2) 100% of the Employee's combined amounts of Basic Life Insurance and Contributory Life Insurance. Enrollment in Employee Contributory Life Insurance is not required for enrollment in Contributory Spouse Life Insurance.
- **Contributory Child Life Insurance**: Pays the employee or contingent beneficiary or beneficiaries \$10,000 upon the death of an insured dependent child.

The sum of the Employee's Basic Life Insurance benefit, plus the Contributory Life Insurance (Plan A) benefit plus the present value of the legacy Contributory Monthly Benefit (Plan B), if applicable as described in Appendix B, is limited to a maximum of \$3,000,000. Employees who wish to enroll in total combined coverage above \$2,000,000 are required to provide evidence of insurability and be approved by the Insurance Company.

Basic Life Insurance and Contributory Life Insurance coverage cease at the end of the month during which the Employee terminates employment with the Company. The optional contributory life insurance coverage may not be continued; however, they may be converted into a personal life insurance policy without the requirement to provide evidence of insurability. Retired Employees may, within 31 days after termination of employment, apply to the Insurance Company for issuance of an individual policy of life insurance in any one of the forms customarily issued by the insurance company, except for term life insurance. The amount of the life insurance coverage may be elected by the retired Employee up to the total amount of life insurance coverage (Basic Life Insurance and Contributory Life Insurance) in force at termination of employment with the Company. To take advantage of this conversion option, a written application must be submitted to the Metropolitan Life Insurance Company, One Madison Avenue, New York, New York 10010 or any of its branch offices, within 31 days after the end of the month during which employment was terminated. The premiums for such life insurance coverage will be determined on the basis of the class of risk, type of coverage, amount of life insurance, and the age of the retired Employee.

**ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS**  
**(See Appendix A for Additional Summary Information)**

"Accidental Death and Dismemberment" means death or listed bodily injury resulting from an accident. It does not include suicide or death caused by disease or infection (except pyogenic infection which occurs through accidental cut or wound), or from surgical treatment of any kind.

**Basic Accidental Death and Dismemberment Insurance** provides Company-paid accidental death and dismemberment insurance coverage for Employees on the U.S. Dollar payroll of the Saudi Arabian Oil Company in an amount equal to 24 times Monthly Base Earnings if death results from an accident while actively employed. For Employees on the U.S. Dollar payroll of other Participating Companies, Company-paid life insurance coverage is provided in an amount equal to 18 times Monthly Base Earnings if death results from an accident while actively employed. Basic Accidental Death and Dismemberment Insurance benefits and Contributory Accidental Death and Dismemberment Insurance benefits are payable to the designated beneficiary or beneficiaries.

For the injuries listed below, the Group Insurance Plan pays benefits to the Employee in amounts up to 24 times (for Employees on the U.S. Dollar payroll of the Saudi Arabian Oil Company) or 18 times (for Employees on the U.S. Dollar payroll of other Participating Companies) the Employee's Monthly Base Earnings. If within 180 days following the occurrence of a covered accident injuries result in the losses listed below, a single lump sum equal to the amount specified below shall be payable to the designated beneficiary or beneficiaries:

|   |                           |
|---|---------------------------|
| Life  | Principal Sum             |
| Both Hands or Feet                                      | Principal Sum             |
| Sight of Both Eyes                                      | Principal Sum             |
| One Hand and One Foot                                   | Principal Sum             |
| One Hand and Sight of One Eye                           | Principal Sum             |
| One Foot and Sight of One Eye                           | Principal Sum             |
| One Hand or One Foot                                    | 50% Principal Sum         |
| Sight of One Eye  | 50% Principal Sum         |
| Loss of Thumb & Index Finger of Same Hand               | 25% Principal Sum         |
| Loss of Speech & Loss of Hearing*                       | 100% or 50% Principal Sum |
| Paralysis of Both Arms and Both Legs                    | Principal Sum             |
| Paralysis of Both Legs                                  | 50% Principal Sum         |
| Paralysis of the Arm and Leg on Either Side of the Body | 50% Principal Sum         |

\*"Loss of Speech" means the entire and irrevocable loss of speech that continues for 6 consecutive months following the accidental injury. "Loss of Hearing" means the entire and irrevocable loss of hearing that continues for 6 consecutive months following the accidental injury.

The "Principal Sum" is the combination of benefits payable under Basic Accidental Death and Dismemberment Insurance coverage (24 times or 18 times the Employee's Monthly Base Earnings) and Contributory Accidental Death and Dismemberment Insurance coverage (if purchased by the Employee). If an insured person dies while driving or riding in a private passenger vehicle, both the Basic Accidental Death and Dismemberment Insurance benefit and the Contributory Accidental Death and Dismemberment insurance benefit otherwise payable will

be increased by 10% if a seat belt was properly fastened at the time of the accident. The additional amount will not exceed \$10,000 nor be less than \$1,000.

**Employee Contributory Accidental Death and Dismemberment Insurance** may be purchased by the Employee. This coverage pays the designated beneficiary or beneficiaries up to 60 times the Employee's Monthly Base Earnings (rounded up to the next \$5,000) if the Employee dies as the result of a covered accident. The sum of the Employee's Basic Accidental Death and Dismemberment Insurance benefits plus the Contributory Accidental Death and Dismemberment Insurance benefits cannot exceed \$3,000,000.

**Spouse Contributory Accidental Death and Dismemberment Insurance** may also be purchased by the Employee. This coverage will pay the Employee or contingent beneficiary or beneficiaries up to 30 times the Employee's Monthly Base Earnings (rounded down to the next \$5,000) if the Employee's legally recognized Spouse dies as a result of a covered accident. The Spouse Contributory Accidental Death and Dismemberment Insurance is also limited to 50% of the combined total amount of the Employee's Basic Accidental Death and Dismemberment and Contributory Accidental Death and Dismemberment Insurance coverage. Enrollment in Employee Contributory Accidental Death and Dismemberment coverage is not required to enroll in Spouse Contributory Accidental Death and Dismemberment Insurance.

### **Accidental Death and Dismemberment Exclusions**

The Group Insurance Plan will not pay any Basic Accidental Death and Dismemberment Insurance benefits, Employee Contributory Accidental Death and Dismemberment Insurance benefits or Spouse Contributory Accidental Death and Dismemberment Insurance benefits for any losses caused or contributed to by:

1. Physical or mental illness or infirmity, or the diagnosis or treatment of such illness or infirmity;
2. Infection, other than infection occurring in an external accidental wound;
3. Suicide or attempted suicide;
4. Intentionally self-inflicted injury;
5. Service in the armed forces of any country or international authority, except the United States National Guard;
6. Any incident related to:
  - travel in an aircraft as a pilot, crew member, flight student or while acting in any capacity other than as a passenger who has no duties whatsoever on or with respect to the aircraft, except for a duly licensed or certified pilot or crew member of an aircraft owned or leased by on or behalf of the Company (or on behalf of any affiliate in which it owns an interest);
  - travel in an aircraft for the purpose of parachuting or otherwise exiting from such aircraft while it is in flight;
  - parachuting or otherwise exiting from an aircraft while such aircraft is in flight, except for self-preservation;
  - travel in an aircraft or device used:
    - for testing or experimental purposes;
    - by or for any military authority; or

- for travel or designed for travel beyond the earth's atmosphere;
7. Committing or attempting to commit a felony;
  8. The voluntary intake or use by any means of:
    - any drug, medication or sedative, unless it is:
      - taken or used as prescribed by a Physician; or
      - an "over the counter" drug, medication or sedative taken as directed;
    - alcohol in combination with any drug, medication, or sedative; or
    - poison, gas, or fumes.

### **Exclusion for Intoxication**

Basic Accidental Death and Dismemberment Insurance benefits, Employee Contributory Accidental Death and Dismemberment Insurance benefits or Spouse Contributory Accidental Death and Dismemberment Insurance benefits will not be paid for any losses if the insured party is or was intoxicated at the time of the accident and is or was the operator of a vehicle or other device involved in the accident.

"Intoxicated" means that the injured person's blood alcohol level met or exceeded the level that creates a legal presumption of intoxication under the laws of the jurisdiction in which the accident occurred.

### **Terminated and Retired Employees**

There is no Basic Accidental Death and Dismemberment Insurance or Contributory Accidental Death and Dismemberment Insurance coverage offered to retired Employees or their dependents after retirement.

### **TERMINATION OF EMPLOYMENT PRIOR TO RETIREMENT ELIGIBILITY or TERMINATION OF EMPLOYMENT OF RETIREMENT ELIGIBLE EMPLOYEES WITH LESS THAN 10 YEARS SERVICE**

If an Employee terminates employment with the Company prior to becoming eligible for early, normal or late retirement under the Retirement Income Plan or is retirement eligible but does not have at least 10 years of service under the Retirement Income Plan (and if the Employee does not qualify for Group Life Insurance benefits as outlined in the section below relating to Long Term Disability), the following applies to his or her insurance coverage under the Group Insurance Plan:

- (a) **Basic Life Insurance:** Basic Life Insurance coverage ceases as of the end of the month during which employment terminates. Basic Life Insurance coverage may not be continued after termination of employment; however, it may be converted to an individual policy of life insurance subject to the conversion provisions discussed earlier.
- (b) **Contributory Life Insurance:** Employee and dependent optional Contributory Life Insurance coverage cease as of the end of the month during which employment terminates. If the terminated Employee chooses to purchase the 6 months extended coverage described in the next paragraph, the 31 days continued protection described below follows the 6 months extended coverage.

Prior to termination of employment with the Company, an Employee who is not retirement eligible or who is retirement eligible but does not have ten 10 years of Service under the Retirement Income Plan may elect to continue Employee Contributory Life Insurance coverage for a period of 6 months by paying the full advance premium for the 6 months to the Company. The commencement date of this extended Employee Contributory Life Insurance coverage will be the first day of the month following the month in which the Employee's employment with the Company terminates. Following expiration of the 6 months coverage, the terminated Employee has 31 days to apply in writing to the Insurance Company to convert this coverage to an individual policy of life insurance in any one of the forms customarily issued by the insurance company (except for a term life insurance policy). Death benefits will be paid in the event of death during this 31 day period.

If an election is not made to extend Employee Contributory Life Insurance coverage for the additional 6 months prior to termination of employment with the Company, the terminated Employee has 31 days after the end of the month during which employment terminates to apply to the Insurance Company for issuance of an individual policy of life insurance in any one of the forms customarily issued by the insurance company, except for term life insurance.

The amount of the coverage under such policy may be equal to or, at the Employee's election, less than the amount of Employee Contributory Life Insurance coverage in effect at the time of termination of employment with the Company.

The option to extend Employee Contributory Life Insurance coverage is not available to Employees who are retirement eligible with 10 years or more Service under the Retirement Income Plan.

Spouse Contributory Life Insurance and Child Contributory Life Insurance coverage cease at the end of the month during which employment terminates. An extended coverage option is not available. However, both insurance coverage are eligible to be converted to individual policies of life insurance subject to the same provisions for conversion of insurance for retired Employees as set out above.

- (c) Basic Accidental Death and Dismemberment Insurance: Basic Accidental Death and Dismemberment Insurance ceases at the end of the month during which employment terminates. There are no extension or conversion options available for this insurance.
- (d) Employee Contributory Accidental Death and Dismemberment Insurance: Employee Contributory Accidental Death and Dismemberment Insurance ceases at the end of the month during which employment terminates. There are no extension or conversion options available for this insurance.
- (e) Spouse Contributory Accidental Death and Dismemberment Insurance: Spouse Contributory Accidental Death and Dismemberment Insurance ceases at the end of the month during which employment terminates. There are no extension or conversion options available for this insurance.

**TERMINATION OF EMPLOYMENT OF RETIREMENT ELIGIBLE EMPLOYEES WITH 10 OR MORE YEARS OF SERVICE**  
**(Hired before April 1, 2012)**

Upon termination of employment, Employees who were hired before April 1, 2012 and who are eligible for early, normal or late retirement with 10 or more years of Service under the Retirement Income Plan elected to receive one of the following two Company-paid legacy life insurance coverage:

1. \$10,000 Company-paid life insurance plus monthly Survivor Income Benefit; or
2. \$50,000 Company-paid life insurance.

For summary information on these legacy life insurance benefits for certain Employees hired before April 1, 2012, refer to Appendix C, Retired Employee Legacy Life Insurance.

**TERMINATION OF EMPLOYMENT OF RETIREMENT ELIGIBLE EMPLOYEES WITH 10 OR MORE YEARS OF SERVICE**  
**(Hired on or after April 1, 2012)**

Upon termination of employment, Employees who were hired on or after April 1, 2012 and who are eligible for early, normal or late retirement with 10 or more years of Service under the Retirement Income Plan will receive Company-paid life insurance coverage of \$25,000.

**LAYOFF**

If an Employee who is not eligible for early, normal or late retirement under the Retirement Income Plan is laid off, he or she will receive 6 months of Company-paid Basic Life Insurance coverage and 6 months of Company-paid Basic Accidental Death and Dismemberment Insurance coverage. To qualify as being laid off, the Employee must be terminated due to lack of work as indicated by their employment termination documents. The Basic Life Insurance coverage can be converted to an individual policy of life insurance if requested within 31 days after the end of the 6 months of extended coverage, subject to the same provisions for conversions of insurance that apply to retired Employees as set out above. Other optional insurance coverage have the same conversion provisions as those described above under the above section titled **“TERMINATION OF EMPLOYMENT PRIOR TO RETIREMENT ELIGIBILITY or TERMINATION OF EMPLOYMENT OF RETIREMENT ELIGIBLE EMPLOYEES WITH LESS THAN 10 YEARS SERVICE”**.

**LONG-TERM DISABILITY**

If an Employee is receiving benefits under the Long-Term Disability (“LTD”) Plan, the Company will continue to provide both Basic Life Insurance and Employee Contributory Life Insurance coverage, without requiring the Employee to pay any premiums. The amount of the total life insurance coverage will be the same amount as was in effect immediately prior to the date of qualification for LTD benefits. Basic Life Insurance and Employee Contributory Life Insurance will cease upon the earlier of the Employee’s retirement or when the Employee reaches age 70. The amount of life insurance coverage provided or offered after retirement, if any, is described under the applicable sections above.

After Basic Life Insurance and Employee Contributory Life Insurance coverage cease, the disabled Employee may within 31 days after cessation of coverage apply to the Insurance Company for conversion to an individual policy of life insurance in any one of the forms customarily issued by the insurance company, except for term life insurance, under the same processes described above. The maximum amount of life insurance eligible for conversion is the amount previously in force, less any amount of continued coverage provided to the retired Employee under the Group Insurance Plan, if applicable.

Continuation of Spouse Contributory Life Insurance, Child Contributory Life Insurance, Basic Accidental Death and Dismemberment Insurance, Employee Contributory Accidental Death and Dismemberment Insurance and Spouse Contributory Accidental Death and Dismemberment Insurance coverage are not available to Employees receiving benefits under the LTD Plan.

If employment is terminated due to permanent and total disability without qualifying for benefits under the Long-Term Disability Plan, and if the Employee dies more than 31 days after termination of employment but within 1 year after Basic Life Insurance terminates, the amount of Basic Life Insurance coverage (but not Employee Contributory Life Insurance, Basic Accidental Death and Dismemberment Insurance or Employee Contributory Accidental Death and Dismemberment Insurance) are payable as death benefits, subject to the following:

1. The Employee must have been totally disabled and unable to work at the date of termination of employment and must have been continuously so disabled to the date of death;
2. Proof of total disability and death must be provided to the Insurance Company within one year after the date of death;
3. No benefits will be paid if either (1) the period from the date of termination of employment until the date of death is greater than the period during which the Employee was insured; or (2) if death occurs on or after the effective date of an individual insurance policy issued under the conversion option; and
4. No payment will be made if the Group Insurance Policy is no longer in force at age 70.

### **HOW TO FILE A CLAIM**

Claims for benefits are required to be submitted to Area HR Service Center or Personnel on properly completed claim forms. Claims will be forwarded by Area HR Service Center or Personnel to the Insurance Company, which will evaluate the claims and, if approved, pay the benefits.

The Company is the Plan Administrator. If a claim for Group Insurance Plan benefits is denied, the applicant will receive written notification of denial, including the reasons for denial, from the Insurance Company. A written request for reconsideration may be sent to the Plan Administrator, c/o Saudi Arabian Oil Company, Attn: Corporate Benefits Advisor, Box 5000, Dhahran 31311, Saudi Arabia, within 60 days after receiving written notification of denial of the claim. Any such request should be accompanied by documents or records in support of the appeal. The Company will respond within 60 days after receipt of the appeal. The Company has the exclusive right to interpret and administer the provisions of the Group Insurance Plan. No action at law or in equity shall be brought to recover benefits under the Group Insurance

Plan until the appeal rights herein provided have been exercised and the Group Insurance Plan benefits requested in such appeal have been denied in whole or in part.

### **PAYMENT OF BENEFITS**

Benefits under the Group Insurance Plan will be paid to the Employee or if applicable to beneficiaries designated by the Employee. If a beneficiary has not been properly designated, the benefits will be paid to the Employee's estate. Benefits other than death benefits will be paid to the insured person. Employees may change beneficiaries at any time by completing and filing forms provided by the HR Service Center or Personnel. Completed change of beneficiary forms are not effective until received and acknowledged by Personnel. An Employee may assign the rights and benefits of coverage to another person, following which that person or entity (the assignee) becomes the owner of the policy and may exercise all of the Employee's rights with regard to the coverage.

### **NON-DUPLICATION OF BENEFITS**

Employees who die while employed in Saudi Arabia are entitled to a Severance Award under the Saudi Arabian Labor Law and Regulations. The Severance Award is reduced by the Company-paid Basic Life Insurance benefit and by the present value of the Spouse's Annuity attributable to Company contributions under the Retirement Income Plan.

### **PARTICIPATING COMPANIES**

The following companies are included as Participating Companies under the Group Insurance Plan:

- Aramco Services Company
- Aramco Associated Company
- Aramco Overseas Company B.V.
- Aramco Capital Company, LLC
- Saudi Petroleum International, Inc.
- Saudi Refining, Inc.

### **AMENDMENT AND TERMINATION OF PLAN**

The Company reserves the right to amend or terminate this Group Insurance Plan at any time; provided, however, that no such amendment or termination shall affect the rights of an Employee who has terminated employment while covered by this Group Insurance Plan to any unpaid benefits. Any amendment or termination of this Group Insurance Plan shall be effected through the President and Chief Executive Officer or, where appropriate, the Compensation Committee of the Board of Directors.

### **SUMMARY PLAN DESCRIPTION**

This is only a summary of key provisions of the Group Insurance Plan. The Group Insurance Plan is governed by contracts, policies of insurance and insurance certificates with the Insurance Company, the terms of which are controlling over the information in this Summary. Copies of such documents will be made available to Employees by the Insurance Company upon request of the Employee.

**U.S. Group Life Insurance and AD&D Summary Information**

Appendix A

| Plan   | Coverage  | Limits   | Initial Enrollment  | Annual Enrollment   | Qualifying Events (1)  | End of Coverage  |
|--|---|--|---|---|--|--|
| <b>Basic Life Insurance</b>                          | <ul style="list-style-type: none"> <li>SAO Employees – 24 times Employee’s Monthly Base Salary</li> <li>ASC and Other eligible Employees – 18 times Employee’s Monthly Base Salary</li> </ul> | <ul style="list-style-type: none"> <li>Up to \$3 million</li> </ul>  | <ul style="list-style-type: none"> <li>Automatic enrollment upon employment, unless the Employee elects not to participate in the GIP</li> </ul>  | <ul style="list-style-type: none"> <li>N/A</li> </ul>   | <ul style="list-style-type: none"> <li>N/A</li> </ul>  | <ul style="list-style-type: none"> <li>At the end of the month employment terminates</li> </ul>  |
| <b>Employee Contributory Life Insurance (Plan A)</b> | <ul style="list-style-type: none"> <li>12,18,24,30,36, 42, 48,54, or 60 times Employee’s Monthly Base Salary</li> </ul>   | <ul style="list-style-type: none"> <li>Without EOI – Up to the lesser of 60 times Employee’s Monthly Base Salary or \$2 million combined Basic and Contributory Life</li> <li>With EOI – More than \$2 million up to the lesser of 60 times Employee’s Monthly Base Salary or \$3 million combined Basic and Contributory Life</li> </ul>  | <ul style="list-style-type: none"> <li>Within 3 months from hire date                             <ul style="list-style-type: none"> <li>Without EOI – Up to \$2 million in combined Basic and Contributory Life</li> <li>With EOI – If elected combined Basic and Contributory Life exceeds \$2 million</li> </ul> </li> <li>After 3 months from hire date                             <ul style="list-style-type: none"> <li>Requires EOI and only during next annual enrollment, unless due to a Qualifying Event</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Current employees participating Without EOI – Additional 6 times Employee’s Monthly Base Salary up to \$2 million combined Basic and Contributory Life                             <ul style="list-style-type: none"> <li>With EOI – If elected combined Basic and Contributory Life exceeds \$2 million</li> </ul> </li> <li>Non-participating employees                             <ul style="list-style-type: none"> <li>With EOI – Up to the lesser of 60 times Employee’s Monthly Base Salary or \$3 million combined Basic and Contributory Life</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Participating and non-participating employees                             <ul style="list-style-type: none"> <li>Without EOI – Up to \$2 million in combined Basic and Contributory Life</li> <li>With EOI – If elected combined Basic and Contributory Life exceeds \$2 million</li> </ul> </li> <li>Current employees participating may drop or decrease coverage at any time regardless of the occurrence of qualifying event</li> </ul> | <ul style="list-style-type: none"> <li>At the end of the month employment terminates, with additional 31 days death benefit</li> <li>At the end of the month Employee requests to end coverage</li> <li>Coverage may be extended 6 months from termination date if Employee prepays 6 months premium, additional 31 days death benefit after 6 months</li> </ul> |
| <b>Spouse Contributory Life Insurance</b>            | <ul style="list-style-type: none"> <li>6,12,18,24, or 30 times Employee’s Monthly Base Salary</li> </ul>  | <ul style="list-style-type: none"> <li>Initial Enrollment Without EOI – Up to the lesser of \$250,000 or 100% of the Employee’s combined Basic and Contributory Life</li> <li>After Initial Enrollment                             <ul style="list-style-type: none"> <li>Without EOI – \$25,000</li> <li>With EOI – Up to the lesser of \$250,000 or 100% of the</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Within 3 months from hire date                             <ul style="list-style-type: none"> <li>Without EOI -- Up to the lesser of \$250,000 or 100% of the Employee’s combined Basic and Contributory Life</li> </ul> </li> <li>More than 3 months from hire date – Enrollment requires EOI except that \$25,000 permitted without EOI during</li> </ul>  | <ul style="list-style-type: none"> <li>Current employees participating with more than \$25,000 coverage                             <ul style="list-style-type: none"> <li>Without EOI – Additional 6 times Employee’s Monthly Base Salary up to the lesser of \$250,000 or 100% of the Employee’s combined Basic and Contributory Life</li> <li>With EOI – Up to the lesser of \$250,000 or</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>Current employees participating may drop or decrease coverage at any time regardless of the occurrence of qualifying event</li> <li>Non-participating employees                             <ul style="list-style-type: none"> <li>Without EOI – may enroll within 31 days from the date of the Qualifying Event at \$25,000</li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>At the end of the month employment terminates</li> <li>At the end of the month Employee requests to end coverage</li> </ul>   |

**U.S. Group Life Insurance and AD&D Summary Information**

Appendix A

| Plan  | Coverage  | Limits  | Initial Enrollment  | Annual Enrollment   | Qualifying Events (1)   | End of Coverage  |
|---|---|---|---|---|---|--|
|   |   | Employee's combined Basic and Contributory Life   | next annual enrollment  | 100% of the Employee's combined Basic and Contributory Life<br><br>• Employees not participating<br>-Without EOI – Up to \$25,000<br>-With EOI – Up to the lesser of \$250,000 or 100% of the Employee's combined Basic and Contributory Life | -With EOI – Up to the lesser of \$250,000 or 100% of the Employee's combined Basic and Contributory Life  |  |
| <b>Child Contributory Life Insurance</b>                    | <ul style="list-style-type: none"> <li>• \$10,000 for each child up to 26 years of age</li> </ul>   | <ul style="list-style-type: none"> <li>• \$10,000 per child</li> </ul>  | <ul style="list-style-type: none"> <li>• Within 3 months from hire date without EOI</li> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• Employees not participating may enroll eligible children with EOI</li> </ul>   | <ul style="list-style-type: none"> <li>• Employees not participating may enroll children within 31 days from the date of a Qualifying Event, such as birth or adoption</li> <li>• Participating employees may drop or decrease coverage at any time regardless of the occurrence of qualifying event</li> </ul> | <ul style="list-style-type: none"> <li>• At the end of the month employment terminates</li> <li>• At the end of the month Employee requests to end coverage</li> </ul> |
| <b>Basic AD&amp;D</b>                                       | <ul style="list-style-type: none"> <li>• SAO Employees – 24 times Employee's Monthly Base Salary</li> <li>• ASC and other eligible Employees – 18 times Employee's Monthly Base Salary</li> </ul> | <ul style="list-style-type: none"> <li>• Up to \$3 million</li> </ul>   | <ul style="list-style-type: none"> <li>• Automatic enrollment upon employment</li> </ul>  | <ul style="list-style-type: none"> <li>• N/A</li> </ul>   | <ul style="list-style-type: none"> <li>• N/A</li> </ul>   | <ul style="list-style-type: none"> <li>• At the end of the month employment terminates</li> </ul>  |
| <b>Employee Contributory AD&amp;D (EOI is not required)</b> | <ul style="list-style-type: none"> <li>• 12,18,24,30,36,42,48, 54, or 60 times Employee's Monthly Base Salary, or</li> <li>• Specific \$ amount subject to the limits, and</li> </ul>             | <ul style="list-style-type: none"> <li>• Up to the lesser of 60 times Employee's Monthly Base Salary or \$3MM for the Employee's combined Basic and Contributory AD&amp;D,</li> </ul> | <ul style="list-style-type: none"> <li>• Within 3 months from hire date – Up to the lesser of 60 times Employee's Monthly Base Salary or \$3MM for the Employee's combined Basic and</li> </ul> | <ul style="list-style-type: none"> <li>• Current employees participating may decrease or increase coverage up to the limits</li> <li>• Employees not participating may</li> </ul>   | <ul style="list-style-type: none"> <li>• May be enrolled up to the limits within 31 days from the date of a Qualifying Event</li> <li>• Current employees participating may drop or decrease</li> </ul>   | <ul style="list-style-type: none"> <li>• At the end of the month employment terminates</li> <li>• At the end of the month Employee requests to end coverage</li> </ul> |

**U.S. Group Life Insurance and AD&D Summary Information**

Appendix A

| Plan  | Coverage  | Limits  | Initial Enrollment  | Annual Enrollment   | Qualifying Events (1)   | End of Coverage  |
|---|---|---|---|---|---|--|
|   | <ul style="list-style-type: none"> <li>• “Maximum” adjustments for salary increases, up to the limits</li> </ul>  | rounded up to the next \$5,000  | Contributory AD&D, rounded up to the next \$5,000<br><br><ul style="list-style-type: none"> <li>• More than 3 months from hire date – Up to the limits only during next annual enrollment period</li> </ul>     | enroll up to the limits   | coverage at any time regardless of the occurrence of qualifying event   |  |
| <b>Spouse Contributory AD&amp;D (EOI is not required)</b> | <ul style="list-style-type: none"> <li>• 6,12,18,24, or 30 times Employee’s Monthly Base Salary, or</li> <li>• Specific \$ amount subject to the limits, or</li> <li>• “Maximum” adjusts for salary increases, subject to the limits</li> </ul> | <ul style="list-style-type: none"> <li>• Up to the lesser of 30 times Employee’s Monthly Base Salary or 50% of the Employee’s combined Basic AD&amp;D and Contributory AD&amp;D, rounded down to the nearest \$5,000</li> </ul> | <ul style="list-style-type: none"> <li>• Within 3 months from hire date – Up to the limits</li> <li>• More than 3 months from hire date – up to the limits only during next annual enrollment period</li> </ul> | <ul style="list-style-type: none"> <li>• Current employees participating may decrease or increase coverage up to the limits</li> <li>• Non-participating employees may enroll up to the limits</li> </ul> | <ul style="list-style-type: none"> <li>• May be enrolled up to the maximum limits within 31 days from the date of a Qualifying Event</li> <li>• Current employees participating may drop or decrease coverage at any time regardless of the occurrence of qualifying event</li> </ul> | <ul style="list-style-type: none"> <li>• At the end of the month employment terminates</li> <li>• At the end of the month Employee requests to end coverage</li> </ul> |

(1) Qualifying Events:

The elections Employees make regarding insurance coverage are for the Group Insurance Plan year and generally cannot be changed outside of the Open Enrollment period. However, if an Employee has a Qualifying Event as defined by the IRS, he or she will be able to make GIP benefit changes that are consistent with the Qualifying Event.

**Qualifying Events include:**

| Qualifying Event                                      | Change Allowed             |
|---|----------------------------|
| Marriage  | Increase Coverage          |
| Birth, adoption or award of legal guardianship        | Increase Coverage          |
| Dependent’s reduction or loss of employment           | Increase Coverage          |
| Divorce   | Increase/Decrease Coverage |
| Death of legally recognized spouse or dependent child | Decrease Coverage          |
| Dependent becomes employed                            | Decrease Coverage          |

**Contributory Monthly Benefit Plan (PLAN B)**  
**This plan is closed to new entrants effective April 1, 2012**

Contributory Monthly Benefit (PLAN B): Pays the beneficiary a monthly income benefit equal to 30% of the Employee's Monthly Benefits Base Earnings for a specified period based upon the Employee's age at death as illustrated on the chart below. "Monthly Benefits Base Earnings" is defined as the Employee's monthly U.S. base salary, not including foreign service premium, overtime pay, bonuses, living or any other expense allowances.

| <u>Age at Death</u> | <u>No. of Monthly Installments</u> | <u>Age at Death</u> | <u>No. of Monthly Installments</u> |
|---------------------|------------------------------------|---------------------|------------------------------------|
| 30 and under        | 320                                | 50                  | 55                                 |
| 31                  | 310                                | 51                  | 50                                 |
| 32                  | 300                                | 52                  | 45                                 |
| 33                  | 290                                | 53                  | 40                                 |
| 34                  | 280                                | 54                  | 35                                 |
| 35                  | 270                                | 55                  | 30                                 |
| 36                  | 255                                | 56                  | 27                                 |
| 37                  | 240                                | 57                  | 24                                 |
| 38                  | 224                                | 58                  | 22                                 |
| 39                  | 208                                | 59                  | 20                                 |
| 40                  | 192                                | 60                  | 17                                 |
| 41                  | 174                                | 61                  | 16                                 |
| 42                  | 155                                | 62                  | 15                                 |
| 43                  | 136                                | 63                  | 14                                 |
| 44                  | 117                                | 64                  | 13                                 |
| 45                  | 98                                 | 65                  | 12                                 |
| 46                  | 90                                 | 66                  | 11                                 |
| 47                  | 82                                 | 67                  | 10                                 |
| 48                  | 73                                 | 68                  | 9                                  |
| 49                  | 64                                 | 69                  | 8                                  |

## Retired Employee Legacy Life Insurance

### RETIRED EMPLOYEES WITH 10 OR MORE YEARS OF SERVICE (Hired before April 1, 2012)

Employees hired before April 1, 2012 and eligible for early, normal or late retirement under the Retirement Income Plan with 10 or more years of Service under the Retirement Income Plan on the date of termination of employment with the Company, elected during the 2012 GIP Special Election to receive one of the following Company-paid life insurance coverage:

1. \$10,000 lump sum Life Insurance benefit plus the monthly Survivor Income Benefit as explained below; or
2. \$50,000 lump sum Life Insurance benefit with no Survivor Income Benefit if the Participant made an election during the March 2012 Special Open Enrollment

#### LUMP SUM LIFE INSURANCE OF \$10,000

Retired Employees hired before April 1, 2012 who did not elect the \$50,000 lump sum Life Insurance option, a \$10,000 lump sum Life Insurance benefit (in addition to the Survivor Income Benefit) will be paid to the designated beneficiary (or beneficiaries) upon the retired Employee's death.

#### LUMP SUM LIFE INSURANCE OF \$50,000

Retired Employees hired before April 1, 2012 who elected the \$50,000 lump sum Life Insurance option are eligible for a \$50,000 lump sum Life Insurance benefit (without any Survivor Income Benefit) will be paid to the designated beneficiary (or beneficiaries) upon the retired Employee's death.

#### NEW EMPLOYEES and EMPLOYEES REHIRED AFTER APRIL 1, 2012

The Survivor Income Benefit and \$10,000 Life Insurance option is closed to new entrants hired after April 1, 2012, except for Employees rehired after that date who had previously attained early, normal or late retirement eligibility under the Retirement Income Plan and who had at least 10 years of Service under the Retirement Income Plan at the time of termination of employment. Such Employees may elect to receive the \$50,000 Life Insurance option at the time of their rehire or, absent such an election, will receive the Survivor Income Benefit and the \$10,000 lump sum Life Insurance benefit.

#### SURVIVOR INCOME BENEFIT

In addition to a \$10,000 Life Insurance benefit, upon the death of a retired Employee who did not elect the \$50,000 lump sum option, a monthly benefit equal to 15% of the retired Employee's last Monthly Base Salary will be payable to his or her Qualified Survivor(s) as described below:

Qualified Survivors:

- Class A: The retired Employee's legally recognized Spouse, provided he or she was married to the retired Employee for at least one year prior to the date of death.
- Class B: The retired Employee's child or children under age 26 at date of death, who were eligible to be claimed as dependents on the retired Employee's U.S. Federal Income Tax Return for the calendar year immediately preceding the year of death.
- Class C: One or both parents of the retired Employee and one or both parents of his or her Spouse, who were eligible to be claimed as dependents on the retired Employee's U.S. Federal Income Tax Return for the calendar year immediately preceding the year of death.
- Class D: Relatives of the retired Employee by blood or marriage, not included in the above classes, who were eligible to be claimed as dependents on the retired Employee's U.S. Federal Income Tax Return for the calendar year immediately preceding the year of death.

How and To Whom Benefits Are Payable

Payment of Survivor Income benefits will be made to the retired Employee's Qualified Survivor(s) in the following order of preference:

First, to the retired Employee's Class A Qualified Survivor until the death of that Qualified Survivor. At the death of the Class A Qualified Survivor, the benefit will continue to be paid to Class B Qualified Survivors under age 26, if any as discussed below. If there are no Class B Qualified Survivors, at the death of the Class A Qualified Survivor, Survivor Income benefits will cease.

Second, if there is no Class A Qualified Survivor at death or upon the death of the Class A Qualified Survivor, benefits will be paid to the Class B Qualified Survivor(s). Where there is more than one Class B Qualified Survivor, benefits will be divided among them in equal shares, and as each Qualified Survivor reaches age 26 or dies the benefit will cease as to that Qualified Survivor and the total benefit will be divided equally among the remaining Qualified Survivors until the last of them reaches age 26 or dies. At the death of the last Class B Qualified Survivor, Survivor Income benefits will cease.

Third, if upon the death of the retired Employee there is no Class A Qualified Survivor and no Class B Qualified Survivor, the benefits will be paid to the Class C Qualified Survivor(s). Where there is more than one Class C Qualified Survivor, the total benefit will be divided equally among the Qualified Survivors until the last of them dies. At the death of the last Class C survivor, Survivor Income benefits will cease.

Fourth, if upon the death of the retired Employee there are no Class A, B or C Qualified Survivors, benefits will be equally divided among Class D Qualified Survivors until the last of them dies, but not longer than the earlier of 5 years after the date of the retired Employee's death or the date the last of the Class D Qualified Survivors dies.

If there are no Qualified Survivors in any Class at the date of death of the retired Employee, no Survivor Income benefits are payable.

When Benefits Commence

Survivor Income benefits commence on the first day of the month after the month in which the retired Employee died.

Benefit Adjustment For Age

If the Class A Qualified Survivor is more than 5 years younger than the retired Employee, the monthly Survivor Income benefit will be decreased by one-sixth of one percent (.1666%) for each month by which the retired Employee is more than 5 years older than the Class A Qualified Survivor.

**EMPLOYEES RETIRED BEFORE 8/1/2002**Basic Life

The amount of your lump sum life benefits will be \$5,000 in addition to the monthly survivor income benefit.

Optional Life

If you were an active employee prior to December 31, 1971 and your Optional Life Insurance was either 18 or 30 times your Monthly Benefits Base, you may have elected to be covered as indicated below:

| Period After Retirement             | If Your Coverage at Termination was 30x Monthly Benefits Base | If Your Coverage at Termination was 18x Monthly Benefits Base |
|-------------------------------------|---|---|
| 1 <sup>st</sup> Year                | 27x Monthly Benefits Base                                     | 17x Monthly Benefits Base                                     |
| 2 <sup>nd</sup> Year                | 24x Monthly Benefits Base                                     | 16x Monthly Benefits Base                                     |
| 3 <sup>rd</sup> Year                | 21x Monthly Benefits Base                                     | 15x Monthly Benefits Base                                     |
| 4 <sup>th</sup> Year                | 18x Monthly Benefits Base                                     | 14x Monthly Benefits Base                                     |
| 5 <sup>th</sup> Year                | 15x Monthly Benefits Base                                     | 13x Monthly Benefits Base                                     |
| 6 <sup>th</sup> Year and thereafter | 12x Monthly Benefits Base                                     | 12x Monthly Benefits Base                                     |