Dimensions
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2019 Summary Plan Description

Wealth

Shell Provident Fund
and
Shell Pension Plan

IMPORTANT TELEPHONE NUMBERS AND WEBSITES

This directory lists places you can go to get more information.

Shell Benefits Service Center	1-800-307-4355 (1-800-30-SHELL) 1-800-847-0348 (TDD)	www.netbenefits.com

From outside the United States:

Dial the country's toll-free AT&T access number (by going to **www.business.att.com/collateral/dial-guide.html**) followed by the *Shell Benefits Service Center* telephone number, **800-30 SHELL (800-307-4355)**.

For countries not using AT&T access:

Call the *Shell Benefits Service Center* collect using their international phone number, **1-508-787-9902**.

The *Shell Benefits Service Center* hours are 8:30 a.m. through midnight Eastern time, excluding weekends and holidays.

WEALTH

Shell is proud to present the Shell Provident Fund and the Shell Pension Plan — collectively known as Shell's U.S. "Wealth" benefits.

Summary Plan Description

This document constitutes the Summary Plan Description (SPD) for the Shell Provident Fund (SPF) and the Shell Pension Plan (SPP) as required under the Employee Retirement Income Security Act of 1974, as amended (*ERISA*). It summarizes the provisions of the SPF and the SPP as of January 1, 2019, except where otherwise noted.

Other Information Sources

Information on your benefits, including this SPD, is available via *NetBenefits*® at www.NetBenefits.com. You are encouraged to go to the website and become familiar with your benefits. You can also manage all of your Wealth benefits activity there.

If you have questions regarding your benefits that are not answered here, you are encouraged to contact the *Shell Benefits Service Center* (*SBSC*) at 1-800-30-SHELL (1-800-307-4355). Representatives are available every day from 8:30 a.m. to midnight Eastern time, excluding weekends and holidays.

Plan Documents Govern

This document is only a summary of the terms of Shell's U.S. Wealth benefits and does not attempt to cover all of the details contained in the official plan documents. The operation of the plans and related benefits are governed solely by the terms of the official plan documents. To the extent that any information contained in this document or elsewhere, or any information you receive orally, is inconsistent with the official plan documents, the provisions set forth in the plan documents will govern in all cases. If you would like a copy of the official plan documents, please contact the Plan Administrator.

Prospectus Information

The portions of this document describing the terms of the SPF also constitute part of a prospectus covering securities that have been registered under the Securities Act of 1933 and that are available through the SPF.

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1.0 RETIREMENT READINESS

Most people don't save enough to retire as soon or as comfortably as they'd like. Shell provides you with a solid start toward funding your retirement — with *Company* contributions to your Shell Provident Fund (SPF) account coupled with benefits you earn under the Shell Pension Plan (SPP).

However, these retirement benefits, even combined with Social Security, may not be sufficient for most *employees* to meet their retirement needs. It's important that you do your part — personal saving is also required.

While reading about your "Wealth" benefits in this SPD, you should begin considering your own retirement. What do you want your retirement to look like? How much will you need to retire the way you want to? How will you fund it?

What Is Retirement Readiness?

Retirement readiness is the idea of being able to retire to the standard of living you want, at the time you want.

At its most basic level, retirement readiness can be broken down into four important steps:

- Plan for your retirement;
- Save for your retirement;
- Invest your retirement savings; and then
- Repeat the process throughout your working life.

Plan for your retirement – The closer you are to retirement, the more refined your plan should be, but you need to have a view of what you are trying to accomplish and how you will get there.

Save for your retirement – It is important to save enough to be able to retire to the standard of living you want when the time comes. Use the tools available to you via *NetBenefits* to help you establish and monitor your SPF contribution rates to make sure you are on track to have saved enough for your retirement.

> **Auto-Increase –** If you're having trouble saving enough, consider the Annual Increase Program available on *NetBenefits*. By signing up for the Annual Increase Program, your contributions will be increased automatically. And by picking February 1 (to coincide with merit increases) as your annual increase date, the impact of the increases on your cash flow will be minimized. To sign up for the Annual Increase Program, go to NetBenefits ➔ Contributions ➔ Annual Increase Program.

Invest your retirement savings – It is important that you invest the money you have saved prudently, consistent with your risk tolerance and investment time horizon. Different approaches are available including utilizing target date funds, utilizing Financial Engines Professional Management program (see Section 3.3(c) for more information), hiring your own advisor, or taking a do it yourself approach. You should determine the approach that's best for you considering your level of knowledge and sustained time commitment.

More information on investing is available to *employees* in the Retirement Readiness 101 course (RR101) — a short presentation of retirement basics everyone needs to know. You are also encouraged to read Your Guide to the Shell Provident Fund, available via *NetBenefits* or by calling the *SBSC*.

What Should I Do?

To help ensure you are on a path toward retirement readiness, we encourage you to take advantage of the tools and services available via *NetBenefits*, or your financial advisor.

2.0 SHELL PROVIDENT FUND AT A GLANCE

The Shell Provident Fund (SPF) is Shell's Savings Plan — You can make pre-tax, Roth 401(k), and after-tax contributions from your pay and self-direct how to invest your account among the SPF's broad range of investment options. You can change your investments daily and also consolidate your savings by making a direct *rollover* of funds from another qualified plan and/or an Individual Retirement Account (IRA), other than a Roth IRA.

The *Company* will contribute a percentage of your pay based on your years of service, regardless of the level of your contributions. You are always 100% vested in your own contributions and *Company* contributions and have access to your account through loans and withdrawals. In addition, please note that it is important to name a *beneficiary*.

Company Contributions

Length of *accredited service*…	*Company* contribution is…[1]
Immediately upon hire ➔ Less than 6 years	2.5%
Completion of 6 years ➔ Less than 9 years	5%
Completion of 9 years	10%

Your Pre-Tax Contributions

- Eligible to make contribution elections immediately upon hire
- New hires are automatically enrolled for contributions via payroll deduction at 3% of *base pay* (opting out or changing contribution levels are also available)
- Defer up to 50% of your *base pay* and *variable pay* — up to $19,000 per year (or $25,000 for *catch-up eligible individuals*)[2]

Your Roth 401(k) Contributions

- Eligible to make contribution elections immediately upon hire
- Contribute up to 50% of your *base pay* and *variable pay* — up to $19,000 per year (or $25,000 for *catch-up eligible individuals)*[2]

Your After-Tax Contributions

- Eligible to make contribution elections immediately upon hire
- Contribute up to 25% of your *base pay* and *variable pay* — up to $9,000 per year[3]

[1] The *Company* contribution begins as of the first full payroll period on or after your hire date and increases as of the first full pay period on or after your anniversary date.
[2] Limits presented relate to 2019. In general, these limits will change annually. These limits apply in the aggregate to pre-tax and Roth 401(k) contributions.
[3] Limit presented relates to 2019. In general, this limit will change annually.

3.0 SHELL PROVIDENT FUND

The **Shell Provident Fund** (SPF) is Shell's savings plan for U.S. *employees* and is one component of your Retirement Readiness. Although Shell contributes to your SPF account based on your years of service, it is important that you contribute a portion of your pay as well.

3.1 Eligibility, Enrollment, and Vesting

As an *employee,* you are immediately eligible to make contributions to the SPF. You can enroll by calling the *SBSC* or going online via *NetBenefits*.

On or about the 45th day of employment, new hires and re-hires are automatically enrolled for *employee* pre-tax contributions at the rate of 3% of *base pay*. However, prior to that time, new hires and rehires can opt out of the automatic enrollment by calling the *SBSC* or going online via *NetBenefits* and changing their *employee* pre-tax contribution rate from 3% to a different rate.

As an *employee*, *Company* contributions to your SPF account will begin automatically, and the amount of the contribution depends on your length of *accredited service*.

You are always 100% vested in your own contributions and *Company* contributions.

3.2 How You and the *Company* Contribute

Contributions are based on your *base pay* and *variable pay*.

a. *Company* Contributions

Company contributions are based on a percentage of your *base pay* and *variable pay,* and they begin and increase automatically. The amount of the contribution depends on the length of your *accredited service* as shown in the following table:

Length of *accredited service*…	***Company* contribution is…**[4]
Immediately upon hire ➔ Less than 6 years	2.5%
Completion of 6 years ➔ Less than 9 years	5%
Completion of 9 years	10%

[4] The *Company* contribution begins as of the first full payroll period on or after your hire date and increases as of the first full pay period on or after your anniversary date.

b. Your Contributions

Generally, you may contribute to the SPF in three ways:

- Pre-tax contributions (including catch-up contributions for *catch-up eligible individuals*);
- Roth 401(k) contributions (including catch-up contributions for *catch-up eligible individuals*); and
- After-tax contributions.

The law determines taxation of these amounts. Generally, these three different types of contributions and their related distributions are taxable at different times, as follows:

Pre-Tax Contributions

These contributions are made with pre-tax dollars, meaning you do not pay federal income taxes on your pre-tax contributions and any related investment earnings until they are distributed from your account.[5]

Roth 401(k) Contributions

These contributions are made with after-tax dollars, meaning you pay taxes on your pay prior to contributing it to the SPF. Upon withdrawal, you receive your Roth 401(k) contributions and any related investment earnings tax-free.[6]

After-Tax Contributions

These contributions are made with after-tax dollars, meaning you pay taxes on your pay prior to contributing it to the SPF. Upon withdrawal, you pay income taxes only on the related investment earnings.

These three types of contributions are summarized as follows:

SPF *Employee* Contribution Types

Your Contribution	Pre-Tax	Roth 401(k)	After-Tax
	Pre-tax dollars	After-tax dollars	After-tax dollars
Taxation of Withdrawal:			
• Amounts Contributed	• Taxable	• Tax-free	• Tax-free
• Investment Earnings	• Taxable	• Tax-free[6]	• Taxable
Withdrawal Rights	• Attainment of age 59 ½ • Financial hardship • Termination of employment	• Same withdrawal rights as for pre-tax contributions	• Amounts are distributable at any time

The type(s) of contributions you make is a personal choice, depending on your own current situation and expectations for the future. It is an important decision that you should consider carefully. Tax laws are complex and can change frequently, and neither the *Company* nor the SPF provides any tax advice. You are therefore encouraged to speak with your personal tax adviser or financial planner for personal planning information.

c. Designating Your Contribution Rates

You can change your contribution rates at any time:

- Online via *NetBenefits*; or
- By calling the *SBSC* and speaking to a representative.

Changes to contribution rates are often effective with your next payroll cycle, but they can take up to two payroll cycles to take effect.

[5] Social Security and Medicare taxes will apply at the time these contributions are made. State and local income tax rules vary by state.
[6] Earnings are received tax-free provided you take a "qualified distribution." See Section 3.8(b) for more information.

You can contribute a percentage of *base pay* and *variable pay* by selecting separate contribution rates in ½% increments, as follows:

Contribution Type	NetBenefits Election Label	Contribution Rate
Pre-tax *Base Pay* Pre-tax *Variable Pay*	Employee Pre-Tax Employee Pre-Tax Bonus	1% – 50%
Roth 401(k) *Base Pay* Roth 401(k) *Variable Pay*	Employee — Roth Employee Roth — Bonus	1% – 50%
After-tax *Base Pay* After-tax *Variable Pay*	Employee After-Tax Employee After-Tax Bonus	1% – 25%

d. Contribution Limits

Various limits on contributions are established to comply with federal tax law. These limits generally change annually:

Limitation	2019 Limit
Aggregate Pre-Tax and Roth 401(k) Contributions	$19,000 **($25,000 for *catch-up eligible individuals*)**
After-Tax Contributions	$9,000
Company Contributions	$28,000
Combined Contributions	**$56,000 ($62,000 for *catch-up eligible individuals*)**
Combined *Base Pay* and *Variable Pay*	$280,000

If, during the year, your combined *base pay* and *variable pay* or contributions (whichever comes first) reach one of these limits, your *employee* contributions cease for the remainder of the year. If you reach the limitation on pay, *Company* contributions continue but are instead applied as credits in a Benefit Restoration Plan (BRP) account established for you. To understand more about how the BRP works, please see Section 3.11, "Benefit Restoration Plan."

Please note that the aggregate pre-tax and Roth 401(k) contribution limit described above is imposed on each participant. Accordingly, if you made contributions to another qualified plan during the year and the total of your contributions to the other plan and the SPF exceed the aggregate pre-tax and Roth 401(k) contribution limit, you may be subject to double taxation on pre-tax amounts and/or loss of tax-favorable Roth treatment.[6] To avoid this result, you must make a written request for a distribution of your over contribution no later than April 1 of the year following the year in which the over contribution occurred by contacting the *SBSC*.

e. *Rollovers*

The SPF accepts eligible direct *rollovers*[7] from other qualified plans and IRAs, including the SPP. The SPF accepts eligible direct *rollover* contributions of *Roth amounts* from other qualified plans. However, current federal law prevents the SPF from accepting *rollover* contributions from Roth IRAs. Your *rollover* contributions will be credited to your account as soon as administratively practicable. Call the *SBSC* for more information on eligible *rollovers*.

f. *Roth In-Plan Conversions*

You have the ability to convert non-*Roth amounts* held in the SPF into *Roth amounts* within the SPF.
You should contact your personal tax adviser or financial planner to discuss your situation.
Generally, Roth conversions result in current taxation in exchange for tax relief at a later time. Key factors to consider before making such a conversion include:

- Your tax rate on the converted amount (likely to be higher than your otherwise current effective tax rate);

[7] Note that direct *rollover* assets must be made payable to the receiving qualified plan (in this case, the Shell Provident Fund) or IRA custodian/trustee, not to the individual.

- Your source of cash to pay the additional taxes this year;
- Your views as to your effective tax rates now versus at the times you expect to take distributions of your *Roth amounts;* and
- Whether you will need access to your *Roth amounts* within five years of conversion.

Specifically, you can elect a Roth in-plan conversion of your prior pre-tax or after-tax contributions and your *Company* contribution amounts (including related earnings on any of these amounts).

Converted amounts are likely to be subject to income taxes upon conversion, as follows:

Category	Taxable on Conversion?
Your After-Tax Sources	• Amounts Contributed – No • Investment Earnings – Yes
Your Pre-Tax Sources	Yes

If you convert pre-tax sources (including *Company* contributions) or earnings on after-tax amounts into *Roth amounts*, it will create a taxable event in the year of conversion, so you will want to consult with your tax adviser to evaluate the decision carefully.[8] There may be other tax planning opportunities available to you. The flexibility to convert is subject to evolving IRS regulations and the SPF's operational capabilities.

You may elect Roth in-plan conversions of all or some of your existing sources periodically during the year, and there is no minimum or maximum amount that can be converted. However, you must convert the entire balance of any source you elect to convert.[9] Roth in-plan conversions are irrevocable – once elected, you cannot transfer funds back to their unconverted source(s). Your converted Roth amounts will retain the same withdrawal rights and restrictions that applied to the source of funds from which you converted. See Sections 3.6 and 3.7 below for more details about withdrawals.

Please contact the SBSC for information on how to elect Roth in-plan conversion. Roth in-plan conversions cannot be performed via *NetBenefits*. All Roth in-plan conversions are handled via phone by calling the *SBSC*. Note that non-spousal *beneficiaries* and non-spousal alternative payees are not eligible to make Roth in-plan conversions.

[8] The 10% early withdrawal penalty will not apply at the time of conversion. However, if you take a withdrawal of any part of your Roth in-plan conversion within five years of your conversion, your withdrawal will incur the 10% early withdrawal penalty (unless you elected a *rollover* to another qualified plan or a Roth IRA). A separate five-year period applies to each Roth in-plan conversion.

[9] Special rules apply to pre-1987 after-tax contributions. Contact the *SBSC* for more information.

3.3 Directing Your Investments

You are responsible for directing the investment of your SPF account. Investment directions can be changed as often as you like. Your investment directions remain in effect until you change them.

The list of investments in Tiers I, II, and III is available via *NetBenefits*. For more information, see Section 3.4., "Investment Offerings."

a. *Self-Directed Account Plan*

The SPF is a *self-directed account plan* and is intended to comply with the requirements for such plans in Section 404(c) of *ERISA* and U.S. Department of Labor Regulations governing Section 404(c) plans. This means that fiduciaries of the SPF ordinarily are relieved of liability for any losses that are the direct and necessary result of investment instructions given by a participant or *beneficiary(ies)* under the participant-directed investment features of the SPF.[10]

b. Changing Your Investment Directions

You can change your investments in three ways:

- Investment Elections – allow you to direct the investment of future contribution amounts, loan repayments and *rollovers* among multiple investment options;
- Exchanges – allow you to move amounts from one investment to another; and
- Rebalance – allows you to move amounts between multiple investments.

The SPF investment options are intended for long-term investors. Certain investment options may therefore apply short-term trading fees or take other steps designed to discourage or prevent frequent trading.

You can change your investment directions by going to *NetBenefits* or by calling the *SBSC*. For Tiers I, II, and III, investment changes are priced as of the next market close.[11]

c. Managed Account Program

If you do not want to manage your investments yourself, the SPF makes available investment management through Financial Engines Professional Management program. If you choose to enroll, Financial Engines will create and implement a personalized investment plan on your behalf and monitor and manage your account on an ongoing basis, incorporating other retirement accounts you connect online. The SPF has negotiated the fee for this program, which would be deducted quarterly from your SPF account. More information on this program is available via *NetBenefits*.[12]

d. Keeping Track of Your Account

You should routinely monitor your account balances and activity. Your account information is available 24/7 online via *NetBenefits* and is current as of the close of the previous business day. Custom reporting of your account, as well as your account statements, are also available via *NetBenefits*. You may elect to receive copies of your account statements via e-mail or regular mail. In addition, you may request an account statement or account history by calling the *SBSC*.

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[10] Note that you are deemed to have given investment instruction if your account is invested in a default fund as a result of your failure to provide investment instruction. See Section 3.4, "Investment Offerings."

[11] Special rules apply to assets invested in Tier IV – BrokerageLink. See Section 3.4, "Investment Offerings."

[12] Advisory services, including Professional Management, are provided only by Financial Engines Advisors L.L.C., a federally registered investment advisor and wholly owned subsidiary of Financial Engines, Inc. Financial Engines is not affiliated with Fidelity Investments or its affiliates. Financial Engines does not guarantee future results. Advisory services may include a fee. For specific fee information please refer to the applicable terms and conditions.

3.4 Investment Offerings

The SPF offers a broad range of investment offerings so you can build an investment portfolio that is right for you.

Regardless of which investments you choose, it is always your responsibility to be sure that your investment choices have acceptable risk and return characteristics and are consistent with your investment objectives.

a. Investment Tiers

To assist you in selecting appropriate investments for your portfolio, the SPF has a four-tier investment structure designed with different types of investors in mind — from those investors who want a single fund that provides automatic asset allocation, diversification, and rebalancing, to investors who will diligently manage their portfolio and want a broad choice of investment offerings. You have the flexibility to decide, based upon your risk tolerance, investment goals, level of investment knowledge, and time/desire to perform investment research and due diligence, whether to choose funds from one or a combination of the four investment tiers. These tiers are:

- Tier I – Lifecycle Funds;
- Tier II – Core Funds;
- Tier III – Fund Window; and
- Tier IV – BrokerageLink.[13]

Details about the investment options available in Tiers I, II, and III, including fees and expenses, are available via *NetBenefits* or by calling the *SBSC*.

Tier I – Lifecycle Funds

The first tier contains BlackRock LifePath® Funds. These are "target date funds" aimed at investors looking for a simple, single-fund approach to investing. The funds are designed for investors expecting to retire and commence distributions around the "target date" indicated in each fund's name, assuming an age 65 retirement date. Each fund is managed to gradually become more conservative over time as it approaches its target date and then is merged into the LifePath® Retirement Fund. New funds are added periodically. Consider using the fund with a target date closest to when you plan to begin taking retirement distributions from your SPF account.

The LifePath® Funds are also the default funds for the SPF. This means that if you do not provide investment direction for contributions, loan repayments, or *rollover* amounts, you will be deemed to have selected one of the Tier I LifePath® Funds (shown in the table below). In such a case, amounts will be invested in a LifePath® Fund (based on your date of birth) until you provide other investment directions.

Fund	Date of Birth
LifePath® Retirement[14]	1954 or earlier
LifePath® 2020	1955 – 1959
LifePath® 2025	1960 – 1964
LifePath® 2030	1965 – 1969
LifePath® 2035	1970 – 1974
LifePath® 2040	1975 – 1979
LifePath® 2045	1980 – 1984
LifePath® 2050	1985 – 1989
LifePath® 2055	1990 – 1994
LifePath® 2060	1995 or later

[13] Tiers I and II generally contain the plan's Designated Investment Alternatives (DIAs) as defined by Department of Labor guidance, selected by the Trustees. The one exception is the Royal Dutch Shell Stock Fund in Tier II, which is a component of plan design as opposed to a DIA. The Tier III Fund Window provides participants with expanded non-DIA investment options in an environment that allows the plan to aggregate participants' investments and thus receive favorable pricing (e.g., institutional class shares) on many of the funds in the Fund Window.

[14] The LifePath® Retirement Fund is also used when your date of birth in the SPF's records is missing or is not credible.

Tier II – Core Funds

Tier II generally contains low-cost, passively managed index funds and is designed for individuals who want to develop their own asset allocation and build their own investment portfolio. Each fund focuses on a specific segment of the market and — with the exception of the Thrift Fund and the Royal Dutch Shell Stock Fund — each seeks to match closely the returns of that specific market index (a.k.a. an index fund). Since each of these investment funds represents a segment of the market, you should consider investing in more than one of these funds to create a balanced portfolio.

The Thrift Fund invests in high-quality, short-term, U.S. dollar-denominated money market securities of domestic and foreign issuers, and repurchase agreements. It can be compared to a money market account but it is not an insured investment.

The Royal Dutch Shell Stock Fund invests in Royal Dutch Shell plc Class A ADSs, and, at times, may also hold short-term investments. For more information, please consult the most recent Section 10(a) Prospectus Update available via *NetBenefits* or by calling the *SBSC*.

Tier III – Fund Window[15]

This tier offers a broad variety of mostly actively managed funds from many investment management firms. Actively managed funds attempt to provide a return greater than a specific market index. While Tiers I and II are designed to offer enough variety to meet the needs of most SPF participants, more experienced investors or those looking for more investment choices may wish to evaluate the funds in Tier III. Tier III is intended for the investor who is willing to do more research before investing. This type of investor has a high level of investment knowledge and is willing to accept more responsibility to monitor fund construction, performance, and objectives.

A fee advantage also exists for many investment options in Tier III that are also offered in Tier IV. The fund window structure allows the SPF to aggregate participant investments by fund, allowing participants to receive “institutional pricing” (lower cost than “retail pricing”) on many funds.

Please be aware: The Trustees, the Plan Administrator, and the *participating companies* do not provide investment oversight or perform due diligence on the investment options in the Tier III – Fund Window.

Tier IV – BrokerageLink®

BrokerageLink works just like a traditional brokerage account. With BrokerageLink, you have the flexibility to select from numerous investment offerings and individual securities that are not available in Tiers I, II, or III, including:

- Mutual funds (including those also offered in Tier III but always with “retail pricing”);
- Equities;[16]
- Corporate bonds;[17]
- U.S. Treasuries (excluding savings bonds);
- Certificates of deposit (CDs);
- Zero-coupon bonds;
- Mortgage-backed bonds;
- U.S. government agency bonds;
- Exchange-traded funds (ETFs); and
- Options (covered call writing).[18]

[15] For more complete information about any of the funds, including fees and expenses, you should consult the fund’s prospectus or detail information, available via *NetBenefits* or by calling the *SBSC*. Read the prospectus or detail information carefully before making an investment.

[16] Excluding securities issued by Shell Oil Company, Royal Dutch Shell plc, or their affiliates. Investment in shares of Royal Dutch Shell plc are available only through the Royal Dutch Shell Stock Fund in Tier II.

[17] Excluding securities issued by Shell Oil Company, Royal Dutch Shell plc, or their affiliates.

[18] If you would like to invest in this security type, you must complete an Options Application Form, which is available by calling the *SBSC* or online at *NetBenefits*. Please note, the Options Application Form provides for derivative use other than what the Shell Provident Fund allows. You will only be able to invest in Option Level 1 – Covered Call Writing. Requests for derivative use higher than Option Level 1 will not be honored.

BrokerageLink allows sophisticated investors to create a customized retirement portfolio to match their personal situation, including their goals, time horizon, and risk tolerance. BrokerageLink may be a good fit for those investors who will actively monitor and manage their portfolio as their needs change.

BrokerageLink applications are available via *NetBenefits* or by calling the *SBSC*. However, if active management among a broader array of investment choices does not suit your style, then a BrokerageLink account may not be appropriate for you.

Please be aware, the Trustees, the Plan Administrator, and the *participating companies* do not provide investment oversight or perform due diligence on the investment options in the Tier IV – BrokerageLink.

b. Considerations When Investing Your SPF Account

Some principles that you should consider when investing your SPF account include risk tolerance, time horizon, asset allocation, and diversification. Neither diversification nor asset allocation ensures a profit or guarantees against a loss; however, a diversified portfolio can help you minimize risk and potentially enhance return.

Risk Tolerance

Simply put, your risk tolerance is your ability or willingness to accept declines in the value of your investments while waiting for them to increase in value. A longer time horizon provides an opportunity to take more risk, which must be balanced against your tolerance for risk. Generally, stocks represent the asset class with the greatest potential for return, but also the greatest investment risk; whereas cash offers the lowest potential return but also the lowest level of investment risk. No single asset allocation is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk.

Time Horizon

Your time horizon is the length of time you will be investing to achieve a particular financial goal (such as retirement).

Asset Allocation

Before you invest, you should establish a target asset allocation for your portfolio based on your investment time horizon and your personal risk tolerance. It is called a target asset allocation because as markets move and the value of your investments change, you should periodically rebalance your portfolio back to that target asset allocation. The most common asset allocation is based on the traditional asset classes: X% stocks, Y% bonds, and Z% cash, but other asset classes such as commodities or real estate can also be incorporated. You will also need to periodically re-evaluate your target as your personal situation changes.

Studies have shown that asset allocation is one of the most important investment decisions an investor can make and can account for as much as 90% of return. It can also account for much of a portfolio's risk, so the asset allocation decision is an important one.

Diversification

As you build a portfolio consistent with your target asset allocation, you should consider a portfolio construction technique called diversification. The goal of diversification is to reduce the risk in a portfolio by combining a variety of investments which are unlikely to all move in the same direction in response to market conditions. Risk is reduced because generally not all asset classes, market sectors, or individual stocks or bonds will move up or down in value at the same time or at the same rate. Diversification reduces both the upside and downside potential of the portfolio and allows for the possibility of more consistent portfolio performance under a wide range of economic conditions. For example, a portfolio with one stock (such as the Royal Dutch Shell Stock Fund), one bond, and cash could be consistent with your target asset allocation, but it is not diversified.

The Royal Dutch Shell Stock Fund is a single-stock investment option intended to be held as part of a diversified portfolio. It is not a diversified investment option. Because the fund invests primarily in the stock of a single company, it is generally considered to carry a higher degree of risk due to the lack of diversification.
Investing in a non-diversified single stock fund involves more risk than investing in a diversified fund. Although diversification is not a guarantee against loss, it can be an effective strategy to help you manage investment risk.

As with any stock, the value of your investment may go up or down depending on how the company's stock performs in the market.

Some additional resources on investing and diversification include:

- Your Guide to the Shell Provident Fund (http://www.NetBenefits.com);
- Beginners Guide to Asset Allocation, Diversification, and Rebalancing (http://www.sec.gov/investor/pubs/assetallocation.htm); and
- Savings Fitness: A Guide to Your Money and Your Financial Future (http://www.dol.gov/ebsa/pdf/savingsfitness.pdf).

c. Investment Fees and Administrative Expenses

There are investment fees and expenses associated with each SPF investment option. Investment fees are generally charged directly against assets of the investment option and include such items as the costs expressed in the expense ratio plus brokerage fees incurred by the fund. Participants who utilize the SPF's BrokerageLink "brokerage account" investment feature are also responsible for brokerage fees and commissions. Participants who enroll in the managed account program offered under the SPF will incur a separate fee for that service.

The administrative expenses associated with the SPF include costs for accounting, custodial, recordkeeping, and other internal or external service providers. While participant accounts have not been charged for such administrative expenses in recent years due to the application of various credits applied towards SPF expenses, under the terms of the SPF, operating and administrative expenses can be charged directly to participant accounts.

Under the SPF's recordkeeping agreement, the SPF receives payments (revenue credits) for the amount that revenue sharing[19] related to the SPF's investment options exceeds specified SPF expenses. The SPF uses revenue credits to pay for additional costs of operating and administering the SPF. In the event that revenue credits exceed these SPF costs, residual amounts will be allocated to participant accounts on a schedule and in a manner established by the Plan Administrator. Amounts received on account of litigation settlements can also be used by the SPF to pay SPF expenses.

In the event that SPF expenses exceed the amounts available as described above, residual operating expenses will be charged to participants' accounts.

Note that your account will be charged a fee (currently $25) for any document(s) that you request to be sent overnight from the *SBSC*.

d. Fund Changes/Closings

Occasionally, funds offered in Tiers I, II, and III are closed, withdrawn, or merged into another fund. When that happens, your balances in the affected fund, as well as your investment directions, are moved as follows:

Event	Moved to:
Successor fund offered in the SPF	Successor fund
Successor fund not offered in the SPF	LifePath® fund[20]

The SPF will use best efforts to notify impacted participants in advance. You can avoid these results by changing your investment directions prior to the event. You can also update your investment directions at any time after the event.

[19] With respect to the Tier III Fund Window: Fidelity may receive payment for recordkeeping and shareholder services attributable to a non-Fidelity mutual fund that is offered as an investment option in the SPF. While a similar arrangement does not exist for Fidelity funds, Fidelity attributes a portion of the expense ratio of certain Fidelity funds to support recordkeeping services. These payments and allocations do not increase the costs above the published mutual fund fees for participants who choose that investment option and within the industry are generally referred to as "revenue sharing."

[20] Based on your date of birth.

3.5 Loans

The SPF is a long-term savings vehicle designed to help you fund your retirement. You are discouraged from taking SPF loans. However, there may be times when you need access to the money in your account. If you are considering a loan, keep the following key information in mind:

- If you take a loan from the SPF, you must repay the loan, with interest;
- Both principal and interest repayments go back into your account;
- If you do not timely repay the loan in full, you may be required to pay income taxes plus a 10% penalty for early withdrawal;[21] and
- You can model or apply for a loan by accessing your account via *NetBenefits* or by calling the *SBSC*.

You may apply for:

- A home purchase loan to help you buy or build your primary residence; or
- Another type of loan.

Below is a summary of the SPF's provisions on loans. For more detail, you can obtain a copy of the SPF loan procedures via *NetBenefits* or by calling the *SBSC*.

a. Loan Amounts

The minimum loan amount is $500. The maximum available to borrow from the SPF cannot exceed the lesser of:

- 50% of your account balance minus your combined outstanding loan balance; or
- $50,000 minus the highest combined outstanding loan balance in the past 12 months.

You can have up to two outstanding loans.[22] Upon repayment of a loan, there is a 21-calendar-day waiting period (generally 15 business days) before you can apply for a new loan.[23] If you did not fully repay a loan, your ability to take a new loan may be limited.

b. Loan Terms

- Maximum loan terms:
  - Home purchase loan – 25 years
  - Other loans – five years
- Minimum loan terms:
  - Six months
- Minimum monthly payments:
  - $25 per month (each loan)

[21] Unless you satisfy an exception under the Internal Revenue Code.
[22] If you had more than two loans outstanding as of December 31, 2014, you were permitted to continue those loans; however, you are not able to take another loan until you have less than two outstanding loans.
[23] This waiting period is subject to change without advance notice.

c. Funding Sources

Loans are funded proportionately from your Tiers I, II, and III investments, generally in the following order:

- *Company* contributions;
- *Rollovers*;
- After-tax contributions;
- Pre-tax contributions; and
- *Roth amounts*.

If your Tiers I, II, and III assets are insufficient to fund the loan you requested, your loan application will be canceled.

d. Loan Repayments

Active *employees* – Loan repayments are deducted automatically from your first two regular payroll checks each month.

All others (including those on unpaid leave of absence) – Subject to the loan default provisions below, loan repayments are made directly from your bank account using the automatic clearinghouse (ACH) method.

If you die while you have a loan outstanding, your *beneficiary(ies)* may have the right to continue making loan repayments for the remaining period of the loan.

e. Investment of Loan Repayments

Loan repayments are credited to your account and reinvested according to your then-current investment directions.

f. Prepaying Your Loan

You may prepay your loan in part or in full at any time without penalty. However, partial prepayments do not relieve you of the requirement to make remaining payments (as scheduled under the terms of your loan) until the loan is fully repaid.

g. Default of Your Loan

If your loan becomes delinquent, you will have 30 days from the date you are notified by the Plan Administrator to pay the delinquent balance. If you do not pay your delinquent balance and resume regular payments, all remaining payments on the loan are immediately due and payable, and your loan will default. Generally, upon default, the outstanding loan balance plus accrued interest is subject to applicable income taxes plus a 10% penalty for early withdrawal.[24]

An uncured SPF loan default may also limit your ability to take future loans. If you default on a loan, future loans (i.e., new loans taken after the default event) may become immediately due and payable upon becoming ineligible for payroll deduction (generally, upon *termination*).

3.6 Withdrawals While Employed

The types of withdrawals available to *employees* are listed below. Note that there is no minimum dollar amount, no limit to the number of withdrawals you can make, and no restriction on the amount of time between withdrawals. Withdrawals are generally funded proportionately from your Tiers I, II, and III investments, include contributions and any related investment earnings, and may be requested online via *NetBenefits* or by calling the *SBSC*. However, you may be able to fund your withdrawal from specific investments. If you have amounts invested in Tier IV – BrokerageLink or plan loans, special rules apply. Contact the *SBSC* for more information.

Note that there are tax consequences and withholding requirements that may be applicable to your withdrawal. Please see Section 3.8 for more information.

[24] Unless you satisfy an exception under the Internal Revenue Code.

a. After-Tax Withdrawals

You can withdraw up to 100% of your after-tax contributions at any time. Although you have already paid taxes on your after-tax contributions, a portion of these withdrawals may be attributed to investment earnings and therefore taxable on withdrawal.

b. Age 59½ Withdrawals

Once you reach age 59½, you may withdraw all or part of your account at any time. These withdrawals are subject to applicable income taxes.

c. *Rollover* Withdrawals

You may withdraw amounts that you previously *rolled over* into the SPF at any time. These withdrawals are subject to applicable income taxes.

d. Hardship Withdrawals

You may withdraw your Roth 401(k) contributions, former pre-tax contributions that were converted into *Roth amounts*, and pre-tax contributions, in that order, including earnings on those contributions, if you have an immediate and severe financial hardship need that you cannot meet through your other financial resources and you make certain required written representations to the SPF. Hardship withdrawals are subject to applicable income taxes, a 10% early withdrawal penalty,[24] and are not eligible to be *rolled over*.

Financial hardships include:

- Expenses associated with the purchase of your principal residence (not including mortgage payments);
- Payments necessary to prevent mortgage foreclosure or eviction from your principal residence;
- Expenses for repair of damage to your principal residence that would qualify for a casualty deduction (without regard to certain deduction limitations) on your federal income tax return;
- Tuition expenses for the next 12 months of post-secondary education for you, your spouse, your child(ren), or your qualified dependents; [25]
- Payments for burial or funeral
- expenses of your deceased parent, your spouse, your child(ren), or your qualified dependents; and
- Medical or dental expenses incurred by you, your spouse, or your qualified dependents that are not reimbursable by insurance.[25]

Other Limitations

You are not eligible to take a hardship withdrawal unless all of the following conditions are met:

- You applied for and used all other money reasonably available to you from your spouse, your minor dependents, and other sources;
- You withdraw only the amount necessary to meet your financial hardship (including applicable taxes and/or penalties on the withdrawal); and
- The withdrawal does not impair the security of any outstanding SPF loan.

For more information on applying for a hardship withdrawal, call the *SBSC.*

e. Grandfathered Withdrawals

Employees with employer contributions that were previously merged into the SPF from (i) the Alliance Savings Plan, (ii) the Siemens Savings Plan, and/or (iii) the Pennzoil-Quaker State Company Savings and Investment Plans may have special in-service withdrawal rights with respect to such contributions. Please contact the *SBSC* for more information.

[24] Unless you satisfy an exception under the Internal Revenue Code.
[25] For purposes of hardship withdrawals, dependents are defined in Section 152 of the Internal Revenue Code.

3.7 Withdrawals after Termination

Generally speaking, there is no requirement to withdraw or *roll over* your SPF account balance when you *terminate* — you can leave your account balance invested in the SPF and withdraw funds as needed.[26] You may request a withdrawal online via *NetBenefits* or by calling the *SBSC*. Withdrawals are generally funded proportionately from your Tiers I, II, and III investments, include contributions and any related investment earnings, and may be requested online via *NetBenefits* or by calling the *SBSC*. However, you may be able to fund your withdrawal from specific investments. If you have amounts invested in Tier IV – BrokerageLink, special rules apply. Contact the *SBSC* for more information.

Remember, the SPF will accept direct *rollovers* from an IRA or other qualified plan. As a former *employee*, any *rollovers* from your SPF account to an IRA or qualified plan can be returned to the SPF at a later date, even if you had taken a full distribution of your SPF account.

a. Withdrawal Options

When you do decide to take a withdrawal, you have several options, including:

- Variable payments – Request individual withdrawal amounts of any or all of your account balance as needed;
- Systematic payments – Schedule automatic distributions in the amount and frequency (monthly, quarterly, semi-annually, or annually) of your choice;
- *Rollover* – Request a *rollover* of all or a part of your account balance to an IRA or other qualified plan; and
- Single lump-sum payment – Request a single payment to you for the balance of your entire account.

b. Considerations to Leaving Your Account in the SPF

After *termination*, some choose to leave their account balance in the SPF, while others choose to take a distribution or *roll over* their distribution to an IRA or other qualified plan. There can be advantages to either option. Considerations to leaving your account in the SPF include:

- Access to many investments in Tiers I, II, and III with expense ratios below "retail pricing;"
- Tier III funds do not charge a sales fee ("no-load funds");
- Access to a wide range of investments (with "retail pricing") via Tier IV;[27]
- Availability of the 10% early withdrawal penalty exception on distributions of pre-tax contributions which occur after your *termination* as long as you will have reached at least age 55 in the year of *termination* (this exception does not apply to IRAs);
- The ability to continue existing loans and/or take new loans;
- Maximum protection from bankruptcy and other creditor lawsuits (protection for IRAs varies by state); and
- Special tax treatment on in-kind distribution of company stock from the Royal Dutch Shell Stock Fund may be available (NUA or Net Unrealized Appreciation).

Other considerations may apply. Only you can decide which option is best for you, so you should take the time to research your options carefully.

c. *Minimum Required Distributions* (*MRD*)

Federal tax law requires that you begin withdrawing money from your SPF account by April 1 of the year following the year in which the later occurs: (i) you turn age 70½; or (ii) your *termination*. This is known as a *minimum*

[26] Small account balances — balances of less than $200 — are paid to you (or your *beneficiary*, if applicable) automatically in a cash lump sum as soon as possible after your *termination*. Any unpaid loan balance and its accrued interest are included when determining the value of your account. In addition, you are required to take distributions in accordance with the *minimum required distribution* rules.

[27] Tier III also offers a wide range of investments in both the institutional and retail pricing categories.

required distribution (MRD). If you are subject to the *MRD* rules and do not request distributions sufficient to meet the requirements, the SPF will automatically distribute required amounts to you.

MRDs are generally funded proportionately from your Tiers I, II, and III investments and include contributions and any related investment earnings. However, you may be able to fund *MRDs* from specific investments. If you have amounts invested in Tier IV – BrokerageLink, special rules apply. Contact the *SBSC* for more information.

3.8 Tax Consequences and Tax Withholdings

a. General Tax Information

The taxable portion of your withdrawal is generally subject to a 20% mandatory federal income tax withholding unless it is directly *rolled over* to an IRA or another employer's qualified plan. State income tax withholding may also apply, depending on your state of residency.

In addition, the taxable portion of your withdrawal may be subject to a 10% early withdrawal penalty if you are under 59½ years of age at the time of your withdrawal unless you satisfy an exception under the Internal Revenue Code (such as withdrawals after your *termination* as long as you will have reached at least age 55 in the year of *termination*). This penalty, if applicable, is not withheld from your withdrawal. You will be directly responsible for payment of any applicable penalty at the time you file your federal income tax return.

Please refer to the Special Tax Notice available via *NetBenefits* for more detailed information regarding potential tax consequences of withdrawals from your account.

Please note that special rules apply to withdrawals of *employee* after-tax contributions that were made prior to 1987. Contact the *SBSC* for more information.

Tax laws are complex and change frequently. Neither the C*ompany* nor the SPF provides any tax advice. You are encouraged to contact the IRS or a professional tax adviser for tax matters.

b. Information Applicable to *Roth Amounts*

Taxation of *Roth amounts* is determined by the federal tax law. Generally, withdrawals of *Roth amounts* (including Roth 401(k) contributions, Roth *rollover* contributions and converted *Roth amounts*) and any related earnings are received tax-free, provided the withdrawal is a "qualified distribution."[28] If you take a withdrawal of *Roth amounts* that is not a "qualified distribution," you will be taxed on the related earnings that are withdrawn, and those earnings will incur the 10% early withdrawal penalty (unless you satisfy an exception under the Internal Revenue Code).

There are several resources published by the Internal Revenue Service available to you at www.irs.gov. You should also consider consulting with your tax adviser.

c. Net Unrealized Appreciation

Note that you may be able to request to receive the value of your Royal Dutch Shell Stock Fund holding in shares of Royal Dutch Shell plc Class A ADSs (an in-kind distribution) by calling the *SBSC*. This in-kind distribution may preserve the special tax treatment on in-kind distribution of company stock from the Royal Dutch Shell Stock Fund (NUA or Net Unrealized Appreciation). In-kind distributions are not available in the case of loans, hardship withdrawals, or systematic payments.

3.9 *Beneficiary* Designations/Payments Upon Death

You may name or change your *beneficiary* designation at any time via *NetBenefits*, or by calling the *SBSC* and requesting a beneficiary form. You may designate primary and contingent *beneficiaries*.

[28] A "qualified distribution" is a distribution made after you have reached age 59 ½ (or died or become disabled) and after you have had *Roth amounts* in the SPF for at least five taxable years. If you choose to *roll over Roth amounts* from another qualified plan into the SPF, the five-year taxable period applicable under that plan, if earlier, will carry over and count toward the five-year taxable period for SPF purposes.

Generally, you can name anyone you wish as your *beneficiary(ies)*. However, if you are married, you can name someone other than your spouse as a primary *beneficiary* only with *spousal consent*. Similarly, if you get married or remarried, any prior *beneficiary(ies)* designations will be suspended during the period of that marriage because they lack your current *spousal consent*. You should review your designation of *beneficiary(ies)* upon any change in marital status.

If you do not name your *beneficiary(ies)*, after your death your account will be paid to your spouse if you are married, or to your estate if you are single.

Beneficiary(ies) can disclaim an SPF benefit, provided the disclaimer is valid under federal and state law, but cannot redirect a disclaimed benefit to another. If a *beneficiary* disclaims, that portion will be paid to your other *beneficiary(ies)* pursuant to your *beneficiary* designation election, if applicable. If there is no other *beneficiary*, the disclaimed portion will be paid to your spouse if you are married, or to your estate if you are single (assuming this person was not the disclaimant).

Upon receipt of an SPF benefit, a survivor can name their own *beneficiary*. Your *beneficiary(ies)* will generally have the same distribution options that you had and will also be subject to *MRD* rules. *Beneficiary(ies)* can leave their amounts invested in the SPF and can name new or additional *beneficiaries* to their accounts in the SPF. However, if your designated *beneficiary(ies)* is a minor, a *qualified charitable organization*, or your estate, these choices are not available since distributions to these *beneficiary(ies)* are made promptly. Note, your *beneficiary(ies)* may be able to *roll over* to an IRA. Non-spousal *beneficiaries* are not eligible to make Roth in-plan conversions.

3.10 Qualified Domestic Relations Orders & Alternate Payees

Domestic relations orders are orders issued pursuant to state domestic relations laws — often by a court with jurisdiction over family law matters (usually in connection with a divorce) — and may stipulate a division of your SPF account. Upon review and acceptance by the Plan Administrator, such an order becomes a Qualified Domestic Relations Order (QDRO), and serves to divide your SPF account among you and your former spouse or other alternate payee(s).

A full copy of the SPF's QDRO procedures may be obtained, free of charge, by contacting the Plan Administrator, calling the *SBSC*, accessing the QDRO website via *NetBenefits*, or visiting http://qdro.fidelity.com.

3.11 Benefit Restoration Plan (BRP)

The Benefit Restoration Plan (BRP) is designed to "restore" *Company* contribution benefits that are precluded in the SPF due to various contribution limits. The BRP is a non-qualified, unfunded, deferred compensation plan. Payments from the BRP are made from the *Company*'s general assets, are taxable upon receipt, and are not available for *rollover*.

If *Company* contributions to your SPF account are limited, you will receive credit to a BRP account established for you. Investment options available in the BRP generally "mirror" those available in the SPF Tiers I, II, and III, and you provide investment directions separately from those for the SPF.

Distribution options are as follows:

- Pre-2005 "Old Money" amounts – Payable based on your election prior to *termination*. If a timely election is not submitted, payment will be made as a lump sum approximately 90 days following *termination*. Election forms are available via *NetBenefits*.
- Post-2005 "New Money" amounts – Paid as a lump sum approximately 90 days following *termination*,[29] unless a special election was made prior to December 31, 2007.

[29] A "*termination*" for New Money BRP purposes may be different from a *termination* for SPF purposes. For example, certain leaves of absence may constitute a *termination* triggering a payout of New Money BRP benefits.

A further summary of the provisions of the BRP is available to you via *NetBenefits* if you become a participant in the BRP. As a participant in the BRP, it is your responsibility to contact the *SBSC* 180 to 90 days before you *terminate* to confirm your BRP eligibility and to preserve your distribution options by making a timely election.

3.12 Other Information

a. Additional Limitations on Contributions

In addition to the limits described elsewhere, the law limits the amount of compensation that may be considered under a qualified plan and applies special non-discrimination tests, which could further reduce the amount of contributions you and/or the *Company* can make to the SPF. In the unlikely event that these additional limitations/test results dictate it, your unallowable contributions will be returned to you, and unallowable *Company* contributions will be credited to your BRP account.

b. Cancelling Orders/Instructions

You may cancel any transaction at any time before it is processed by calling the *SBSC* or going online via *NetBenefits.*

c. Market Delays, Closures, and Emergency Situations

Although unlikely, market conditions may cause exchange and withdrawal requests to be delayed. Suspended requests will be processed at the next calculated net asset value, but payment may be delayed up to seven days. Suspended requests in the Royal Dutch Shell Stock Fund will be processed at the price that prevails on the processing date. If there is not sufficient liquidity in the Royal Dutch Shell Stock Fund, withdrawals, distributions, and loans will be given priority over exchanges out of the fund, generally on a first-in, first-out basis. Additionally, withdrawal, distribution, or loan requests that involve the sale of suspended stock fund units will impact the entire transaction. An emergency may also delay the posting of your contributions according to your investment elections until normal trading in all markets resumes. You may be credited earnings on your contribution for the period of the posting delay.

Please note that emergencies that result in halted trading or the closing of one or more markets may also affect your contributions, Royal Dutch Shell plc dividends, and other earnings. When possible, affected contributions and Royal Dutch Shell plc dividends may be posted to the Thrift Fund and later transferred, with interest, to the appropriate investment fund(s) when normal trading resumes in all markets (equity, fixed income, money market, or any other market).

d. Account Holds

Delays in processing loans and withdrawals may occur, or your ability to take a loan or withdrawal may be restricted, if a “hold” is placed on your account for any reason, including:

- Plan Administrator investigations;
- Receipt of a court order (e.g., a domestic relations order); or
- A “Notice of Tax Levy.”

A “hold” will not impact your ability to change contribution levels or manage your investments.

Participants will be notified if their situation results in a “hold” on their account for more than three (3) business days.

e. Military Service Provisions

During your period of *qualified military service*, while you are receiving *differential pay*, you will continue to earn *accredited service*, and you will receive *Company* contributions in accordance with Section 3.2(a) above. You are also eligible to continue making your own contributions to the SPF to the extent you have *Company* pay from which deductions can be taken. Additionally, you may withdraw your Roth 401(k) contributions, former pre-tax contributions that were converted into *Roth amounts*, and pre-tax contributions, in that order, during your period of *qualified military service* without the 10% early withdrawal penalty. If you choose to make such a withdrawal, you will be precluded from making any SPF contributions for six months following the withdrawal.

If you return to work following your period of *qualified military service*:

- If not already credited, you will receive *accredited service* for your period of *qualified military service*;
- You can make up any of your own contributions to the SPF that were missed due to your *qualified military service*, subject to the contribution limits described in Section 3.2(d) above; and
- Your *Company* contributions will be recalculated, and the *Company* will make up the difference between the *Company* contributions you received during your period of *qualified military service* and the *Company* contributions you would have received during your period of *qualified military service* if you had not been absent.

4.0 SHELL PENSION PLAN AT A GLANCE

As an *employee,* you are automatically enrolled in the Shell Pension Plan and vest after two years, three months, and one day of *vesting service* (or upon reaching *normal retirement age*, if earlier). *Employees* hired before 2013 have the option each year to choose to earn benefits in later years under either of the pension formulas below.[30] *Employees* hired or rehired after 2012 earn benefits under the Accumulated Percentage Formula.

Accumulated Percentage Formula (APF)

- Each year, you earn a benefit percentage based on your age plus the number of prior years in which you participated in the APF. Annual percentages range from 3% to 16%.
- Upon *termination*, your annual percentages are accumulated and multiplied by your annualized *Average Final Compensation (AFC)*.
- You can receive your benefit as a lump sum or as an annuity.

80-Point Formula

- You earn a monthly lifetime annuity based on your years of *80-Point Service*, your *Average Final Compensation (AFC)*, and *Social Security Offset (SSO)*.
- When you can start receiving your annuity following *termination* will depend on whether or not you *retire with immediate pension eligibility*.
- If you *retire with immediate pension eligibility*, you are also eligible for a *Free 50* survivor benefit and the *SSO Supplement*.

[30] Making a formula election change will not change the formula for your previous service.

5.0 SHELL PENSION PLAN

The **Shell Pension Plan** (SPP) is Shell's U.S. pension plan and is another component of your retirement readiness.

5.1 Eligibility, Enrollment, and Vesting

As an *employee*, you are automatically enrolled in the SPP. *Employees* vest in SPP benefits upon completion of two years, three months, and one day of *vesting service* (or upon reaching *normal retirement age*, if earlier). If you transfer to a non-U.S. Shell company prior to vesting in your SPP benefits, your SPP benefits will become fully vested.

If you cease to be an *employee* before you have enough *vesting service* to become vested, you will not receive a pension benefit from the SPP at any time in the future, unless you subsequently earn sufficient *vesting service* via reemployment, service with an *affiliated company,* or service as a *leased employee*.

5.2 Contributions

Contributions to the SPP are made by the *participating companies*. There is no cost to you.

5.3 Termination vs. Retirement with Immediate Pension Eligibility

You will see references to *terminate* and *retire with immediate pension eligibility* throughout this SPD. It is important to distinguish *retirement with immediate pension eligibility* from other forms of *terminations,* as the difference can impact when you can start your 80-Point Formula benefit, the amount of that benefit, and related features. Note that all *retirements with immediate pension eligibility* are *terminations*, but not all *terminations* are *retirements with immediate pension eligibility*.

5.4 Your Pension Benefits: Formulas & Payment Timing

a. Pension Formulas

The SPP provides two primary pension benefit formulas:

- The Accumulated Percentage Formula (APF), formerly known as the Alternate Pension Formula; and
- The 80-Point Formula.

Employees Hired or Rehired After 2012

Employees hired or rehired after December 31, 2012, earn pension benefits under the APF.

Employees Hired Before 2013

If you have been in continuous employment as an *employee* since December 31, 2012, or earlier, you can continue to choose the pension formula under which you will earn your future pension *accredited service*. The APF was introduced January 1, 1998. Effective January 1, 1998, new *employees* who did not make a pension formula choice within their first 31 days of employment were enrolled in the APF. Prior to January 1, 1998, new *employees* were automatically enrolled in the 80-Point Formula. A change in pension formula can be made during the annual enrollment period (usually in November) by contacting the *SBSC* and will apply starting with the following calendar year. Making a formula change will not change the formula for your previous service; the change will only affect the way your future pension benefits are accrued. If you do not make a change, your prior formula choice will be carried over to the next calendar year.

Selecting the best pension formula is a personal choice and depends on your current situation and expectations for the future. It is an important decision that you should consider carefully. Factors to consider in making your pension formula choice include:

- Your life expectancy (and that of your designated *beneficiary*, if applicable);
- Whether you want a lump sum or an annuity;

  - You can *roll over* a lump sum and continue to garner investment earnings. Upon your death, any remainder can be left to your heirs.
  - Annuities provide a monthly income for you (and your designated *beneficiary*, if applicable) for the rest of your life, and cannot be bequeathed to your heirs;
- Your views on your effective income tax rate in the year you *terminate*/retire and beyond; and
- Your views on interest rates when you *terminate*/retire, and your ability to earn an effective market return on your investments thereafter.

If you have *accredited service* under both the APF and the 80-Point Formula, your benefit under each formula will be determined and paid separately.

Certain Mergers and Business Transactions

Note that if you joined the SPP or *terminated* as a result of a business transaction, special benefits and formulas may apply to you. See Appendix 4 for further information.

b. Important "Service" Terms to Understand

You earn each of these types of service by working as an *employee*:

- *Eligibility service* – The service used to determine your eligibility for certain benefits and when you can start those benefits*;*
- *Vesting service* – The service that determines your non-forfeitable right to your benefits; and
- *Accredited service* – The service used to compute your pension benefit, which is specific to your pension formula (*80-Point Service* or *APF Service)*.

In addition, there may be special service crediting rules applicable to you. For example:

- Former *leased employees* are eligible to apply for additional *vesting service* credit upon becoming an *employee*; and
- You may have been impacted by a business transaction. See Appendix 4 for further information.

c. Accumulated Percentage Formula (APF)

As the name implies, the APF allows you to accumulate percentages each year. For each calendar year that you participate in the APF, you receive an annual percentage based on your *APF points*. *APF points* are determined annually using your completed years of age on the previous December 31 plus the number of prior calendar years in which you earned any *APF Service*.[31] *APF points* correspond to annual percentages, as follows:

ACCUMULATED PERCENTAGE FORMULA TABLE	
APF Points	**Annual Percentage[32]**
0–29	3%
30–39	4%
40–49	6%
50–59	8%
60–69	10%
70–79	13%
80+	16%

When you *terminate*, the lump-sum value of your APF benefit is determined as the sum of your accumulated annual percentages multiplied by your annualized *AFC* using the formula:

{Accumulated annual percentages × *AFC* × 12 = lump-sum value[33]}

[31] For this purpose, there are no partial years — age is rounded down to the nearest attained age, and if you participated under the APF in a prior year, even for only one day, you receive a point for purposes of determining *APF points* in later years.
[32] The annual percentage for a partial calendar year of APF participation is prorated based on the amount of *APF Service* in that year.
[33] The *normal payment option* for the APF is an annuity that is the actuarial equivalent of the lump-sum value; however, the benefit may be paid as a lump sum.

When You Can Start Your APF Benefit

You cannot start your APF benefit until you *terminate*. If you *terminate* prior to *normal retirement age*, you can start your benefit right away or defer to as late as *normal retirement age*. If you defer, your APF benefit will earn interest until you start your benefit.[34] If you *terminate* on or after *normal retirement age*, you must start your benefit in the month following your *termination.*

As noted above, you must start your APF benefit by the later of *normal retirement age* or the month following your *termination*. If you do not elect your form of benefit by the later of these two dates, your benefit will be paid in the *normal payment option*.

Note that if you start your APF benefit before you reach age 59½ in a form other than an annuity or as a *rollover*, you will be subject to a 10% penalty.[35]

Your ability to start your APF benefit is independent of your ability to start any 80-Point Formula benefit you may have.

[34] Interest is earned using 30-year Treasury rates in effect for September of the prior year. Please note that because a deferred APF benefit must commence by *normal retirement age*, interest cannot be earned after *normal retirement age*.

[35] Penalty will apply unless you are age 55 or older in the year you *terminate* or satisfy a different exception under the Internal Revenue Code.

APF Calculation Example:

Assumptions:

Date of Hire	March 16, 2014
Age at December 31, 2013	31
Date of *Termination*	December 31, 2044
AFC	$5,000

Year	Age[36]	Prior Years with any *APF Service*	*APF Points*	Annual Percentage
2014	31	0	31	3.333% (prorated as described below)
2015	32	1	33	4.0%
2016	33	2	35	4.0%
2017	34	3	37	4.0%
2018	35	4	39	4.0%
2019	36	5	41	6.0%
2020	37	6	43	6.0%
2021	38	7	45	6.0%
2022	39	8	47	6.0%
2023	40	9	49	6.0%
2024	41	10	51	8.0%
2025	42	11	53	8.0%
2026	43	12	55	8.0%
2027	44	13	57	8.0%
2028	45	14	59	8.0%
2029	46	15	61	10.0%
2030	47	16	63	10.0%
2031	48	17	65	10.0%
2032	49	18	67	10.0%
2033	50	19	69	10.0%
2034	51	20	71	13.0%
2035	52	21	73	13.0%
2036	53	22	75	13.0%
2037	54	23	77	13.0%
2038	55	24	79	13.0%
2039	56	25	81	16.0%
2040	57	26	83	16.0%
2041	58	27	85	16.0%
2042	59	28	87	16.0%
2043	60	29	89	16.0%
2044	61	30	91	16.0%
			Total:	300.333%

Lump-Sum Value = (300.333% * $5,000 * 12) = $180,199.80

[36] Age is determined as of the prior December 31.

Prorated Annual Percentages: In the example above, since less than a full year of work was performed in 2014, the first annual percentage is prorated on the basis of *APF Service* credited in 2014. Also, while 9½ months were actually worked in 2014, 10 months of *APF Service* were earned (March 16 – December 31 = 9½ months, which under the *accredited service* rules counts as 10 months of *accredited service*).

The prorated percentage for 2014 is then determined by dividing the number of months of *APF Service* in 2014 by 12 months and then multiplying the result by the annual percentage for 2014 as follows:

$$(10 / 12) \times 4.0\% = 3.333\%$$

For detailed examples of combination APF and 80-Point Formula calculations, please see Appendix 1.

d. 80-Point Formula

Your 80-Point Formula benefit is determined as a monthly annuity payment at *normal retirement age* using the formula:

{(Years of *80-Point Service* × 1.6% × *AFC*) – *SSO* = monthly annuity}

However, if you *retire with immediate pension eligibility*, the SPP will "make up" the *SSO* via a "supplement" (*SSO Supplement*) until you reach your *Social Security Normal Retirement Age (SSNRA)*. When you reach *SSNRA*, your *SSO Supplement* will be discontinued. For more detail on the *SSO* and for a discussion of how you can submit your own earnings history for *SSO* calculation purposes, please see Appendix 2 and the Glossary. For detailed examples of 80-Point Formula calculations, please see Appendix 1.

When You Can Start Your 80-Point Formula Benefit and Basic Examples

You can start your 80-Point Formula benefit at different times following your *termination*, based on whether or not you *retire with immediate pension eligibility*. You must start your 80-Point Formula benefit by the later of *normal retirement age* or the month following your *termination*. If you do not elect your form of benefit by the later of these two dates, your benefit will be paid in the *normal payment option*.

Your ability to start your 80-Point Formula benefit is independent of your ability to start any APF benefit you may have.

The following describes the different times at which you can start your 80-Point Formula benefit and provides basic benefit calculation examples:

1) Regular Pension – If you *terminate* on or after *normal retirement age,* your payments will begin in the month following your *termination*, and your 80-Point Formula benefit will include the *Free 50* and the *SSO Supplement*.

Regular Pension Example Calculation:

Assumptions:

Years of *80-Point Service*	30
Age at *Termination*	65
SSNRA	65
AFC	$5,000
Social Security Offset (SSO)	$500

Your Monthly Regular Pension:

{(30 × 1.6% × $5,000) – $500} = $1,900

Note that there is no *SSO Supplement* in this example because this individual's *SSNRA* is the same as *normal retirement age*.

2) Early Pension – If you *retire with immediate pension eligibility* prior to *normal retirement age* by satisfying either *80-Point Eligibility* or *70-Point Eligibility*, you can start your pension as early as age 50. If you start your pension at age 60 or later, you will receive an unreduced benefit. However, your pension will be reduced if you start earlier than age 60, as shown in Table 1 below.

TABLE 1 – EARLY PENSION FACTORS

If you start your early pension at age[37]…	You receive this percentage of the benefit payable at *normal retirement age*
60+	100%
59	95%
58	90%
57	85%
56	80%
55	75%
54	70%
53	65%
52	60%
51	55%
50	50%

The Early Pension also includes the following important features:

- The Early Pension Factors represent a benefit subsidy (i.e., they are more valuable than an actuarial reduction) and are applied before the *SSO* reduction; and
- The benefit includes the *Free 50* and the *SSO Supplement*.

Early Pension Calculation Example:

Assumptions:

Years of *80-Point Service*	30
Age at *Termination*	58
Points at *Termination*	88
Age at *Benefit Commencement Date*	58
AFC	$5,000
Early Pension Factor from Table 1	90%
SSNRA	66
Social Security Offset (*SSO*)	$500

Your Monthly Early Pension:

Pre – *SSNRA* (includes the *SSO Supplement*):

{((30 × 1.6% × $5,000) × 90%) – 500 + 500} = $2,160

Post – *SSNRA* (*SSO Supplement* ends):

{((30 × 1.6% × $5,000) × 90%) – 500} = $1,660

[37] Partial years are prorated.

3) *Deferred Vested Pension* – If you *terminate* without *immediate pension eligibility* and will not reach *80 Points* before *normal retirement age* as a result of your increase in age, you cannot start your benefit prior to *normal retirement age.* Note that the *deferred vested pension* does not include the *Free 50* or the *SSO Supplement*.

***Deferred Vested Pension* Calculation Example:**

Assumptions:

Years of *80-Point Service*	10
Age at *Termination*	40
Points at *Termination*	50
Age at *Benefit Commencement Date*	65
AFC	$5,000
Social Security Offset (*SSO*)	$500

Your monthly *deferred vested pension*:

$$\{(10 \times 1.6\% \times \$5{,}000) - 500\} = \$300$$

Note that if you are married on your *benefit commencement date*, your monthly *deferred vested pension* will be reduced to provide your spouse's benefit under the *normal payment option* (because you are not entitled to the *Free 50*).

4) *Early Deferred Vested Pension* – If you *terminate* without *immediate pension eligibility* but you will reach *80 Points* as a result of your increase in age (recognizing that your *eligibility service* is frozen as of your *termination*) before *normal retirement age*, you can start your benefit upon reaching *80 Points*. However, your payments will be actuarially reduced if you start your benefits prior to *normal retirement age*, as shown in Table 2 below. Note that Table 2 is current as of 2019; however, the amount of the reduction may vary with changes in interest rates and mortality tables used under the SPP.

TABLE 2 – *EARLY DEFERRED VESTED PENSION* FACTORS

If you start your pension at age[38]…	You receive this percentage of your *deferred vested pension*
65+	100.0%
64	90.4%
63	81.8%
62	74.3%
61	67.5%
60	61.4%
59	56.0%
58	51.1%
57	46.7%
56	42.8%
55	39.2%
54	36.0%
53	33.0%
52	30.4%
51	27.9%
50	25.7%

[38] Age for this purpose is rounded to the nearest year.

Note also that the *early deferred vested pension* factor is applied after the *SSO* reduction, and the *early deferred vested pension* does not include the *Free 50* or the *SSO Supplement*.

***Early Deferred Vested Pension* Calculation Example:**

Assumptions:

Years of *80-Point Service*	30
Age at *Termination*	48
Points at *Termination*	78
AFC	$5,000
Age at *Benefit Commencement Date*	58
Points at *Benefit Commencement Date*	88
Early Deferred Vested Pension Factor from Table 2	51.1%
Social Security Offset (*SSO*)	$500

Your Monthly *Early Deferred Vested Pension*:

$$\{((30 \times 1.6\% \times 5{,}000) - \$500) \times 51.1\%\} = \$970.90$$

Note that if you are married on your *benefit commencement date*, your monthly *early deferred vested pension* will be reduced to provide your spouse's benefit under the *normal payment option* (because you are not entitled to the *Free 50*).

e. If You Are Rehired

If you began receiving monthly lifetime payments under the APF and/or the 80-Point Formula, then return to work as an *employee*, your monthly payments stop, and you cannot repay the payments you received. However, you can again participate in the SPP, and you will be vested immediately in all benefits you earn after you are rehired. Your *eligibility service*, with credit given for your previous service, will continue to grow.

If you were rehired before 2013 and still have pension formula choice, the formula you elect for your future benefits may have an impact on your prior pension benefits:

- If you were receiving prior monthly lifetime payments under either pension formula, and you elect the 80-Point Formula for any portion of your future pension benefits, your monthly lifetime 80-Point Formula and/or APF pension benefit is recalculated and an actuarial adjustment (also referred to as an "offset") is applied to account for the pension payments (other than a *disability pension*) you previously received. While the actuarial adjustment depends upon several factors and can be significant, in no event will the amount of the adjustment reduce your monthly pension payment to an amount that is less than the monthly amount of your pension before you were reemployed. See Appendix 3 for examples.
- If you only accrue SPP benefits under the APF during your period of reemployment, when you subsequently *terminate*, your suspended pension will resume, and you will be eligible for additional benefits under the APF for your period of reemployment.

5.5 Your Pension Benefits: Form of Payment

Pension benefits are generally payable in the following forms:

APF:	Lump Sum or Annuity
80-Point Formula:	Annuity

a. *Normal Payment Option*

The *normal payment option* is the form of payment you will receive unless you timely elect an optional form of payment (or are subject to a cash-out as described below). The SPP's *normal payment option* (regardless of your pension formula) is an annuity, determined based on your marital status on your *benefit commencement date*, as follows:

Married:	50% *Joint and Survivor Annuity*, with your spouse as the *beneficiary*
Single:	*Single Life Annuity*

b. Optional Forms of Payment and *Spousal Consent*

In addition to the *normal payment option*, optional forms of payment are available. However, if you are married on your *benefit commencement date*, *spousal consent* is required if you elect an optional form of payment that reduces your spouse's benefit or names another *beneficiary.*

Optional forms of payment include:

- Lump sum (APF only) – The APF benefit is available in a lump sum. You can *roll over* all or part of your lump sum to the SPF, another qualified plan, or an IRA; and
- Lifetime annuities (APF and 80-Point Formula) – The SPP offers various types of lifetime annuities, including *J&S annuities,* which allow you to provide a survivor benefit in the event you pre-decease your *beneficiary*. You can elect survivor benefits in $10 increments up to 100%. Your lifetime benefit will be actuarially reduced to "pay" for the survivor benefit (or the portion of the survivor benefit above the *Free 50* if you are eligible for the *Free 50*). A simple conceptual illustration follows (see Appendix 1 for detailed examples):

	Your Benefit	Your Survivor's Benefit
50% *J&S Annuity*	$1,000	$500
100% *J&S Annuity*	$900	$900

Note for 80-Point Formula Benefits

If you are married on your *benefit commencement date* and are eligible for the *Free 50*, the *Free 50* will be paid to your spouse and may not be provided to another *beneficiary*. If you are single on your *benefit commencement date* and are eligible for the *Free 50*, the *Free 50* will be paid to your designated *beneficiary*; however, if your non-spouse *beneficiary* is more than five years younger than you, you must pay the incremental cost of the survivor benefit via a reduction to your monthly benefit.

c. Cash-Out of Small Benefit

If your benefit is $5,000 or less, your benefit will be distributed as follows:

- Greater than $1,000 and up to $5,000 – automatic *rollover* to a Fidelity IRA to be established in your name (unless you elect a different destination); and
- $1,000 or less – paid to you in a lump sum (unless you elect a *rollover*).

d. Pre-1984 Lump-Sum Death Benefit Election

If you filed a valid election prior to 1984, you preserved the right to convert a portion of your 80-Point Formula benefit to a lump-sum death benefit. The value of the lump-sum death benefit:

- Is limited to the amount of your final salary;
- Actuarially reduces the value of your 80-Point Formula benefit; and
- Is payable to your *beneficiary(ies)* upon your death.

This election can be revoked at any time on or before your *benefit commencement date*. Once revoked, your election cannot be restored.

You may designate new *beneficiary(ies)* at any time. If your *beneficiary(ies)* die before you, this benefit will be paid to your estate.

5.6 Starting Your Benefit, Electing Your Payment Option, and Choosing Your *Beneficiary(ies)*

Go to *NetBenefits* or call the *SBSC* to choose a *benefit commencement date*, elect your form of benefit, and choose your *beneficiary(ies)*. As noted above, APF benefits and 80-Point Formula benefits may be started at different times.

Your elections may be made as early as 180 days prior to your *benefit commencement date* and become irrevocable after your *benefit commencement date*. If your *beneficiary(ies)* dies after your pension payments begin, your monthly payments will not be increased, and you cannot name a new *beneficiary(ies)*.

If you are married on your *benefit commencement date,* your *normal payment option* is a 50% *J&S annuity* with your spouse as your *beneficiary*. If you elect an optional form of benefit that reduces your spouse's benefit or names another *beneficiary(ies)*, *spousal consent* must accompany your payment election form(s).

Remember, you must start your SPP benefit (APF and/or 80-Point Formula benefits) by the later of *normal retirement age* or the first of the month following your *termination*. If you do not elect your form of benefit before the later of these two dates, your benefit will be paid in the *normal payment option*.

5.7 *Disability Pension*

The SPP provides the option of a *disability pension* to those that qualify. To qualify, at *termination* you must:

- Have 15 years of *eligibility service*; and
- Be *totally and permanently disabled (TPD)*

Designation as *TPD* requires two physicians (your attending physician and a physician selected by the *Company*) to complete forms attesting that you are *TPD*. You can obtain the required forms from the *SBSC*.

If you qualify, you can select a *disability pension* in lieu of any other SPP benefit (regardless of pension formula(s)). However, you should compare the disability benefit to any other benefits available to you and select the benefit that works best for you.

Your *disability pension* will commence following your application and approval (you may also defer your *disability pension* but not beyond *normal retirement age*). It is paid as a life annuity, includes the *Free 50* (but not the *SSO Supplement*), and is computed as the lesser of:

- 25% * *AFC*; or
- Projected Benefit under the 80-Point Formula =

{(Years of *disability service*[39] × 1.6% × *AFC*) – *SSO*[40]} = monthly annuity

***Disability Pension* Example Calculation:**

<u>Assumptions:</u>

Eligibility Service at date of *TPD*	20 years
AFC	$4,000
Disability Service	40 years
SSO (Projected)	$400

Lesser of:

(25% × $4,000) = $1,000

or

{(40 × 1.6% × $4,000) – 400} = $2,160

Your monthly *disability pension* = $1,000 and includes the *Free 50*. This means that upon your death, a monthly benefit of $500 will be paid to your *beneficiary*.

It is possible for your *disability pension* to be reduced or discontinued, prior to *normal retirement age,* in the event that you regain part or all of your prior earning capacity or you fail to submit to a requested disability examination. Your *disability pension* will be suspended in the event you again become an *employee*. When you later *terminate*, you will be entitled to SPP benefits in accordance with the general terms described in this SPD, and your future SPP benefits will not be offset on account of your prior *disability pension* payments.

5.8 Death Benefits – If You Die While Employed

The SPP provides death benefits to vested *employees* whose *termination* occurs due to death. The *SBSC* Survivor Services unit will provide assistance in commencing these benefits upon notice of the death of the *employee*.

In general, these benefits consist of:

- A lifetime pension payable to your spouse if you are married; or
- An equivalent lump sum payable to your estate if you are single.

These benefits are based on various eligibility milestones and are often determined separately for your *accredited service* in each pension formula.

[39] Projected based on the assumption that you continued to work until *normal retirement age* and always participated under the 80-Point Formula.
[40] Projected based on the assumption that you had continued to work until *normal retirement age*.

The eligibility milestones and related benefits are explained below:

1) Age 50 with 20 years of *eligibility service*, *80-Point Eligibility* or reached *normal retirement age*

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single — Lump sum to estate, based upon the greatest of A, B, or C below.	**Single** — Lump sum to estate, based upon the greater of A or B below.	**Single** — Lump sum to estate, based upon the greatest of A, B, or C below.
Married — **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married** — **Choice A** = *Single life annuity* to spouse, based upon *preretirement 100% J&S spouse's pension* (without *SSO* and with *Free 50* built in).	**Married** — **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 100% J&S spouse's pension* (without *SSO* and with *Free 50* built in).
Choice B = *Single life annuity* to spouse, based upon *preretirement 100% J&S spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service*.	**Choice B** = *Single life annuity* to spouse, based upon 12.5% × *AFC*.	**Choice B** = *Single life annuity* to spouse, based upon *preretirement 100% J&S spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service*.
Choice C = *Single life annuity to spouse*, based upon 12.5% × *AFC*.		**Choice C** = *Single life annuity* to spouse, based upon 12.5% × *AFC*.

2) At least 15 years of *eligibility service*, but not yet age 50 with 20 years of *eligibility service,* not yet reached *80-Point Eligibility* and not yet reached *normal retirement age*

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single — Lump sum to estate, based upon the greater of A or B below.	**Single** — Lump sum to estate, based upon the greater of A or B below.	**Single** — Lump sum to estate, based upon the greater of A or B below.
Married — **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married** — **Choice A** = *Single life annuity* to spouse, based upon *preretirement 50% J&S spouse's pension*.	**Married** — **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% J&S spouse's pension.*
Choice B = *Single life annuity* to spouse, based upon 12.5% × *AFC*.	**Choice B** = *Single life annuity* to spouse, based upon 12.5% × *AFC*.	**Choice B** = *Single life annuity* to spouse, based upon 12.5% × *AFC*.

3) Less than 15 years of *eligibility service,* but not yet reached *normal retirement age*

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single — Lump sum to estate equal to 100% of APF lump-sum value at date of death.	**Single** — Lump sum to estate, based upon *preretirement 50% J&S spouse's pension.*	**Single** — Lump sum to estate equal to 100% of APF lump-sum value at date of death in addition to lump sum based upon *preretirement 50% J&S spouse's pension.*
Married — *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married** — *Single life annuity* to spouse, based upon *preretirement 50% J&S spouse's pension.*	**Married** — *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% J&S spouse's pension*.

5.9 Death Benefits – If You Die After Termination of Employment

The SPP also provides death benefits to vested former *employees* that die after *termination* and before their *benefit commencement date.*[41] The *SBSC* Survivor Services unit will provide assistance in commencing these benefits upon notice of the death of the former *employee.*

In general, these benefits consist of:

- A lifetime pension payable to your spouse if you are married on your date of death; or
- An equivalent lump sum payable to your estate if you are single on your date of death.

These benefits are based on various eligibility milestones, and are often determined separately for your *accredited service* in each pension formula.

[41] Note that if you previously started your pension, any survivor benefits are determined based on choices you made at benefit commencement. If you have both *APF service* and *80-Point Service* and previously commenced one of those benefits prior to death, special death benefit rules apply. Your *beneficiary(ies)* should contact the *SBSC*.

The eligibility milestones (which must have been met at the time of your *termination*) and related benefits are explained below:

1) *80-Point Eligibility* or age 55 with 20 years of *eligibility service*

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.	**Single**, benefit not yet commenced — Lump sum to estate, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).	**Single**, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.
Married, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married**, benefit not yet commenced — *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).	**Married**, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).
Choice B = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (*without SSO* and with *Free 50* built in), assuming all service is *80-Point Service*.		**Choice B** = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service.*

2) *70-Point Eligibility* due to other than "Ill Health"

You *terminated* under the *70-Point Eligibility* rules for a reason other than your serious ill health, and you are not eligible for the death benefits described in Table 1 of this Section 5.9

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.	**Single**, benefit not yet commenced — Lump sum to estate, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).	**Single**, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.
Married, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married,** benefit not yet commenced — *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).	**Married**, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).
Choice B = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service.*		**Choice B** = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service.*

3) *70-Point Eligibility* due to "Ill Health"

You *terminated* under the *70-Point Eligibility* rules on account of your serious ill health, and you are not eligible for the death benefits described in Table 1 of this Section 5.9

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single, benefit not yet commenced — Lump sum to estate, based upon the greatest of A, B, or C below.	**Single**, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.	**Single**, benefit not yet commenced — Lump sum to estate, based upon the greatest of A, B, or C below.
Married, benefit not yet commenced — Choice of A, B or C **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married**, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).	**Married**, benefit not yet commenced — Choice of A, B or C **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in).
Choice B = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service*.	**Choice B** = *Single life annuity* to spouse, based upon 12.5% × *AFC*.	**Choice B** = *Single life annuity* to spouse, based upon *preretirement 50% spouse's pension* (without *SSO* and with *Free 50* built in), assuming all service is *80-Point Service*.
Choice C = *Single life annuity* to spouse, based upon 12.5% × *AFC*.		**Choice C** = *Single life annuity* to spouse, based upon 12.5% × *AFC.*

4) *Disability pension* eligibility

You must have *terminated* on account of *TPD* with 15 years of *eligibility service,* deferred commencement of *disability pension* payments and not be eligible for any of the death benefits described in Tables 1, 2, or 3 in this Section 5.9

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.	**Single**, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.	**Single**, benefit not yet commenced — Lump sum to estate, based upon the greater of A or B below.
Married, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married**, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* to spouse, based upon *preretirement 50% J&S spouse's pension.*	**Married**, benefit not yet commenced — Choice of A or B **Choice A** = *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% J&S spouse's pension.*
Choice B = *Single life annuity* to spouse, based upon 12.5% × *AFC.*	**Choice B** = *Single life annuity* to spouse, based upon 12.5% × *AFC.*	**Choice B** = *Single life annuity* to spouse, based upon 12.5% × *AFC.*

5) *Terminated* without *immediate pension eligibility* and not yet age 55, with 20 years of *eligibility service*

If you have only *APF Service*:	If you have only *80-Point Service*:	If you have both *APF Service* and *80-Point Service*
Single, benefit not yet commenced — Lump sum to estate equal to 100% of APF lump-sum value at date of death.	**Single**, benefit not yet commenced — Lump sum to estate, based upon *preretirement 50% J&S spouse's pension.*	**Single**, benefit not yet commenced — Lump sum to estate equal to 100% of APF lump-sum value at date of death plus lump sum based upon *preretirement 50% J&S spouse's pension.*
Married, benefit not yet commenced — *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value.	**Married**, benefit not yet commenced — *Single life annuity* to spouse, based upon *preretirement 50% J&S spouse's pension*.	**Married,** benefit not yet commenced — *Single life annuity* or lump sum to spouse, based upon 100% of APF lump-sum value, in addition to *single life annuity* to spouse based upon *preretirement 50% J&S spouse's pension.*

5.10 Qualified Domestic Relations Orders & Alternate Payees

Domestic relations orders are orders issued pursuant to state domestic relations law — often by a court with jurisdiction over family law matters (usually in connection with a divorce) — and may stipulate a division of your SPP benefits. Upon review and acceptance by the Plan Administrator, such an order becomes a Qualified Domestic Relations Order (QDRO) and serves to divide your SPP benefits among you and your former spouse or other alternate payee(s).

A full copy of the SPP's QDRO procedures may be obtained, free of charge, by contacting the Plan Administrator, by calling the *SBSC*, by accessing the QDRO website via *NetBenefits*, or by visiting http://qdro.fidelity.com.

5.11 Benefit Restoration Plan

The Benefit Restoration Plan (BRP) is designed to "restore" benefits which are precluded in the SPP due to federal tax limitations. The BRP is a non-qualified, unfunded, deferred compensation plan. Payments from the BRP are made from the *Company*'s general assets are taxable upon receipt, and are not available for *rollover*.

If your SPP benefit is limited, you will receive a notice of your pension BRP benefits and available payment options in your pension estimate and pension election forms.

Distribution options are as follows:

- Pre-2005 "Old Money" amount – Generally, paid as an annuity beginning as of your *benefit commencement date*. May be paid as a lump sum if:
  - You submit your election prior to *termination*; and
  - You start your SPP benefit immediately.
- Post-2004 "New Money" amount – Paid as a lump sum approximately 90 days following *termination*,[42] unless a special election was made prior to December 31, 2007.

A further summary of the provisions of the BRP is available to you via *NetBenefits* if you become a participant in the BRP. As a participant in the BRP, it is your responsibility to contact the *SBSC* 180 to 90 days before you *terminate* to confirm your BRP eligibility and to preserve your distribution options by making a timely election.

[42] A "termination" for New Money BRP purposes may be different from a *termination* for SPP purposes. For example, certain leaves of absences may constitute a *termination,* triggering a payout of New Money BRP benefits.

5.12 Requests for Pension Information

You can call the *SBSC* to:

- Review your benefits under the SPP;
- Receive an explanation of the options available to you;
- Request a pension estimate (as of a current or future date);[43]
- Request a statement of the benefit that you have earned to date which is payable to you at your *normal retirement age* (called an *accrued benefit* statement); and
- Request pension election forms necessary to start your pension. Pension modeling for most participants is also available via *NetBenefits*.

5.13 Inflation-Related Payments (IRPs)

In the past, Shell has increased pension annuity payments to partially offset the impact of inflation on individuals who *retired with immediate pension eligibility* and are receiving their SPP benefit as an annuity or who are receiving a *disability pension*. Such adjustments were made solely at the discretion of Shell Oil Company. There is no guarantee that additional increases will be made in the future, and there is no guarantee as to what form or amount any such future increase might take.

To be eligible for future increases, if any, you must:

- Have *retired with immediate pension eligibility* and be receiving your SPP benefit as an annuity; or
- Be receiving a *disability pension*.

Note that your pension formula does not impact your eligibility for any future IRPs. However, benefits paid in a lump sum are not eligible for any future IRP adjustments.

5.14 Other Information

a. Minimum Pension Benefit

While unlikely to occur, in certain cases the SPP provides a minimum pension benefit when your calculated pension benefit would be less than the minimum pension benefit, irrespective of whether you accrued a benefit in the 80-Point Formula, the APF formula, or both. Generally, this benefit is $12 per month for every year of *accredited service* earned as an *employee*, discounted for an early *benefit commencement date* consistent with the provisions of Section 5.4(d).

b. Mistakes and Overpayments

In the event a mistake is made in the determination of your benefit, your pension payment will be corrected (even if the corrected amount is less), and you will have to refund to the SPP any overpayments made to you. See Section 6.6 for more information regarding how overpayments are recouped under the SPP.

c. Benefit Restrictions

The Pension Protection Act of 2006 requires certain benefit restrictions when a pension plan is not adequately funded — most notably that lump-sum benefits cannot be paid if a pension plan does not maintain prescribed minimum funding levels. Impacted participants will be notified in the unlikely event that these restrictions ever become effective for the SPP.

[43] The Plan Administrator is not obligated to provide more than one pension estimate in any 12-month period.

d. Payment Holds

Your ability to start or continue your benefit may be restricted, if a "hold" is placed on your account for any reason, including:

- Plan Administrator investigations;
- Receipt of a court order (e.g., a domestic relations order); or
- A "Notice of Tax Levy."

e. Military Service Provisions

Upon your return to work from a period of *qualified military service*, you will be credited with the following service for your period of *qualified military service*:

- *Eligibility service*;
- *Vesting service*; and
- *80-Point Service* or *APF Service*, depending upon the pension formula under which you were accruing SPP benefits for the year in which you began your period of *qualified military service*.

Any *differential pay* you receive on account of a period of *qualified military service* will be treated as pay includible for purposes of determining your *AFC*. If you return to work following your period of *qualified military service,* your pay that you would have received had you not been absent on account of your period of *qualified military service* is includible for purposes of determining your *AFC*.

Additionally, for any SPP participant who dies during a period of *qualified military service*, the participant will be treated as if he had resumed active employment and then *terminated* on account of death, for purposes of determining his or her SPP benefits.

6.0 GENERAL PLAN INFORMATION

This section provides you with general information about the plans described in this SPD. It supplements the description of individual plan provisions in the preceding sections and also presents you with information you are required to receive under *ERISA*.

6.1 Plan Documents Govern

This document constitutes the Summary Plan Description (SPD) for the Shell Provident Fund (SPF) and the Shell Pension Plan (SPP), as required under the Employee Retirement Income Security Act of 1974, as amended (*ERISA*). It summarizes the provisions of the SPF and the SPP as of January 1, 2019, unless otherwise noted.

This document is only a summary of the terms of the SPF and SPP, and does not attempt to cover all of the details contained in the official plan documents. The operation of the plans and related benefits are governed solely by the terms of the official plan documents. To the extent that any information contained in this document or elsewhere, or any information you receive orally, is inconsistent with the official plan documents, the provisions set forth in the plan documents will govern in all cases. If you would like a copy of the official plan documents, please contact the Plan Administrator.

6.2 No Right to Employment

Your eligibility and right to the benefits described in this SPD do not create an employment contract. You may leave the *Company* at any time for any reason. Likewise, the *Company* is not committed to any fixed term of employment.

6.3 Employer Information

Employees of the *participating companies* are covered by the plans. The sponsor of both the SPF and the SPP is Shell Oil Company. Shell Oil Company's address and employer identification number (EIN) is below, and the list of *participating companies* and their EINs can be found in the glossary. The address for each *participating company* is the same as the address listed below for Shell Oil Company.

Shell Oil Company
P.O. Box 1438
Houston, TX 77251
EIN 13-1299890

6.4 Plan Administrator and Trustees

The plans are jointly administered by the Plan Administrator and the Trustees, with the Plan Administrator being responsible for most day-to-day administrative functions. With respect to their responsibilities, the Plan Administrator and the Trustees each have the exclusive authority to control and manage the operation and administration of the plans, and discretion to interpret plan provisions, as outlined in the plan documents. Additionally, the Plan Administrator and Trustees have the discretion and authority to interpret erroneous, ambiguous, or omitted plan provisions (e.g., a scrivener's error) consistent with their intended meaning. Any such interpretation will be final, conclusive, and binding, and the Plan Administrator's or Trustees' decision will be given deference in the event the determination is subject to judicial review.

SPF and SPP Plan Administrator

- Cynthia A.P. Deere, General Manager Trustee Support Unit, Shell Oil Company

SPF and SPP Trustees

- Scott G. Ballard, Executive Vice President Human Resources, North America HR Operations – Shell Oil Company (Chairman)
- Paul Goodfellow, Executive Vice President Wells, Shell International Exploration and Production
- Rhoman J. Hardy, Vice President Gulf Coast and General Manager Geismar, Manufacturing Americas, Shell Chemical Company
- Eileen M. Perillo, Vice President Finance Unconventionals, Shell Energy Resources Company (effective July 1, 2019)
- Christopher B. Rice, Vice President Tax Americas – Tax West, Shell Oil Company (Vice-Chairman)
- Susan M. Ward, Head, Mergers & Acquisitions and Commercial Finance – Americas, Shell Oil Company (Vice-Chairman) (resigned effective June 30, 2019)
- Glenn T. Wright, Vice President, Shell Energy North America (US)

6.5 *ERISA* Plan Information

The chart below provides administrative information on the plans described in this SPD.

Official Plan Name	Plan #	Plan Year	Plan Administrator	Type of Plan (as classified under *ERISA*)	Trustees	Agent(s) for Service of Legal Process[44]
Shell Provident Fund	002	January 1 – December 31	Administrator — Shell Provident Fund P.O. Box 1438 Houston, TX 77251 1-832-337-2445	Defined contribution	Shell Provident Fund Trustees P.O. Box 1438 Houston, TX 77251	Plan Administrator
Shell Pension Plan	001	January 1 – December 31	Administrator — Shell Pension Trust P.O. Box 1438 Houston, TX 77251 1-832-337-2445	Defined benefit	Shell Pension Plan Trustees P.O. Box 1438 Houston, TX 77251	Plan Administrator

Plan records are kept on a calendar-year basis.

6.6 Recoupment of Overpayments

You are required to cooperate fully with the impacted plan in correcting any overpayments you receive directly or indirectly. If you do not restore any overpayment right away, the impacted plan may reduce your future pension payments or your account, as applicable, by an amount up to 100% or take other steps to recoup the overpayment. If extraordinary steps are taken to recoup an overpayment, the impacted plan may also require you to pay the court costs, attorneys' fees, and other expenses the plan incurred in recouping the overpayment.

[44] Service of legal process and requests for records may also be made to the plans' third-party administrator, Shell Benefits Service Center, P.O. Box 770003, Cincinnati, OH 45277-0065 (for the SPF) or ZIP code 45277-0070 (for the SPP). A plan Trustee may also be served with legal process.

6.7 Funding

Both the SPF and the SPP consist of a plan instrument and a tax-exempt trust. Both plans are qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (Code), and both trusts are exempt from tax under Section 501(a) of the Code.

a. Shell Provident Fund

The *participating companies* contribute to the SPF as described in Section 3.2(a), “Company Contributions.” Each participant may also contribute to the SPF as described in Section 3.2(b), “Your Contributions.” Benefits of the SPF are not insured by the Pension Benefit Guaranty Corporation, a federal insurance agency.

b. Shell Pension Plan

The *participating companies* make contributions to the SPP. *Employees* are generally not permitted to make contributions to the SPP. The Plan Administrator determines *participating company* contributions on the basis of the actuarial statement, submitted by the SPP’s enrolled actuary, and consistent with existing regulatory requirements.

6.8 The Future of the Plans

Shell Oil Company reserves the right to amend the plans from time to time or to terminate them entirely. You will be informed of any material amendments. In the unlikely event a plan is terminated, you will be notified as well.

If the SPF terminates, your interest will be fully vested and non-forfeitable. If the SPP terminates, your interest will be fully vested and non-forfeitable to the extent funded. Any amounts remaining in the plans after the payment of expenses and benefits will be allocated in accordance with the law.

6.9 Claims

a. Benefits Questions and Claims for Benefits

Applications for benefit distributions, questions concerning benefits, “Beneficiary Designation” forms, and other administrative operations should be handled through the *SBSC*. You may reach the *SBSC* by calling 1-800-30-SHELL (1-800-307-4355). If you wish to dispute your benefit entitlement or amount, you will need to file a claim for benefits with the Plan Administrator.

b. Filing an Initial Claim

A claim is a request for a plan benefit by a participant or a *beneficiary(ies)*. All claims must be submitted in writing to the Plan Administrator in the following manner:

Shell Provident Fund	*Shell Pension Plan*
By mail: Plan Administrator Shell Provident Fund P.O. Box 1438 Houston, TX 77251 **By email:** PlanAdministrator.Savings@shell.com	**By mail:** Plan Administrator Shell Pension Plan P.O. Box 1438 Houston, TX 77251 **By email:** PlanAdministrator.Pension@shell.com

In presenting a claim, you should raise all the issues and evidence in the initial stage of the claim. Presenting issues or evidence at a later stage of the procedure or in a judicial review of the claim may preclude those issues from being considered.

The use of the claim procedure is mandatory in pursuing claims for benefits. In general, failure to file a claim by the end of the plan year following the plan year in which you knew or should have known of the claim acts as a waiver of the claim. You must comply with every step of the claims procedure to preserve your rights, including your right to file suit in court.

c. Timing of Notification of Initial Benefit Determination by Plan Administrator

The Plan Administrator will review your claim and provide you with a written decision as soon as reasonable under the circumstances, but not later than 90 days following receipt of your claim by the plan. If special circumstances exist, the Plan Administrator may take an extension of time to respond to your claim. In such a case, the Plan Administrator will notify you in writing prior to the expiration of the initial 90-day response period including a description of the special circumstances, that there will be an extension, and an expected response date. In no event will the extension exceed 90 days from the end of the initial 90-day response period.

d. Denial of Claims

If your claim is denied, in whole or in part, the Plan Administrator will provide you with a written notice (initial adverse benefit determination) which will include the following information:

- The specific reason(s) for the denial;
- Specific reference to pertinent plan provisions on which the denial is based, if applicable;
- A description of any additional materials or information that should be submitted by you to explain or perfect your claim and an explanation of why it is necessary; and
- An explanation of the plan's claim appeal procedures and the time limits applicable thereto, including a statement of your right to bring a civil action under Section 502(a) of *ERISA* following an adverse benefit determination upon appeal.

e. Filing an Appeal

Within 90 days after the date you receive an initial adverse benefit determination, you may:

- Request an appeal of the claim by filing a written application with the Trustees at the addresses below or by filing a written application to the location described in your written initial adverse benefit determination:

Shell Provident Fund	*Shell Pension Plan*
By mail: Shell Provident Fund Trustees P.O. Box 1438 Houston, TX 77251	**By mail:** Trustees for Shell Pension Trust P.O. Box 1438 Houston, TX 77251

- Upon request, review pertinent documents, records, and other information, and obtain copies free of charge; and/or
- Submit comments, documents, records, and other information relating to the claim in writing. The review of your claim will take into account any of these items submitted, without regard to whether such information was submitted or considered during your initial review.

f. Notification of Benefit Determination Upon Appeal

The Trustees or a review board made up of Trustees will fully review your appeal request. The Trustees may hold any hearing deemed appropriate, but they are not required to hold a hearing. You will be notified of the Trustees' decision in writing as soon as practicable, but not later than 60 days after receipt of the written request for appeal. However, if a hearing is requested or if the Trustees determine that special circumstances exist, the Trustees have up to an additional 60 days to respond, provided they give you notice of the extension, the reason(s) for the extension, and the expected date of response prior to the expiration of the initial 60-day response period.

Further, if the Trustees have regularly scheduled quarterly meetings, their response date will be up to five days after the next regularly scheduled meeting that comes at least 30 days after their receipt of your request for appeal. This response date may be extended if required by special circumstances, but the response will not be later than five days following the third regularly scheduled meeting after the receipt of the request for appeal.

g. Content of Notice of Adverse Benefit Determination Upon Appeal

If the Trustees' decision upon appeal confirms the denial of your claim for benefits, in whole or in part, you will receive a written notice of denial which will include the following information:

- Specific reason(s) for the denial;
- Specific reference to pertinent plan provisions on which the denial is based, if applicable;
- Statement of your right to receive, upon request and without charge, reasonable access to, and copies of, all documents, records, and other information pertinent to the claim; and
- Your right to bring a civil action under Section 502(a) of *ERISA*.

h. *Disability Pension* Claims and Appeal Procedures

Claims for *disability pensions* are processed in the same time and manner as other claims except for the following:

Initial Review of Claim

If you file a claim for a *disability pension*, the Plan Administrator will reach a decision within 45 days of receipt of the claim, unless he or she determines that special circumstances require an extension of time in order to process the claim. If such a determination is made, the Plan Administrator must notify you prior to the end of the initial 45-day period, give you proper notice of the underlying reason(s) for the determination, provide you an expected response date, and may request additional information. If additional information is requested from you, you will be given at least 45 days to provide that information. The Plan Administrator will have 30 days to notify you of his or her initial benefit determination. This 30-day period runs from the date of your response to the Plan Administrator's request for additional information. If the Plan Administrator determines that special circumstances require a second extension of time, you will be notified prior to the expiration of the initial 30-day extension in the same manner as the first extension, and the time for response will be extended for an additional 30 days.

If your initial claim is denied, you will be provided a written notice of denial that includes the information described in Section 6.9(d), "Denial of Claims," and the notice will also include the following information:

- A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
  - The views of the health care professionals who are treating you and the vocational professionals who evaluated you;
  - The views of any medical or vocational experts whose advice was obtained on behalf of the SPP in connection with your claim, without regard to whether the advice was relied upon in deciding to deny your claim; and
  - Your Social Security Administration disability determination.
- Identification of any medical or vocational experts whose advice was obtained on behalf of the SPP in connection with your claim, without regard to whether the advice was relied upon in deciding to deny your claim;
- If your claim is denied on the basis of a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the denial, applying the terms of the SPP to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request;
- Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the SPP relied upon in deciding to deny your claim or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the SPP do not exist;

- A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim; and
- If required by law, a statement indicating how you may access the SPP's language services.

Appeal
If your claim for *disability pension* is denied, you may appeal the denial within 180 days from the date of your receipt of an initial adverse benefit determination. On appeal, the Trustees or review board will not give deference to the Plan Administrator's initial decision. If one of the Trustees or review board members is also the Plan Administrator, such individual will recuse himself or herself from your appeal decision. If the Plan Administrator's initial determination was based upon a medical judgment, the review board will consult with a health care professional, different from any health care professional or the subordinate of any such professional with whom the Plan Administrator consulted, who is trained in the appropriate area.

During the pendency of your appeal, you may submit written comments, documents, records and other information relevant to your appeal, and you will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your appeal. The Trustees or review board will take into account all comments, documents, records, and other information submitted by you about your appeal without regard to whether such information was submitted or considered during the initial claim process. Before the Trustees or review board make a denial decision about your appeal, they will provide you, free of charge, with any new or additional evidence considered, relied upon, or generated by the SPP (or at the direction of the SPP) in connection with your appeal, or any new rationale upon which the denial may be based. This new or additional evidence or new rationale will be provided to you as soon as possible, and sufficiently in advance of the date on which the denial is required to be provided to you, so that you have a reasonable opportunity to respond prior to a decision on appeal.

Decision on Appeal
The Trustees or review board have up to 45 days to make a decision on appeal unless a hearing is requested or the Trustees or review board determine that special circumstances exist. In those cases, the Trustees or review board have an additional 45 days to respond, provided proper notice is given to you. Further, if the Trustees or review board have regularly scheduled quarterly meetings, their response date will be up to five days after the next regularly scheduled meeting which comes at least 30 days after their receipt of your appeal. The response will, however, not be later than five days following the third regularly scheduled meeting after the receipt of the appeal.

If your appeal is denied, you will be provided a written notice of denial that includes the information described in Section 6.9(g), "Content of Notice of Adverse Benefit Determination Upon Appeal," and the notice will also include the following information:

- The statement regarding your right to bring a civil action under Section 502(a) of *ERISA* will describe the two-year contractual limitations period applicable to your right to bring such an action, and it will include the calendar date upon which this two-year contractual limitations period expires. See Section 6.9(k), "Bringing a Civil Action Under Section 502(a) of *ERISA*," for more information.
- A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
    - The views of the health care professionals who are treating you and the vocational professionals who evaluated you;
    - The views of any medical or vocational experts whose advice was obtained on behalf of the SPP in connection with your appeal, without regard to whether the advice was relied upon in deciding to deny your appeal; and
    - Your Social Security Administration disability determination.
- Identification of any medical or vocational experts whose advice was obtained on behalf of the SPP in connection with your appeal, without regard to whether the advice was relied upon in deciding to deny your appeal;
- If your appeal is denied on the basis of a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the denial, applying the terms

of the SPP to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request;

- Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the SPP relied upon in deciding to deny your appeal or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the SPP do not exist; and
- If required by law, a statement indicating how you may access the SPP's language services.

Independent Adjudication

The Plan Administrator and the Trustees or review board will ensure that your claim or appeal is adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making your decision. They will further ensure that all decisions regarding hiring, compensation, *termination*, promotion, or other similar matters with respect to any individual who is involved in making your decision will not be made based upon the likelihood that the individual will support a denial of your claim or appeal.

i. Tolling of Benefit Determination Period

When the Plan Administrator or Trustees extend the time for a response to a claim (initial claim or on appeal) due to your failure to provide the information necessary to decide the claim, the period for a response will be tolled from the date you are notified of the request for this additional information until you respond to the request.

j. Authorized Representatives

You or your authorized representative may invoke these claims procedures. Anywhere you see "you" in the claims procedures also means your authorized representative. The Plan Administrator may act reasonably in ensuring that an individual has been authorized to act on your behalf.

k. Bringing a Civil Action Under Section 502(a) of *ERISA*

If the Trustees deny all or part of your appeal, you have two years from the date of final denial to file suit in court to further pursue a claim for the part of the benefit denied you.

Remember, the use of the claim procedure is mandatory in pursuing claims for benefits. You must comply with every step of the claims procedure, including filing a timely appeal, to preserve your right to file suit in court.

The exclusive forum and venue for any legal or equitable action relating to or arising under the SPF or the SPP is the United States District Court for the Southern District of Texas, Houston Division, so long as the federal courts may assert subject matter jurisdiction over the action (unless the parties to the action have agreed otherwise in writing). In the event the action is not subject to the subject matter jurisdiction of the federal courts, the exclusive forum and venue for such action is the district courts of Harris County, Texas (unless the parties to the action have agreed otherwise). Per the terms of the SPF and SPP, you consent to the personal jurisdiction of these courts, as applicable, and waive any objections to personal jurisdiction or inconvenience of the forum and venue specified in this paragraph.

6.10 Pension Benefit Guaranty Corporation

Certain pension benefits under the SPP are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all the pension benefits they would have received under the plans, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the plan terminates; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits exceeding the maximum guaranteed amount set by law for the year in which the plan terminates;
- Some or all of the benefit increases and new benefits based upon plan provisions that have been in place for fewer than five years at the time the plan terminates;
- Benefits that are not vested because you have not worked long enough for the *Company*;
- Benefits for which you have not met all of the requirements at the time the plan terminates;
- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's *normal retirement age*; and
- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending upon how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask the Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026, or call 1-202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the internet at http://www.pbgc.gov.

The PBGC does not cover defined contribution plans, such as the Shell Provident Fund.

6.11 Your Rights and Privileges under *ERISA*

As a participant in the SPF or SPP, you are entitled to certain rights and protections under *ERISA*. *ERISA* provides that you and all plan participants are entitled to:

a. 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 each plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by each 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 each plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of each plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement from the SPP telling you whether you have a right to receive a pension at *normal retirement age* and if so, what your benefits would be at *normal retirement age* if you stop working under the SPP now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to receive a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The SPP must provide the statement free of charge.

The plans apply to *employees* represented by various labor organizations. Copies of collective bargaining agreements and a list of *employee* organizations (if any) at your location, representing *employees* covered by the plans, may be obtained or examined upon written request to your local HR department.

b. Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, *ERISA* imposes duties on the people who are responsible for the operation of the *employee* benefit plan. The people who operate each plan, called fiduciaries of each plan, have a duty to do so prudently and in the interest of you and other plan participants and *beneficiary(ies).* 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*.

c. 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 (for details, see Section 6.9, “Claims”).

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 applicable plan and do not receive it 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 for reasons beyond the control of the Plan Administrator.

Provided you complied with the requirements of the claims procedures contained in Section 6.9, if your claim for benefits 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 the Plan Administrator’s decision or lack thereof concerning the status of a qualified domestic relations order (QDRO), you may file suit in a 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 sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

d. 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 at 1-866-444-3272.

6.12 Use of Personal Data

Your personal data is processed in connection with administering your U.S. Wealth benefits. For more detailed information about how your personal data is processed and protected, please refer to Shell’s U.S. Privacy Notice which is available at https://www.shell.com/privacy.html. You can request a paper copy by written request to the SPF and SPP Plan Administrator.

Appendix 1 – Pension Examples and Calculations

a. 80-Point Formula Examples

1) *Regular Pension at Normal Retirement Age*

Linda *retires with immediate pension eligibility* at *normal retirement age* with 40.59615 years of *80-Point Service*. Her monthly *AFC* is $3,300.56 and her monthly *estimated Social Security benefit* is $1,143.[45] Linda will receive a monthly lifetime payment of $1,572.34, plus Social Security benefits.[46] If Linda dies, Brad, her spouse at the time her pension benefits begin, will receive a monthly lifetime payment of $1,071.92, plus Social Security benefits. Brad's benefit is not reduced by the *Social Security Offset (SSO)*.

Step 1: Multiply (1.6% x *AFC)* x Years of *80-Point Service*

$$(1.6\% \times \$3{,}300.56) \times 40.59615 = \$2{,}143.84$$

Step 2: Determine the *Social Security Offset*

a) Multiply 1.5% × *Projected 80-Point Formula Service*

$$1.5\% \times 40.59615 = 61\%$$

b) Multiply Step 2(a) result (maximum 1.5% × 33⅓ years, or 50%) × *estimated Social Security benefit*

$$50\% \times \$1{,}143 = \$571.50$$

Step 3: Determine monthly pension = Step 1 result minus Step 2(b) result

$$\$2{,}143.84 - \$571.50 = \mathbf{\$1{,}572.34}$$

Step 4: Benefit payable to Brad if Linda dies: Multiply Step 1 result by 50%

$$50\% \times \$2{,}143.84 = \mathbf{\$1{,}071.92}$$

If Linda were single when her pension benefit began, she could have named a *beneficiary* who, upon Linda's death, would receive monthly lifetime payments (like Brad's spousal benefit). If the *beneficiary* is not more than five years younger than Linda, the benefit is exactly the same as Brad's benefit. If the *beneficiary* is more than five years younger than Linda, the additional age difference would result in a reduction of the monthly payment amounts to Linda and her *beneficiary*. The name of a *beneficiary* and the calculations are finalized when Linda applies for her pension.

2) *Early Pension at Age 59*

Pat — who is married to Jack — *retires with immediate pension eligibility* at age 59 with 34.55 years of *80-Point Service*. Pat's *SSNRA* is age 65. Pat's monthly *AFC* is $3,300.56 and her monthly *estimated Social Security benefit* is $930. The following calculations show that Pat will receive $1,733.32 a month until *normal retirement age* and $1,337.13 a month thereafter, plus Social Security benefits, continuing for her lifetime.

Step 1: Multiply (1.6% × *AFC*) = Years of *80-Point Service*

$$(1.6\% \times \$3{,}300.56) \times 34.55 = \$1{,}824.55$$

[45] See Appendix 2 for a further discussion of *estimated Social Security benefits* and *Social Security Offset*.
[46] Note that there is no *SSO Supplement* in this example because Linda's *SSNRA* is the same as *normal retirement age*.

Step 2: Determine the *Social Security Offset (SSO)*

a) Multiply 1.5% × *Projected 80-Point Formula Service*

1.5% × 40.55 = 61%

b) Multiply Step 2(a) result (maximum 1.5% × 33-1/3 years, or 50%) × *estimated Social Security benefit* × *80-Point Service* divided by *Projected 80-Point Formula Service*

(50% × $930) × (34.55 ÷ 40.55) = $396.20

Step 3: Determine monthly pension from age 59 to *SSNRA* = Step 1 result × the early retirement percentage from Table 1 – Early Pension Factors (See Section 5.4(d))

(95% × $1,824.55) – $396.20 + $396.20 = $1,733.32

Step 4: Determine monthly pension at *SSNRA* = Step 3 result minus Step 2(b) result

$1,733.32 – $396.20 = **$1,337.13**

Benefit payable to Jack if Pat dies: Multiply Step 3 result by 50%

50% × $1,733.32 = **$866.66**

If Pat dies, Jack — her spouse when her pension benefits began — receives a monthly lifetime payment of $866.66, plus Social Security benefits. Jack's benefit is not reduced by the *SSO*.

3) *Early Pension/Age 59 Termination of Employment/Age 60 Payments*

In the previous example, Pat could defer the start of payments until as late as *normal retirement age*. If she elected to defer her pension for one year and start payments at age 60, the benefit is calculated as follows:

Step 1: Multiply (1.6% × *AFC)* × Years of *80-Point Service*

(1.6% × $3,300.56) × 34.55 = $1,824.55

Step 2: Determine the *Social Security Offset*

a) Multiply 1.5% × *Projected 80-Point Formula Service*

1.5% × 40.55 = 61%

b) Multiply Step 3(a) result (maximum 1.5% × 33-1/3 years, or 50%) × *estimated Social Security benefit* × *80-Point Service* divided by *Projected 80-Point Formula Service*

(50% × $930) × (34.55 ÷ 40.55) = $396.20

Step 3: Determine monthly pension from age 60 to *SSNRA*

(100% × $1,824.55) – $396.20 + $396.20 = $1,824.55

Step 4: Determine monthly pension at *SSNRA* = Step 3 result minus Step 2(b) result

$1,824.55 – $396.20 = **$1,428.35**

Benefit payable to Jack if Pat dies: Multiply Step 3 result by 50%

50% × $1,824.55 = **$912.28**

Delaying the start of payments from age 59 to age 60 increases the monthly lifetime payment by $91.23. However, if Pat commences benefits at age 59, she would receive $20,799.84 — the payments that would have been made from age 59 to age 60 (12 months at $1,733.32 per month). If Pat begins receiving pension payments at age 60 and then dies, Jack receives a monthly benefit of $912.28 for his lifetime. If Pat begins receiving pension payments at age 59 and then dies, Jack receives a monthly benefit of $866.66 for his lifetime.

4) *Early Deferred Vested Pension/Age 49 Termination/Age 56 Payments*

Harold *terminates* at age 49 with 24.17308 years of *80-Point Service*. Harold's *SSNRA* is age 65. His monthly *AFC* is $3,300.56, and his *estimated Social Security benefit* is $918.

The following calculation shows that Harold is eligible to elect to begin receiving $371.09 each month for his lifetime at age 56, when he achieves *80 Points*, or he can delay the start of payments up to as late as his *normal retirement age* and receive higher monthly payments.

Step 1: Multiply (1.6% × *AFC)* × Years of *80-Point Service*

(1.6% × $3,300.56) × 24.17308 = $1,276.56

Step 2: Determine the *Social Security Offset*

a) Multiply 1.5% × *Projected 80-Point Formula Service*

1.5% × 40.17308 = 60%

b) Multiply Step 2(a) result (maximum 1.5% × 331/3 years, or 50%) × *estimated Social Security benefit* × *80-Point Service* divided by *Projected 80-Point Formula Service*

(50% × $918) × (24.17308 ÷ 40.17308) = $276.19

Step 3: Determine monthly pension at *SSNRA* = Step 1 result minus Step 2(b) result

$1,276.56 – $276.19 = **$1,000.37**

Step 4: Determine monthly pension payable at age 56 = Step 3 result × percentage from Table 2 – *Early Deferred Vested Pension* Factors in Section 5.4(d).

$1,000.37 × 42.8% = **$428.16**

Harold, who is single, can designate a *beneficiary* when he applies for his pension, and his benefit will be reduced to provide for any survivor benefit he may choose.

If Harold is married when his pension begins, under law, he must provide his spouse with a 50% survivor benefit or obtain *spousal consent* to any other payment arrangement. Her benefit is equal to at least 50% of his benefit, after being reduced for the cost of her benefit.

Example: After starting his pension, Harold dies at age 56, and his spouse, also age 56, survives him. Harold's payments were reduced from $428.16 to $410.03 to pay the cost of the 50% surviving spouse's pension. She receives $205.02 (50% × $410.03) for life, starting with the month following his death.

b. Combination Accumulated Percentage Formula and 80-Point Formula Examples

Please note that the 80-Point Formula benefits explained in the following two examples are *deferred vested pensions*.

1) *At Termination of Employment/Age 35 with 10 Years of Service*

Jessica is hired at age 25 and participates in the 80-Point Formula for five years, then switches to the Accumulated Percentage Formula for five years. She *terminates* after 10 years of service. Her monthly *AFC* is $3,300.56 and her *estimated Social Security benefit* is $857.

The following shows how her 80-Point Formula is calculated.

Step 1: Multiply (1.6% × *AFC*) × Years of *80-Point Service*

(1.6% × $3,300.56) × 5 = $264.04

Step 2: Determine the *Social Security Offset*

a) Multiply 1.5% × *Projected 80-Point Formula Service*

1.5% × 40 = 60%

b) Multiply Step 2(a) result (maximum 1.5% x 33-1/3 years, or 50%) × *estimated Social Security benefit* × *80-Point Service* divided by *Projected 80-Point Formula Service*

(50% × $857) × (5 ÷ 40) = $53.56

Step 3: Determine monthly pension at *normal retirement age* = Step 1 result minus Step 2(b) result

$264.04 – $53.56 = **$210.48**

This 80-Point Formula benefit cannot commence prior to Jessica's *normal retirement age*.

Jessica's Accumulated Percentage Formula is calculated as follows:

Step 1: From the formula table, add the annual percentages for the five years of participation

Age[47]	Prior Years with any *APF Service*	*APF Points*	Annual Percentage
30	0	30	4%
31	1	32	4%
32	2	34	4%
33	3	36	4%
34	4	38	4%
		Total:	20%

Step 2: Determine the lump-sum amount of pension payable. Multiply the percentage total by the annual *AFC* ($3,300.56 × 12)

(20% × $39,606.72) = **$7,921.34**

Step 3: Divide the result in Step 2 by 175.727[48] (actuarial factor) to change the lump-sum payment into monthly lifetime payments of $45.08 to commence after Jessica's pension application is received. She can defer her benefit and delay her decision on the payment method to as late as the month she reaches *normal retirement age*.

[47] Age is determined as of the prior December 31.

[48] Conversion factor presented for illustrative purposes only. Actual conversion factor is determined based on the age of the annuitant/*beneficiary* and based on interest rates and mortality tables in effect at the time of the calculation.

Step 4: If Jessica is married, she must obtain *spousal consent* to receive her benefit as a single lump-sum payment of $7,921.34. Jessica can defer her benefit and delay her decision on the payment method to as late as the month she reaches *normal retirement age*.

Jessica can elect to provide a survivor's pension for a *beneficiary* under both formulas; she pays the cost by having her monthly lifetime payments reduced.

2) *At Termination of Employment/Age 35 with 9½ Years of Service*

Joan is hired at age 25 and participates in the 80-Point Formula for five years, then switches to the Accumulated Percentage Formula for 4½ years. She *terminates* after 9½ years of service. Her monthly *AFC* is $3,300.56 and her *estimated Social Security benefit* is $857.

Her 80-Point Formula is calculated as follows:

Step 1: Multiply (1.6% × *AFC*) × Years of *80-Point Service*

(1.6% × $3,300.56) × 5 = $264.04

Step 2: Determine the *Social Security Offset*

a) Multiply 1.5% × *Projected 80-Point Formula Service*

1.5% × 40 = 60%

b) Multiply Step 2(a) result (maximum 1.5% × 33-1/3 years, or 50%) × *estimated Social Security benefit* × *80-Point Service* divided by *Projected 80-Point Formula Service*

(50% × $857) × (5 ÷ 40) = $53.56

Step 3: Determine monthly pension at *SSNRA* = Step 1 result minus Step 2(b) result

($264.04 – $53.56) = **$210.48**

This 80-Point Formula benefit cannot commence prior to Jessica's *normal retirement age*.

Joan's Accumulated Percentage Formula is calculated as follows:

Step 1: From the formula table, add the annual percentages for the five years of participation

Age[49]	Prior Years with any *APF Service*	*APF Points*	Annual Percentage
30	0	30	4%
31	1	32	4%
32	2	34	4%
33	3	36	4%
34	4	38	2%[50]
		Total:	18%

[49] Age is determined as of the prior December 31.
[50] Prorated for a partial year of service. Worked six months in last year (0.50 × 4% = 2%).

Step 2: Determine the lump-sum amount of pension payable. Multiply the percentage total by the annual *AFC* (\$3,300.56 × 12)

(18% × \$39,606.72) = **\$7,129.21**

Step 3: Divide the result in Step 2 by 175.727[51] (actuarial factor) to change the lump-sum payment into monthly lifetime payments of \$40.57 to commence after Joan's pension application is received. She can defer her benefit and delay her decision on the payment method to as late as the month she reaches *normal retirement age*.

Step 4: If Joan is married, she must obtain *spousal consent* to receive her benefit as a single lump-sum payment of \$7,129.21. Joan can defer her benefit and delay her decision on the payment method to as late as the month she reaches *normal retirement age*.

Joan can elect to provide a survivor's pension for a *beneficiary* under both formulas; she pays the cost by having her monthly lifetime payments reduced.

[51] Conversion factor presented for illustrative purposes only. Actual conversion factor is determined based on the age of the annuitant/*beneficiary* and based on interest rates and mortality tables in effect at the time of the calculation.

Appendix 2 – *Social Security Offset* (*SSO*)

The *Social Security Offset (SSO)* is a component of the 80-Point Formula benefit calculation. Essentially, the *SSO* represents the portion of your *estimated Social Security benefit* that was attributable to *Company* payroll taxes and earned while you were participating in the 80-Point Formula. The *SSO* is determined as follows:

1.5%
times
Projected 80-Point Formula Service to *SSNRA* (maximum 33⅓ years) times
estimated Social Security benefit (to age 62) times
80-Point Service
Divided by
Projected 80-Point Formula Service to *SSNRA*[52]

However, in no case will the *SSO* exceed:

1.5%
times
Projected 80-Point Formula Service to *normal retirement age* (maximum 33⅓ years) times
estimated Social Security benefit (to *normal retirement age*) times
80-Point Service
Divided by
Projected 80-Point Formula Service to *normal retirement age*

Projected 80-Point Formula Service

The number of years of *80-Point Service* you would have, assuming you always participated in the 80-Point Formula and worked until you either attained *SSNRA* or *normal retirement age*, whichever is applicable.

Estimated Social Security Benefit

An amount calculated consistent with the Social Security law, but the SPP uses estimated earnings based on your last complete calendar year of actual earnings history. Earnings prior to your last complete calendar year are estimated by projecting your last complete calendar year actual earnings backward using the actual change in average wages from year to year as determined by the Social Security Administration. If your last complete year of wages is prior to age 62, or *normal retirement age*, as applicable, your future monthly wages through the month prior to the applicable date (age 62 or *normal retirement age*) are assumed equal to your *AFC*.

If you prefer, your *SSO* can be determined using your actual Social Security pay history instead — in this case, you will need to contact the Social Security Administration directly to request applicable forms and instructions for obtaining your pay history, and provide that pay history to the *SBSC*. Note that, to be considered, you must provide your actual pay history within one year of your *termination* date. Note also that if you provide your actual pay history, your SPP pension will be recalculated, and the recalculated pension (whether higher or lower) will be used for all future payments.

The *SSO* is applied as a reduction to the 80-Point Formula benefit. However, if you *retire with immediate pension eligibility*, the SPP also provides you with a supplemental payment to “make-up” for the amount of your *SSO* until you reach *SSNRA*.

The *SSO* is calculated when you *terminate* and does not change even if your Social Security benefits later increase.

[52] The ratio of *80-Point Service* to *Projected 80-Point Pension Formula Service* cannot exceed one.

APPENDIX 2

Your *SSNRA* is determined based on your year of birth, as follows:

Year of Birth	*SSNRA*
Before 1938	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943 – 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 or later	67

If you elect to start your Social Security benefit prior to your *SSNRA*, your Social Security benefits are reduced. However, the timing for starting your Social Security benefits does not impact your *SSO*.

Appendix 3 – Rehire Offset Examples

As discussed in Section 5.4 (e), if you began receiving monthly lifetime payments under the APF and/or the 80-Point Formula, then return to work as an *employee*, your monthly payments stop. If you were rehired before 2013 and still have pension formula choice, the formula you elect for your future benefits may also have an impact on your prior pension benefits.

If you were receiving prior monthly lifetime payments under either pension formula, and you elect the 80-Point Formula for any portion of your future pension benefits, your monthly lifetime 80-Point Formula and/or APF pension benefit is recalculated and an actuarial adjustment (also referred to as an offset) is applied to account for the pension payments (other than a *disability pension*) you previously received. While the actuarial adjustment depends upon several factors and can be significant, **in no event will the amount of the adjustment reduce your monthly pension payment to an amount that is less than the monthly amount of your pension before you were reemployed**. So in the table below, if the value of the recalculated pension at second *benefit commencement date* is less than the value of the pension at initial *benefit commencement date*, the individual would receive the larger of the two upon second *benefit commencement date*.

Summary:

			Pension at Initial *Benefit Commencement Date*		Calculation at Second *Benefit Commencement Date*	
Example	Years in Pay	Years in Rehire	Pre-*SSNRA*	Post-*SSNRA*	Pre-*SSNRA*	Post-*SSNRA*
1	1	5	$1,269.84	$846.51	$2,586.37	$1,973.87
2	5	5	$1,269.84	$846.51	$2,246.73	$1,549.36
3	10	3	$1,154.40	$769.62	$1,100.03	$333.34
4	10	6	$1,500.72	$1,143.16	$697.54	$0.00

As mentioned above, in no event will the recalculated pension at second *benefit commencement date* be less than the monthly amount of your pension before you were reemployed.

Rehire Example 1

Linda initially *retires with immediate pension eligibility* at age 51 with 30 years of *80-Point Service*. At her initial *benefit commencement date*, her monthly *AFC* was $4,810.00 and her monthly *estimated Social Security benefit* was $1,320. She received a monthly pension payment of $1,269.84 when she first commenced her benefits. Linda was rehired by Shell after one year of receiving benefits at age 52 and stopped receiving her monthly pension. She worked for five more years and elected the 80-Point Formula during this time. Linda again *retires with immediate pension eligibility* at age 57 with 35 years of *80-Point Service*. Her monthly *AFC* is $5,772.00 and her monthly *estimated Social Security benefit* is $1,540. Linda will receive a monthly pension payment of $2,586.37 until she reaches *SSNRA*. After that, she will receive a monthly pension payment of $1,973.87. If she dies, Brad, her spouse at the time her pension benefits begin, will receive a monthly lifetime payment of $1,293.19. Brad's benefit is not reduced by the *SSO*.

Step 1: Determine the offset for pension payments before rehire

a) Total number of payments received (12 × $1,269.84) = $15,238.08

b) Interest-adjusted value of payments at second *benefit commencement date* $22,618.41

c) Actuarial equivalent monthly annuity value of b) = $161.10

Step 2: Calculate monthly pension payments at age 57 (before adjustment for prior payments)

a) Multiply 1.6% × *AFC* × *80-Point Service*: 1.6% × $5,772.00 × 35 = $3,232.32

b) Apply Early Retirement Factor: $3,232.32 × 85% = $2,747.47

c) Determine *SSO*:

1.5% × 44 = 66.00%, subject to a maximum of 50%

Ratio for early retirement (actual service / service at *SSNRA*) = 35 / 44

Multiply 50% × *estimated Social Security benefit* × 35 / 44 = 39.77% × $1,540 = $612.50

Step 3: Determine final monthly pension payments

a) Pension payment payable from 57 to *SSNRA* = Step 2(b) – Step 1(c) = $2,586.37

b) Pension payment payable after *SSNRA* = Step 3(a) – Step 2(c) = $1,973.87

c) Benefit payable to Brad if Linda dies = Step 3(a) × 50% = $1,293.19

Rehire Example 2

Linda initially *retires with immediate pension eligibility* at age 51 with 30 years of *80-Point Service*. At her initial *benefit commencement date*, her monthly *AFC* was $4,810.00 and her monthly *estimated Social Security benefit* was $1,320. She received a monthly pension payment of $1,269.84 when she first commenced her benefits. Linda was rehired by Shell after five years of receiving benefits at age 56 and stopped receiving her monthly pension. She worked for five more years and elected the 80-Point Formula during this time. Linda again *retires with immediate pension eligibility* at age 61 with 35 years of *80-Point Service*. Her monthly *AFC* is $5,772.00 and her monthly *estimated Social Security benefit* is $1,594. Linda will receive a monthly pension payment of $2,246.73 until she reaches *SSNRA*. After that, she will receive a monthly pension payment of $1,549.36. If she dies, Brad, her spouse at the time her pension benefits begin, will receive a monthly lifetime payment of $1,123.37. Brad's benefit is not reduced by the *SSO*.

Step 1: Determine the offset for pension payments before rehire

a) Total number of payments received (60 × $1,269.84) = $76,190.40

b) Interest-adjusted value of payments at second *benefit commencement date* $131,376.58

c) Actuarial equivalent monthly annuity value of b) $985.59

Step 2: Calculate monthly pension payments at age 61 (before adjustment for prior payments)

a) Multiply 1.6% × *AFC* × *80-Point Service*: 1.6% × $5,772.00 × 35 = $3,232.32

b) Apply Early Retirement Factor: $3,232.32 × 100% = $3,232.32

c) Determine *Social Security Offset*:

1.5% × 40 = 60.00%, subject to a maximum of 50%

Ratio for early retirement (actual service / service at *SSNRA*) = 35 / 40

Multiply 50% × *estimated Social Security benefit* × 35 / 40 = 43.75% × $1,594 = $697.37

Step 3: Determine final monthly pension payments

a) Pension payment payable from 61 to *SSNRA* = Step 2(b) – Step 1(c) = $2,246.73

b) Pension payment payable after *SSNRA* = Step 3(a) – Step 2(c) = $1,549.36

c) Benefit payable to Brad if Linda dies = Step 3(a) × 50% = $1,123.37

Rehire Example 3

Linda initially *retires with immediate pension eligibility* at age 50 with 30 years of *80-Point Service*. At her initial *benefit commencement date*, her monthly *AFC* was $4,810.00 and her monthly *estimated Social Security benefit* was $1,180. She received a monthly pension payment of $1,154.40 when she first commenced her benefits. Linda was rehired by Shell after 10 years of receiving benefits at age 60 and stopped receiving her monthly pension. She worked for three more years and elected the 80-Point Formula during this time. Linda *retires with immediate pension eligibility* at age 63 with 33 years of *80-Point Service*. Her monthly *AFC* is $5,772.00 and her monthly *estimated Social Security benefit* is $1,673. Linda will receive a monthly pension payment of $1,154.40 until she reaches *SSNRA*. After that, she will receive a monthly pension payment of $769.62. If she dies, Brad, her spouse at the time her pension benefits begin, will receive a monthly lifetime payment of $577.20. Brad's benefit is not reduced by the *SSO*.

Step 1: Determine the offset for pension payments before rehire

a) Total number of payments received (120 × $1,154.40) = $138,528.00

b) Interest-adjusted value of payments at second *benefit commencement date* $251,721.05

c) Actuarial equivalent monthly annuity value of b) $1,947.59

Step 2: Calculate monthly pension payments at age 63 (before adjustment for prior payments)

a) Multiply 1.6% × *AFC* × *80-Point Service*: 1.6% × $5,772.00 × 33 = $3,047.62

b) Apply Early Retirement Factor: $3,047.62 × 100% = $3,047.62

c) Determine *SSO*:

1.5% × 36 = 54.00%, subject to a maximum of 50%

Ratio for early retirement (actual service / service at *SSNRA*) = 33 / 36

Multiply 50% × *estimated Social Security benefit* × 33 / 36 = 45.83% × $1,673.00 = $766.79

Step 3: Calculate preliminary monthly pension payments at second *benefit commencement date*

a) Pension payment payable from 63 to *SSNRA* = Step 2(b) – Step 1(c) = $1,100.03

b) Pension payment payable after *SSNRA* = Step 3(a) – Step 2(c) = $333.34

c) Benefit payable to Brad if Linda dies = Step 3(a) × 50% = $550.02

Step 4: Determine final monthly pension payments, not less than benefits before rehire

a) Pension payment payable from 63 to *SSNRA* = $1,154.40

b) Pension payment payable after *SSNRA* = $769.62

Benefit payable to Brad if Linda dies = Step 4(a) × 50% = $577.20

Rehire Example 4

Susan initially *retires with immediate pension eligibility* at age 53 with 30 years of *80-Point Service*. At her initial *benefit commencement date*, her monthly *AFC* was $4,810.00 and her monthly *estimated Social Security benefit* was $1,025. She received a monthly pension payment of $1,500.72 when she first commenced her benefits. Susan was rehired by Shell after 10 years of receiving benefits at age 63 and stopped receiving her monthly pension. She worked for six more years and elected the 80-Point Formula during this time. Susan *retires with immediate pension eligibility* at age 69 with 36 years of *80-Point Service*. Her monthly *AFC* is $7,215.00 and her monthly *estimated Social Security benefit* is $2,264. Susan will receive a monthly pension payment of $1,143.16 for her lifetime. If she dies, Brad, her spouse at the time her pension benefits begin, will receive a monthly lifetime payment of $750.36. Brad's benefit is not reduced by the *Social Security Offset*.

Step 1: Determine the offset for pension payments before rehire

a) Total number of payments received (120 × $1,500.72) = $180,086.40

b) Interest-adjusted value of payments at second *benefit commencement date* $406,525.95

c) Actuarial equivalent monthly annuity value of b) $3,458.30

Step 2: Calculate monthly pension payments at age 69 (before adjustment for prior payments)

a) Multiply 1.6% × *AFC* × *80-Point Service*: 1.6% × $7,215.00 × 36 = $4,155.84

b) Apply Early Retirement Factor: $4,155.84 × 100% = $4,155.84

c) Determine *Social Security Offset*:

1.5% × 32 = 48.00%, subject to a maximum of 50% Multiply 48.00% × *estimated Social Security benefit* = 48.00% × $2,264.00 = $1,086.72

Step 3: Calculate preliminary monthly pension payments at second *benefit commencement date*

a) Pension payment calculation before *Social Security Offset* = Step 2(b) – Step 1(c) = $697.54

b) Pension payment calculation after *Social Security Offset* = Step 3(a) – Step 2(c) = $0.00

c) Benefit payable to Brad if Linda dies = Step 3(a) × 50% = $348.77

Step 4: Determine final monthly pension payments, not less than benefits before rehire

a) Pension payment calculation before *Social Security Offset* = $1,500.72

b) Pension payment payable to Susan at second *benefit commencement date* = $1,143.16

c) Benefit payable to Brad if Linda dies = Step 4(a) × 50% = $750.36

Appendix 4 – Special Provisions Related to Certain Mergers and Business Transactions

The following plan mergers and special provisions related to certain business transactions are further described in this Appendix 4.

Appendix 4.1 Benefits of Pre-1999 Tejas Service Employees
Appendix 4.2 Service Credit for Former Alliance Employees
Appendix 4.3 Supplemental Benefits for Individuals who Joined the Alliance from Texaco/Star Enterprise, Texas-New Mexico Pipeline, and Saudi Aramco
Appendix 4.4 Merger of Certain Alliance Pension Plan Benefits; Direct *Rollovers* from the Alliance Pension Plan
Appendix 4.5 InterGen Company Employees
Appendix 4.6 Special Service Credit for Former Employees of Siemens Solar Industries L.P.
Appendix 4.7 Special Service Credit for Former Willow Island Employees
Appendix 4.8 Special Service Credit in Connection with Certain Divestitures, Acquisitions, and Joint Ventures – Billiton Metals, Inc.; The Goodyear Tire & Rubber Company; Hi-Tek Polymers, Inc.; Schering Berlin Polymers, Inc.; and Tejas Gas Corporation (including its affiliates, Acadian Gas Pipeline System and Tejas Gas Corp.)
Appendix 4.9 Special Service Credit in Connection with the Acquisition of Pennzoil-Quaker State Company
Appendix 4.10 Merger of the PQS Pension Plan and Transition to PQS APF Annual Percentages
Appendix 4.11 CRI Group Plans
Appendix 4.12 Motiva Joint Venture Separation

Appendix 4.1 – Benefits of Pre-1999 Tejas Service Employees

Effective January 1, 1999, the Tejas Energy, LLC Pension Plan (Tejas Plan) merged into the SPP. Your pension benefit for your Tejas service is determined based on your status as of January 1, 1999. If you were already receiving a Tejas benefit, or were a deferred vested participant, your Tejas Plan benefit will be paid through the SPP under the terms of the Tejas Plan.

If you were an *employee* of the Old Tejas Energy Group[53] as of December 31, 1998, and became an *employee* on January 1, 1999 (Pre-1999 Tejas Service Employee), the following terms and conditions apply to you.

Determining your SPP Benefit with Certain Tejas Plan Service

Service Crediting:

- Your "Participation Service" and "Vesting Service" under the Tejas Plan as of December 31, 1998, was recognized as *eligibility service* and *vesting service* under the SPP on January 1, 1999.
- Your Adjusted Tejas Benefit Service (as defined below) was recognized as *80-Point Service* under the SPP on January 1, 1999, if you (i) were employed by Coral Energy, LLC or Coral Energy Services, LLC on January 1, 1999, (ii) had five or more years of *accredited service* under the SPP as of December 31, 1998,[54] and (iii) satisfied one or more of the following conditions:
  (a) You were employed by Tejas Services Company on December 31, 1998;
  (b) You were employed by Coral Energy Resources Services Company or its subsidiaries on December 31, 1998; or
  (c) Both (i) and (ii): (i) you transferred from Shell Oil Company or its *Affiliated Companies* to Coral Energy, LLC or its affiliates after January 12, 1998, and (ii) were employed by Coral Energy, LLC or its affiliates or any of Tejas Energy, LLC (name changed to Coral Energy, LLC, effective November 24, 1999), Tejas Gas, LLC, Tejas Gas Operating, LLC, Transok, LLC, and Acadian Gas Pipeline System.
- If you did not meet the requirements above, your Adjusted Tejas Benefit Service was recognized for *APF points* purposes under the SPP on January 1, 1999, and you were also credited with APF annual percentages as of January 1, 1999, as if you had participated in the APF for the period of your Adjusted Tejas Benefits Service.

<u>Adjusted Tejas Benefits Service</u> means the "Benefit Service" under the Tejas Plan as of December 31, 1998, increased by any Acadian Benefit Service (as described in the Tejas Plan) you had, and reduced by your service recognized under the Tejas Plan for service rendered to *participating companies* and for which you accrued a benefit under the SPP.

Compensation:

- Your compensation recognized under the Tejas Plan for years prior to January 1, 1999, is considered as compensation eligible for inclusion in your *AFC* under the 80-Point Formula or APF (as applicable).

Benefit Calculation and Offset:

- Your 80-Point Formula benefit and/or APF benefit under the SPP is calculated and payable and is adjusted to include the special provisions in this Appendix 4.1, but may also be subject to an offset.
- If you were employed by Transok, Inc., on June 6, 1996, your SPP benefit will be offset by the value of your accrued pension under the Central and South West System Pension Plan.

[53] The "Old Tejas Energy Group" means the following companies which participated in the Tejas Pension Plan as of December 31, 1998: Tejas Energy, LLC (name changed to Coral Energy, LLC, effective November 24, 1999); Tejas Gas, LLC; Tejas Gas Operating, LLC; Transok, LLC and Acadian Gas Pipeline System.
[54] For this purpose, *accredited service* does not include service credited as a result of the merger of the Tejas Plan into the SPP.

- If you were employed by Amoco Gas Company and became employed by Tejas Energy, LLC, or another participating employer in the Tejas Plan on February 22 or 23, 1998, your SPP benefit will be offset by your accrued pension under the Amoco Employee Retirement Plan of Amoco Corporation and Participating Companies.
- If applicable to you, an offset will be applied first to your 80-Point Formula benefit, if any, and next to your APF benefit, if any.
- However, in no event will an offset cause your SPP benefit to be less than the value of your Tejas Plan benefit as of December 31, 1998, plus the value of a SPP benefit calculated without recognizing your Adjusted Tejas Benefit Service or Tejas Plan compensation.

Preserved Tejas Accrued Benefit

Instead of the benefit described above which incorporates certain Tejas Plan service under the SPP, you have the ability to elect your *accrued benefit* under the Tejas Plan as of December 31, 1998, (Tejas *Accrued Benefit*). Where applicable, your Tejas *Accrued Benefit* includes an offset as described above.

Your Tejas *Accrued Benefit* is payable at the later of your *termination* or *normal retirement age*, provided that once you *terminate* employment and attain age 55, you may elect to have your Tejas *Accrued Benefit* paid as a Tejas early pension. Your Tejas early pension would be the Tejas *Accrued Benefit* reduced by 0.33% for each month (i.e., 4% per year) by which the starting date of your benefit precedes *normal retirement age*.

If you elect the Tejas *Accrued Benefit*, it has special optional forms of benefit available: a 120- or 60-month certain and life pension (which provide monthly payments for life, but also guarantee payments for the elected period if you die before the end of the period); and a lump-sum payment of the actuarial present value of the benefit. If you are married, *spousal consent* rules apply to the election of optional forms of benefit.

Appendix 4.2 – Service Credit for Former Alliance Employees

The Alliance was created effective April 1, 1999, and was staffed with *employees* transferred from the Owner Companies (Shell, Texaco, Star Enterprise, and Saudi Refining, Inc. and their subsidiaries and affiliates). If you transferred directly to the Alliance from an Owner Company, your service at the Owner Company was generally credited to you in the Alliance Pension Plan for purposes of vesting and eligibility.

Effective January 1, 2003, all active Alliance *employees* were transferred to *participating companies* and began participating in the SPP. If you transferred directly to a *participating company* on January 1, 2003, your Alliance service (as recognized in the Alliance Pension Plan, including service with Owner Companies prior to transferring to the Alliance) was credited to you in the SPP for the following purposes:

- *Vesting service*; and
- *Eligibility service*.

In addition, if you were employed by a *participating company* immediately prior to your employment with the Alliance:

- You received *eligibility service* for purposes of determining eligibility for early retirement under the 80-Point Formula and *vesting service* credit in the SPP for your service with the Alliance prior to January 1, 2003, to the extent that service was credited under the Alliance Pension Plan. Note that prior service was not recognized for any other purposes (e.g., not for benefit accrual purposes or for eligibility for a *disability pension*);
- If you were *terminated* by the Alliance rather than a *participating company*, and otherwise satisfy the SPP requirements for *70-Point Eligibility* (other than for serious ill health), you were treated as if you *retired with immediate pension eligibility* under the SPP.
- Your Alliance compensation was recognized as compensation in the SPP for purposes of determining your *AFC*; and
- Each calendar year in which you had service with the Alliance prior to January 1, 2003, counts as a point for purposes of your *APF points* total upon again becoming an *employee*.

For the purpose of this Appendix 4.2, the Alliance included the following companies:

- Equilon Enterprises LLC (dba Shell Oil Products US since March 1, 2002);
- Motiva Enterprises LLC (prior to January 1, 2003);
- Equistaff LLC;
- StarStaff, Inc.;
- Equiva Services LLC;
- Equiva Trading Company; and
- Shell Pipeline Company LP (Equilon Pipeline Company LLC prior to May 1, 2002).

Appendix 4.3 – Supplemental Benefits for Individuals Who Joined the Alliance from Texaco/Star Enterprise, Texas-New Mexico Pipeline, and Saudi Aramco

a. Former Texaco/Star Enterprise Employees

Upon formation of the Alliance, former Texaco/Star Enterprise employees were eligible to earn pension transition benefits — those transition benefits were delivered via the Texaco/Star Enterprise pension plans. Upon dissolution of the Alliance, those pension transition benefits were frozen.

Effective January 1, 2003, former Texaco/Star Enterprise employees (who were active Alliance employees on June 30, 2002) were eligible to earn Supplemental Pension Benefits (SPBs) for continuous service as an *employee* after June 30, 2002. These SPBs are earned in the SPP (regardless of pension formula choice in the SPP), take the form of additional APF annual percentages, and operate like any other APF annual percentages in the SPP. These SPBs were earned until the earlier of when:

- You began taking your benefits from the Texaco/Star Enterprise pension plan;
- You *terminated*; or
- You earned SPBs for the maximum of 10 years.

The amount of SPBs earned annually was determined by the following chart:

Service at June 30, 2002	Annual Supplemental Pension Benefit	Service at June 30, 2002	Annual Supplemental Pension Benefit	Service at June 30, 2002	Annual Supplemental Pension Benefit
0	0.0%	15	7.9%	30	12.3%
1	0.4%	16	8.4%	31	12.5%
2	0.9%	17	8.9%	32	12.7%
3	1.5%	18	9.4%	33	12.9%
4	2.1%	19	9.8%	34	13.1%
5	2.7%	20	10.2%	35	13.3%
6	3.3%	21	10.5%	36	13.5%
7	3.9%	22	10.7%	37	13.9%
8	4.4%	23	10.9%	38	14.3%
9	4.9%	24	11.1%	39	14.7%
10	5.4%	25	11.3%	40	15.2%
11	5.9%	26	11.5%	41	15.7%
12	6.4%	27	11.7%	42	16.2%
13	6.9%	28	11.9%	43	16.7%
14	7.4%	29	12.1%	44	17.2%
				45+	17.7%

In addition, if you made contributions or were deemed to have made contributions to the Texaco/Star Enterprise pension plan, then you also received an additional 0.1% per year SPB for each year of contributory service.

When you *terminate*, your SPB annual percentages are added together and the total is multiplied by your annualized *AFC* to calculate a single lump-sum amount. When you receive your benefits, this amount will be converted into monthly lifetime payments, or you can take it as a lump-sum payment. You will be eligible for this SPB even if you choose the 80-Point Formula in the SPP. If you participate in the APF rather than the 80-Point Formula, you will be eligible to earn the SPB in addition to the benefit you earn under the APF. You will not be able to begin receiving the SPB until you *terminate*. In the event of your death, the SPB will be treated like regular

Shell APF annual percentages for purposes of the preretirement death benefits described in Sections 5.8 and 5.9 of the SPD.

Texaco/Star Enterprise Pension Rollover

Upon commencing your benefit under the Texaco/Star Enterprise pension plan, you are eligible to *roll over* all or part of your lump-sum distribution (excluding any contributions you may have made) into the SPP. If you do, your *rollover* will be converted to APF annual percentages in the SPP, and will then operate like any other APF annual percentages in the SPP. This means that those annual percentages will be multiplied by your annualized *AFC* at *termination* (allowing the *rollover* to grow based on any *AFC* increases). Note that you will never receive less than the *rollover* amount plus interest.

The *rollover* option also allows you to maintain the tax-deferred status of the amount *rolled over* into the SPP. However, if you choose this option, you will stop earning any SPBs in the SPP. The actual benefit you would be *rolling over* into the SPP will be determined by the terms of the applicable Texaco or Star Enterprise retirement plan. You should contact the Chevron Human Resources Service Center at 1-888-825-5247 if you have any questions about the amount of that benefit or about the factors you should consider when deciding when to retire under those plans.

b. Former Texas-New Mexico Pipeline Employees

The SPBs available to former Texas-New Mexico Pipeline (TNM) *employees* are identical to the those for former Texaco/Star Enterprise *employees* (as explained above), except that former TNM *employees* are eligible to earn SPBs for continuous service as an *employee* after October 31, 2002, (rather than after June 30, 2002).

c. Former Saudi Aramco Employees

Former Saudi Aramco employees who (i) transferred directly to the Alliance with at least 40 points (age plus service) and five years of service under the Retirement Income Plan of Saudi Arabia Oil Company and (ii) became members of the SPP on January 1, 2003, began earning Future Service Transition Benefits under the SPP for continuous service as an *employee* from and after January 1, 2003. These Future Service Transition Benefits are earned in the SPP (regardless of your pension formula choice in the SPP), take the form of additional APF annual percentages, and operate like any other APF annual percentages in the SPP. These APF annual percentages are in addition to other APF and/or 80-Point Formula benefits the *employee* might earn under the SPP (and are not dependent on whether they choose to participate in the APF or 80-Point Formula). The annual rate of these additional APF annual percentages is fixed based upon the following table:

Age at Date of Transfer to the Alliance	Additional APF Annual Percentages
less than 40	1%
40 – 44	3%
45 – 49	8%
50 – 54	10%
55+	11%

These Future Service Transition Benefits cease upon *termination*.

For the purpose of this Appendix 4.3, the Alliance included the following companies:

- Equilon Enterprises LLC (dba Shell Oil Products US since March 1, 2002);
- Motiva Enterprises LLC (prior to January 1, 2003);
- Equiva Services LLC;
- Equiva Trading Company; and
- Shell Pipeline Company LP (Equilon Pipeline Company LLC prior to May 1, 2002).

Appendix 4.4 – Merger of Certain Alliance Pension Plan Benefits; Direct *Rollovers* from the Alliance Pension Plan

a. Merged Benefits

Effective May 31, 2014, benefits that were in-pay status under the Alliance Pension Plan were merged into the SPP. If you were receiving monthly benefit payments under the Alliance Pension Plan prior to the merger, your payments will continue to be paid to you by the SPP. In the event you are reemployed by a *participating company*, your monthly payments attributable to the Alliance Pension Plan will not be suspended.

b. Shell Transition Benefit *Rollovers*

If you were earning a Shell Transition Benefit (sometimes referred to as a Shell Future Service Transition Benefit) under the Alliance Pension Plan on May 31, 2014, and you made a valid election to *roll over* your entire benefit under the Alliance Pension Plan to the SPP on or before May 31, 2014, the following apply to you (in addition to all the rights and features of the 80-Point Formula under the SPP):

- Your 80-Point Formula benefit will be calculated by crediting your benefit accrual service under the Alliance Pension Plan ("Alliance Pension Accredited Service") as of May 31, 2014, to you as *80-Point Service* under the SPP[55]; and
- The value of your 80-Point Formula benefit attributable to this service credit contains protections to ensure that any annuity you receive (including the value of any related survivor benefit), or any preretirement survivor benefit payable to your spouse or estate, is not less than the actuarially equivalent value of your *rollover* from the Alliance Pension Plan plus legally required interest credits on the *rollover*.

c. Saudi Aramco Transition Benefit *Rollovers*

If you were earning a Saudi Aramco Transition Benefit (sometimes referred to as a Saudi Aramco Past Service Transition Benefit) under the Alliance Pension Plan on May 31, 2014, and you made a valid election to *roll over* that benefit to the SPP on or before May 31, 2014, you continue to earn an Alliance Saudi Aramco transition benefit (an ASA Transition Benefit) under the SPP as described below.

How Your ASA Transition Benefit Is Determined

Your ASA Transition Benefit provides you the opportunity to continue enhancing the benefit you first earned under the Retirement Income Plan of Saudi Arabian Oil Company, as effective on April 1, 1999 (Saudi Pension Plan), and that was a transition benefit under the Alliance Pension Plan. This benefit will grow with any future salary increases, and with the potential for certain subsidies, while you continue to work for a *participating company* (growth of your benefit will stop upon your first *termination*)**.** Accrual service used in the ASA Transition Benefit formula, however, will not increase, but will remain the same as when you transferred from Saudi Aramco to the Alliance.

At *termination*, you have the option to receive your ASA Transition Benefit as an annuity or as a lump sum. Since you are eligible to receive your ASA Transition Benefit as a lump sum, you will be eligible for special lump-sum conversion rates. For benefit accruals prior to 2013, the lump-sum conversion is the actuarial equivalent of your ASA Transition Benefit annuity using the mortality table specified by the Pension Protection Act of 2006 (PPA) and the interest rate specified by the PPA reduced by 2%. For benefit accruals after 2012, the lump-sum conversion uses the mortality table specified by the PPA and the interest rate specified by the PPA is adjusted as follows: (i) if the PPA rate is more than 4%, the lump-sum conversion rate will be the PPA rate, reduced by 2%; (ii) if the PPA rate is between 2%-4%, the lump-sum conversion rate used will be 2%; and (iii) if the PPA rate is 2% or less, the lump-sum conversion rate will be the actual PPA rate. If you receive your ASA Transition Benefit as an annuity, your annuity benefit will be enhanced for the extra value provided in the lump-sum option for the interest rate reduction.

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[55] This will be a service credit of up to 3.75 years of *80-Point Service*, based on your period of benefit accrual service under the Alliance Pension Plan. In addition, your 80-Point Formula benefit attributable to this service credit will be reduced to take into account any of your Alliance Pension Plan benefit that was assigned to an alternate payee pursuant to a qualified domestic relations order under the Alliance Pension Plan.

Some of the factors that affect the amount of your ASA Transition Benefit are described below, including Average Earnings, Accredited Service, and Transition Eligibility Service:

- Average Earnings means your average monthly earnings during the 36 consecutive highest-paid months out of your last 120 months of service with Shell, the Alliance and/or Saudi Aramco. No earnings will be counted for this purpose upon coming back to work for a *participating company* following a *termination*.

  For these purposes, "earnings" means actual monthly earnings computed on your monthly U.S. base salary, including tax-deferred contributions to any applicable savings or flexible benefits plans. "Earnings" excludes overtime, premiums, bonuses, and housing or living expenses.

- In determining your ASA Transition Benefit, Accredited Service will be used as provided under the Saudi Pension Plan, and generally means the years of accrual service under the Saudi Pension Plan prior to your transfer to the Alliance, excluding service earned after December 31, 1991, in excess of 25 years. No Accredited Service will be earned after your date of transfer to the Alliance.

- Transition Eligibility Service means the sum of your "Service" (as defined in the Saudi Pension Plan) and your Alliance and Shell service credited to you under the Alliance Pension Plan as of May 31, 2014, plus your *eligibility service* under the SPP from and after June 1, 2014, until your *termination*. Transition Eligibility Service is used to determine eligibility for subsidized early payment of your ASA Transition Benefit.

Note that in determining service and pay history for purposes of the ASA Transition Benefit, the Plan Administrator may rely on information received from Saudi Aramco, other employers, and the plan administrator of the Saudi Pension Plan and/or the Alliance Pension Plan.

ASA Transition Benefit at Special Retirement Date

Once you *terminate,* you may begin receiving an unreduced monthly retirement benefit described under the formula below beginning on your "Special Retirement Date"—the first day of the month coincident with or next following your 60th birthday. Your benefit is determined as the sum of:

a) 1.6% of your Average Earnings for each year of Accredited Service before 1992

   plus

b) 2.4% of your Average Earnings for each year of Accredited Service after 1991.[56]

Your annuity benefit will be increased to reflect the added value available under the lump-sum option for the reduction in the lump-sum conversion rate, as previously described.

[56] The transition benefit formula calculates a *single life annuity* monthly payment. See "Form of Payment" below for information about other forms of payment.

EXAMPLE

Date of transfer from Saudi Aramco to the Alliance:	April 1, 1999
Accredited Service before 1992:	12.0 years
Accredited Service after 1991 and before date of transfer:	7.25 years
Average Earnings:	$5,000 per month

Calculation:

1.6% × $5,000 × 12.0 + 2.4% × $5,000 × 7.25
= $1,830.00 per month ×
1.23[57]
= $2,250.90

Assume you start your ASA Transition Benefit at your Special Retirement Date. Your benefit would be calculated as shown at left.

Your ASA Transition Benefit at your Special Retirement Date would be $2,250.90 per month.

Late Retirement ASA Transition Benefit

If you *terminate* after your Special Retirement Date, your ASA Transition Benefit is calculated as the greater of:

- the benefit calculated using the formula above using your Average Earnings as of your *termination*; or
- the benefit calculated at your Special Retirement Date (with no change in Average Earnings for increases after your Special Retirement Date) as increased in accordance with the following table:

If You *Terminate* at This Age	You Receive This Percentage of Your Special Retirement Date Benefit
61	110.5%
62	122.4%
63	135.9%
64	151.1%
65	168.4%
66	188.2%
67	210.8%
68	236.9%
69	267.1%
70	302.1%

Early Retirement ASA Transition Benefit

When you *terminate,* if you are at least age 50 and you have at least 10 years of Transition Eligibility Service, you are eligible for an early retirement ASA Transition Benefit. An initial early retirement ASA Transition Benefit is calculated using the ASA Transition Benefit at Special Retirement Date formula described above. If benefits begin

[57] This is the special lump-sum increase factor due to the enhanced lump-sum conversion rate. Increase factors vary with changes in interest rates, commencement date, and age at commencement.

before your Special Retirement Date, your benefit will be reduced for early commencement to account for the longer period of time over which payments are made. Payments will be reduced as follows:

If You Start Monthly Payments at This Age	You Receive This Percentage of Your Special Retirement Date Benefit
60+	100%
59	97%
58	94%
57	91%
56	88%
55	85%
54	80%
53	75%
52	70%
51	65%
50	60%

Your annuity benefit will be increased to reflect the added value available under the lump-sum option for the reduction in the lump-sum conversion rate, as previously described.

EXAMPLE

Date of transfer from Saudi Aramco to the Alliance:	April 1, 1999
Accredited Service before 1992:	12.0 years
Accredited Service after 1991 and before date of transfer:	7.25 years
Average Earnings:	$5,000 per month
Age at ASA Transition Benefit commencement:	53

Calculation:

Payable at age 60: 1.6% × 12.0 × $5,000 + 2.4% × 7.25 × $5,000
= $1,830.00 per month

Early retirement benefit: $1,830 × 75%
= $1,372.50 per month × 1.27[58]
= $1,743.08

You will receive a reduced benefit of $1,743.08 per month for your life beginning at age 53.[59]

ASA Transition Benefit for Termination Before Early Retirement

If you *terminate* before you are eligible for an early retirement ASA Transition Benefit (i.e., before you are at least age 50 with 10 years of Transition Eligibility Service), you have a vested right to an ASA Transition Benefit calculated using the Special Retirement Date formula described above. This benefit is payable at age 60.

[58] This is the special lump-sum increase factor due to the enhanced lump-sum conversion rate. Increase factors vary with changes in interest rates, commencement date, and age at commencement.

[59] The transition benefit formula calculates a *single life annuity* monthly payment. See “Form of Payment” below for information about other forms of payment.

You may elect to receive reduced payments before age 60. You may elect to have payments start following your *termination*, in which case your vested benefits will be payable in a reduced amount in accordance with the following table:

If You Start Monthly Payments at This Age	You Receive This Percentage of Your Special Retirement Date ASA Transition Benefit
60+	100%
59	97%
58	94%
57	91%
56	88%
55	85%
54	79%
53	73%
52	67%
51	60%
50	52%

If you start your ASA Transition Benefit before age 50, an actuarial reduction will apply based on an 8.5% interest rate and the applicable mortality table.

Minimum ASA Transition Benefit

Note that your ASA Transition Benefit contains protections to ensure that it is not less than the actuarially equivalent value of your *rollover* from the Alliance Pension Plan plus legally required interest credits on the *rollover*.

Form of Payment

Your ASA Transition Benefit, as determined by using the ASA Transition Benefit at Special Retirement Date formula described above (and as adjusted based on when you *terminate* or start your benefit also as described above), is expressed as a monthly payment payable over your lifetime, with no payments to your spouse or *beneficiary* following your death. If you are single when you start your ASA Transition Benefit, you will receive a single live annuity that provides for this monthly payment unless you elect an optional form of payment. If you are married when you start your ASA Transition Benefit, your ASA Transition Benefit will be paid as a 50% *joint and survivor annuity* with your spouse as the *beneficiary* (resulting in a reduction to your monthly payment amount to provide the survivor benefit), unless you obtain *spousal consent* to another form of payment (*spousal consent* is not required if you elect an option that increases your spouse's benefit). There are also optional forms of payment available for your ASA Transition Benefit: a *single life annuity*; a 100%, 75%, or 50% *joint and survivor annuity* (which result in a reduction to your monthly payment amount to provide the survivor benefit); and a lump-sum payment.

Note that your ASA Transition Benefit may be paid at a different time and in a different form than any other SPP benefit you have.

Transition Death Benefit

<u>Death of a Married Participant</u>

If you die prior to commencing your ASA Transition Benefit, your surviving spouse will be eligible to receive a death benefit in the form of an annuity payable for your spouse's lifetime. The amount of the spouse's annuity will be the actuarial equivalent of your *rollover* from the Alliance Pension Plan plus legally required interest credits on the *rollover*. A lump-sum option is also available to your surviving spouse, and it will equal your *rollover* from the Alliance Pension Plan plus legally required interest credits on the *rollover*. However, in no event will the benefit payable to your surviving spouse be less than the amount which would have been payable under a 50% *joint and* *survivor annuity* option had you started your ASA Transition Benefit on the date payments are to commence to your spouse and died on that date.

Death of an Unmarried Participant
If you die before retirement and are not married, your *beneficiary* will receive your *rollover* from the Alliance Pension Plan plus legally required interest credits on the *rollover*.

Beneficiary
You may designate a *beneficiary* to receive your ASA Transition Benefit in the event of your death before you commence receiving the benefit (if you are married, *spousal consent* is required to designate a *beneficiary* other than your spouse). Contact the *SBSC* for more information about designating a *beneficiary*. In the event of your death before commencement of your ASA Transition Benefit, if there is no living or named *beneficiary*, your ASA Transition Benefit will be paid to the first surviving person(s) in the following order: your spouse; your children; your parents; or your estate.

Appendix 4.5 – InterGen Company Employees

The following rules apply to individuals who transferred directly to InterGen Services, Inc. ("InterGen") from a *participating company* on January 1, 2001 (in connection with a joint venture with Bechtel Enterprises Holdings, Inc.), for so long as Shell had a more than 25% ownership stake in the joint venture.

If you transferred directly from Shell to InterGen on that date:

- You received *vesting service* under the SPP for your service with InterGen;
- If you transferred with at least five years of *vesting service*, special death benefits applied if you died while in the service of InterGen;
- Your InterGen compensation will be recognized as compensation in the SPP for purposes of your 80-Point Formula benefit.

If you had at least 40 points (age plus *eligibility service*) and five years of *vesting service* on the date of transfer, the following provisions also apply to you:

- You received *eligibility service* under the SPP for your service with InterGen, except that this *eligibility service* will not apply for purposes of eligibility for a *disability pension*;
- Your InterGen compensation will be recognized as compensation in the SPP for purposes of your 80-Point Formula benefit;
- Your APF benefit in the SPP (if any) will be determined as the greater of:
    a. Your APF benefit calculated without regard to your InterGen compensation, but with APF monthly interest calculated from December 31, 2000; or
    b. Your APF benefit calculated recognizing your InterGen compensation, but without the monthly interest mentioned above.
- If you were *terminated* by InterGen after attaining age 50 and accumulating 20 or more years of *eligibility service*, and you were not reemployed by another InterGen Company or a *participating company* or an *affiliated company*, and your *termination* resulted from:
    a. the sale or closing of a facility, office or plant of InterGen Company;
    b. the sale or dissolution of InterGen Company; or
    c. the restructuring, reorganization, or reduction of the workforce of InterGen Company,

  then you will be treated as *terminating* with *70-Point Eligibility* under the SPP.

No individual was eligible for a *disability pension* under the SPP while the individual was employed by InterGen.

Appendix 4.6 – Special Service Credit for Former Employees of Siemens Solar Industries L.P.

If you became an *employee* at any time on or after January 1, 2002, and you are a Former Siemens Solar Employee (as defined below), you will receive *eligibility service* and *vesting service* in the SPP for your Siemens Solar service (as recognized in the Siemens Pension Plan as of December 31, 2001). Special rules are used to calculate service credit for a period of less than one year.

A “Former Siemens Solar Employee” means:

(i) An employee of Siemens Solar Industries L.P. (SSI) as of April 3, 2001, (including an *employee* on authorized leave or receiving short-term or long-term disability benefits);

(ii) A retired or vested *terminated employee* of SSI as of April 3, 2001; or

(iii) Any other *employee* of SSI on December 31, 2001, who was an *employee* of Shell Solar Employment Services, Inc. on January 1, 2002.

Appendix 4.7 – Special Service Credit for Former Willow Island Employees

If you were formerly employed by Cytec Industries Inc. at the Willow Island manufacturing facility in Willow Island, West Virginia and then became an *employee* in connection with the acquisition of this facility by CRI International, Inc., you received *eligibility service* and *vesting service* credit in the SPP for your Willow Island service (as recognized in the Cytec Salaried and Nonbargaining Employees' Retirement Plan as of September 1, 2003).

Appendix 4.8 – Special Service Credit in Connection with Certain Divestitures, Acquisitions and Joint Ventures – Billiton Metals, Inc.; The Goodyear Tire & Rubber Company; Hi-Tek Polymers, Inc.; Schering Berlin Polymers, Inc.; and Tejas Gas Corporation (including its affiliates, Acadian Gas Pipeline System and Tejas Gas Corp.)

1. If you were employed by Billiton Metals, Inc. on November 1, 1992, you received *eligibility service* credit under the SPP equal to the lesser of (i) five years of service or (ii) your actual number of years of service with Billiton Metals, Inc.
2. If you were formerly employed by one of the companies listed below, and that company entered into an agreement with a *participating company* to grant you past service credit upon your becoming an *employee*, within a specified period of time, upon doing so, you received:
   (a) *vesting service* credit under the SPP equal to the lesser of (i) 5 years of service or (ii) your actual number of years of service with the company listed below. This past service credit is further limited to the service with the company listed below that was credited for vesting purposes under that company's pension plan; and
   (b) *eligibility service* credit under the SPP equal to the actual number of years of service with the company listed, below. This past service credit is further limited to the service with the company listed below that was credited for this purpose under that company's pension plan.

Companies:

- The Goodyear Tire & Rubber Company
- Hi-Tek Polymers, Inc.
- Schering Berlin Polymers, Inc.
- Tejas Gas Corporation (including its affiliates, Acadian Gas Pipeline System and Tejas Gas Corp.)

Appendix 4.9 – Special Service Credit in Connection with the Acquisition of Pennzoil-Quaker State Company

a. PQS

Shell acquired Pennzoil-Quaker State Company (PQS) and the Pennzoil-Quaker State Company Employees Retirement Plan (PQS Plan) on October 1, 2002. On January 1, 2004, PQS *employees* were transitioned from the PQS Plan into the SPP.

Employees of PQS on and immediately before January 1, 2004, who began participating in the SPP on January 1, 2004, as well as employees of PQS who, on or before January 1, 2004, became *employees* immediately after *terminating* from PQS on or after October 1, 2002:

- received *vesting service* and *eligibility service* credit under the SPP (unless such service had already been credited) for service recognized under the PQS Plan; and
- each calendar year in which the individual had benefits service in the PQS Plan counts as a point for purposes of your *APF points* total.

b. Jiffy Lube

Former employees of Jiffy Lube (including Jiffy Lube International, Inc., Pennzoil-Quaker State International Corporation, or Q Lube, Inc.) that transferred directly to a *participating company* after January 1, 2004, received credit under the SPP (unless such service had already been credited) for service recognized under the PQS Plan for the following purposes:

- received *vesting service* and *eligibility service* credit under the SPP (unless such service had already been credited) for service recognized under the PQS Plan; and
- each calendar year in which the individual had benefits service in the PQS Plan counts as a point for purposes of your *APF points* total.

Note that these additional service credits are not available to employees that were represented by the International Brotherhood of Teamsters (or certain affiliated collective bargaining units) and participated in the benefit plans available to those entities. However, upon cessation of representation and upon becoming an *employee*, those individuals received credit under the SPP for their service with Jiffy Lube (unless such service had already been credited) for the following purposes:

- *vesting service*
- *eligibility service* (but only since October 1, 2002)

c. Other Considerations

In addition, if you were on an approved leave of absence in connection with the Pennzoil-Quaker State Company change in Control Retention/Severance Plan, you also generally received *eligibility service*, *vesting service*, and *accredited service* credit under the SPP during the period in which you were on such approved leave of absence.

These special service crediting provisions will not operate to recognize service that has already been credited under the terms of the SPP.

Appendix 4.10 – Merger of the PQS Pension Plan and Transition to PQS APF Credits

The Pennzoil-Quaker State Company Employees Retirement Plan (PQS Plan) was merged into the SPP effective December 31, 2005, as follows.

- In-Pays – If you were receiving monthly pension benefit payments under the PQS Plan prior to the merger, your payments will continue to be paid to you by the SPP.
- Terminated Vested – If you had *terminated* employment with PQS and all Shell entities prior to December 31, 2005, but had not begun to receive your pension, your pension benefit will be calculated and paid to you in accordance with the terms of the PQS Plan, except as otherwise provided in the SPD (including subsequent Summary of Material Modifications). Further, you are eligible to elect the joint and survivor annuity option for up to two *beneficiaries,* with monthly lifetime payments after your death in multiples of $10, in addition to the forms of benefit provided by the PQS Plan.
- Actives – If you were participating in the SPP on or after October 1, 2002, by virtue of Shell's acquisition of PQS and, on December 31, 2005, were still in active service with PQS or another Shell entity, your PQS Plan benefit as of December 31, 2005, was transitioned to PQS APF Credits under the SPP. The PQS APF Credits are determined based on your unique circumstances, and operate like any other APF annual percentages earned in the SPP with the additional features explained below. Your PQS APF Credits are in addition to any other benefit you have already earned or will earn in the future under the SPP's 80-Point Formula or APF.
- Long-Term Disability – If you were still earning a benefit in the PQS Plan on December 31, 2005, because you were receiving long-term disability benefits, your PQS Plan benefit was also transitioned to PQS APF Credits under the SPP.
- Deferred Annuity Contract – Any benefits to be provided by a deferred annuity contract (such as the VALIC or Equitable contracts) were not transitioned to PQS APF Credits, and will continue to be paid under the terms of the applicable deferred annuity contract.

Your PQS APF Credits maintain the unique optional forms of payments and early retirement subsidy benefits as your PQS Plan benefit had accrued prior to the merger. Otherwise, the PQS APF Credits operate like any other APF annual percentages in the SPP, with the following differences:

- With the exception of individuals receiving long-term disability benefits and those who are entitled to a surviving spouse annuity subsidy under the PQS Plan, the PQS APF Credits were granted all at once on January 1, 2006, so that no additional PQS APF Credits are earned for future service; and
- At your *benefit commencement date*, a PQS APF Transition Factor applies as discussed below.

Determining the Number of Your PQS APF Credits at December 31, 2005

To determine your unique number of PQS APF Credits, the value of your PQS Plan benefit as of December 31, 2005, was divided by your then-current annualized average final compensation, as follows:

- Your PQS Plan benefit amount (stated as a monthly amount) was determined under the terms of the PQS Plan. If you were eligible for benefits under multiple PQS Plan formulas, then your PQS APF Credits were determined separately for each formula;
- The lump-sum present value of that monthly amount was calculated using a recognized mortality table and interest at the rate of 4.47% compounded annually;
- That lump-sum present value was then divided by your annualized average final compensation as of December 31, 2005; and

- That amount was then divided by a PQS APF Transition Factor corresponding to your age, as of December 31, 2005, and whether you were PQS early retirement eligible as of that date (based on the PQS Plan formula applicable to you), as shown in the following chart:

If Not PQS Early Retirement Eligible…		If PQS Early Retirement Eligible…	
Age	Transition Factor	Age	Transition Factor
20	25%		
25	30%		
30	35%		
35	40%		
40	45%		
45	50%		
50	55%		
55	60%	55[60]	100%
60	80%	60	100%
65+	100%	65	100%

In addition, if you were receiving service and/or imputed compensation credit under the PQS Plan because you were receiving long-term disability benefits, your PQS APF Credits will be increased at the rate of 16% per year for each full calendar year until the earliest of the following:

- Your *benefit commencement date*;
- You reach *normal retirement age*;
- You die; or
- You are no longer disabled.

Determining the Value of Your PQS APF Credits Benefit at Your Benefit Commencement Date

At your *benefit commencement date*, your PQS APF Credits are multiplied by your annualized *AFC*, then multiplied by the PQS APF Transition Factor from the table above. Note that your PQS Early Retirement Eligibility status is determined at *termination*, and your age is determined based on your *benefit commencement date* (based on your age and whether or not you are PQS early retirement eligible at that time and actuarially reduced if you are PQS early retirement eligible but not yet age 55 — see the chart above). If you are not PQS early retirement eligible at the time you *terminate*, you must continue to use the portion of the chart above that applies to persons who are not PQS early retirement eligible and the transition factor based upon your age at your *benefit commencement date*. If you are married and are PQS early retirement eligible at the time you *terminate*, under most of the PQS Plan formulas, the lump sum or annuity amount of your PQS APF Credits benefit will also include the value of any surviving spouse annuity subsidy.

Forms and Timing of Payment

Generally, as your pay goes up, your *AFC* and the lump-sum value of your PQS APF Credits benefit goes up. Except for those who become PQS early retirement eligible and *terminate* before reaching age 55, your PQS APF Transition Factor will also increase up to 100% if you become PQS early retirement eligible on or before your *termination*.

Service recognized by the PQS Plan and service since beginning to participate in the SPP will count in determining your eligibility for PQS early retirement under the chart above. No matter what, the value of your PQS Plan *accrued benefit* earned as of December 31, 2005, (stated as a monthly amount), is always protected and will not decrease in value. In most cases, your PQS APF Credits will result in a greater benefit being provided

[60] The 100% factor will be reduced by an early retirement discount for *employees* who are early retirement eligible but not yet age 55.

to you than your PQS Plan *accrued benefit* as of December 31, 2005, but, in the event that the PQS Plan *accrued benefit* provides a greater benefit, you will be entitled to that benefit under the SPP.

All optional forms of benefits available to you under the PQS Plan are also available for your PQS APF Credits benefit. In addition, you can choose to take your PQS APF Credits benefit in the form of a lump sum.

If you were eligible for benefits under multiple PQS Plan formulas, then you can choose to receive your PQS APF Credits related to each of those formulas at different times and in different forms of payment, regardless of when you choose to take any other APF or 80-Point Formula benefit from the SPP.

If you previously made contributions to the PQS Plan (and have not withdrawn those contributions), you may withdraw those contributions (with interest), but no later than the date you begin to receive the related PQS APF Credits benefit. Note that your PQS APF Credits benefit will be reduced to reflect any such withdrawal.

Former participants in the PQS Plan who are now participating in the SPP and who had a right to repay their prior lump-sum payment under the PQS Plan prior to December 31, 2010, no longer have this repayment option effective April 1, 2007. Instead, these participants will have their prior *vesting service* under the PQS Plan recognized as *vesting service* under the SPP as of the earlier of April 1, 2007, or the date the individual became eligible to participate in the SPP.

Effective January 1, 2007, if the present value of your vested *accrued benefit* is $5,000 or less or, effective January 1, 2008, if the present value of your vested *accrued benefit* is more than $5,000 and you are eligible to receive your benefit under the PQS Plan in a lump sum, the present value of your benefit will be calculated using the same interest assumption used by the SPP for purposes of automatically cashing out other *accrued benefits*. If the interest assumption used for this purpose exceeds 5.12% and you are a former participant who is eligible to receive your benefit under the salaried portion of the PQS Plan in a lump sum, the interest assumption used to calculate your lump sum will be 5.12%.

Appendix 4.11 – Certain Former Participants in the CRI Group Profit Sharing Plan or CRI Group Pension Plan

a. Introduction

On January 1, 2001, eligible CRI employees were given a one-time choice to participate in either the CRI Group Profit Sharing Plan (the "CRI Profit Sharing Plan") or in the CRI Group Pension Plan (the "CRI Pension Plan").

During 2003 the CRI Pension Plan was merged into the SPP (on January 1, 2003), and the CRI Profit Sharing Plan was merged into the Shell Provident Fund (on August 1, 2003). If you were a participant in either the CRI Pension Plan (on December 31, 2002), or the CRI Profit Sharing Plan (on or before December 31, 2002), you became a participant in the SPP on January 1, 2003, (unless you were already a participant).

b. Former CRI Profit Sharing Plan Participants

If you were an employee of CRI U.S. LP on January 1, 2003, and you were a participant in the CRI Profit Sharing Plan on or before December 31, 2002, you received *eligibility service* and *vesting service* in the SPP for *vesting service* recognized in the CRI Profit Sharing Plan on December 31, 2002.

c. Former CRI Pension Plan Participants

If you were:

- A participant in the CRI Pension Plan on December 31, 2002;
- An active employee with a *controlled group* company or a CRI Entity[61] on January 1, 2003; and
- You were never a participant in the CRI Profit Sharing Plan;

you received:

- *80-Point Service* in the SPP for benefit accrual service recognized under the CRI Pension Plan on December 31, 2002; and
- *Eligibility service* and *vesting service* in the SPP for *vesting service* recognized in the CRI Pension Plan on December 31, 2002.

In addition, if you received this service credit in the SPP, compensation recognized under the CRI Pension Plan was also recognized for purposes of calculating your *AFC*; and

For purposes of determining the benefits payable under the SPP's 80-Point Formula, your SPP benefit includes your benefit under the CRI Pension Plan as of December 31, 2002, (your CRI Accrued Benefit). You also receive the better of any vesting schedule under the SPP and the CRI Pension Plan with respect to your CRI Accrued Benefit. In addition, the following provisions from the CRI Pension Plan will continue to apply to your CRI Accrued Benefit:

1) The calculation of the *Social Security Offset* that would have applied to your CRI Accrued Benefit under the CRI Pension Plan for Formula Two (Final Pay Formula) benefits remains the same, except that the *Social Security Offset* to your CRI Accrued Benefit will be reduced for early commencement of your CRI Accrued Benefit under the as follows:
    a. By 3 1/3% for each year from age 50 up to age 60; and
    b. By 6 2/3% for each year for age 60 to 65;
2) All optional forms of benefit and related *spousal consent* rules;

[61] A CRI Entity means CRI U.S. LP, Criterion Catalyst Company, CRI International, Inc., and any affiliates or subsidiaries controlled by any of them.

3) Methodology and conventions for calculating early commencement discounts;
4) Small benefits rule; and
5) The Rule of 65 (described below).

Your 80-Point Formula benefit will include your CRI Accrued Benefit; however, because certain rights and features associated with your CRI Accrued Benefit were preserved, you may commence your CRI Accrued Benefit separately from your SPP benefit. You are eligible to commence your CRI Accrued Benefit upon *retirement with immediate pension eligibility* or upon becoming eligible for the Rule of 65. In either case, the non-commenced benefit will be actuarially adjusted for the form of benefit selected by you.

Summary of CRI Pension Plan Terms (as of 12/31/2002) Vesting

You became vested once you completed five years of *vesting service*. If you were a participant in the CRI International, Inc. Profit Sharing & Savings Plan (CRI PS&S) on December 31, 2000, and became a participant in the CRI Pension Plan on January 1, 2001, you received credit for all the *vesting service* you had under the CRI PS&S. If you *terminated* employment before you were vested, you are not entitled to any CRI Pension Plan benefits.

Normal Retirement Date

Normal Retirement Date under the CRI Pension Plan is the later of the month in which you attained *normal retirement age* or reached the fifth anniversary of participation in the CRI Pension Plan.

The Rule of 65 (Early Retirement)

You are eligible for early benefits if you are vested and your age plus *vesting service* equals 65 or more. Benefits will be reduced if you retire before *normal retirement age*.

Benefits

The amount of your monthly benefit at your *normal retirement date* is the larger of the two benefits produced by Formulas One and Two, calculated as follows:

Formula One: (Career Average Formula) = 1.25% multiplied by your annual compensation for each year of accrued service earned after January 1, 1994

PLUS

If you were a participant in the Cyanamid Plan on December 31, 1993 and became a participant in the CRI Pension Plan on January 1, 1994, your *Accrued Benefit* under the terms of the Cyanamid Plan as of December 31, 1993.

Formula Two: (Final Pay Formula) = 1.67% multiplied by the average annual compensation, multiplied by years of accrued service

MINUS

1.67% multiplied by your Social Security benefit, multiplied by years of accrued service (not to exceed 50% of your Social Security benefit).

When Payments Begin

Deferred Vested Retirement Rules

If you leave the *Company* after you are vested you are eligible for a *deferred vested benefit*. Deferred vested benefits commence on the first of the month on or following your *normal retirement date*.

You can commence as early as age 55, provided you have met the Rule of 65 requirements. In this case your *accrued benefit* will be reduced actuarially, except the *Social Security Offset* will be reduced as follows:

- 6 2/3% for each year between ages 60 and 65
- 3 1/3 % for each year between ages 55 and 60[62]

Retirement from Active Status
You are eligible for early retirement benefits as early as age 55 if you meet the Rule of 65. Benefits are reduced if you retire before age 65 as follows:

1) Career Average Formula:
   a. 0.25% for each month prior to your reaching age 62 if you have 20 years or more of *vesting service*; or
   b. 0.25% for each month prior to your reaching age 65 if you have less than 20 years of *vesting service*.
2) Final Pay Formula:
   a. Same reduction factors as shown above for Career Average Formula; and
   b. *Social Security Offset* is reduced by 6 2/3 % for each year between ages 60 and 65, and 3 1/3 % for each year between ages 55 and 60.

How Benefits Are Paid

Normal Payment Option

- Single – a *single life annuity*.
- Married – a 50% *joint and survivor annuity*, with your spouse as the *beneficiary*.

Optional Forms of Payment
If you meet the Rule of 65 when you *terminate*, you have a choice of other forms of payment. Married participants must have *spousal consent* to choose a form of payment other than a joint and 50% survivor annuity.

a) *Single Life Annuity* – you receive a monthly benefit for as long as you live.
b) *Joint and Survivor Annuity* – you receive an actuarially reduced monthly benefit for as long as you live. After your death, a monthly amount equal to 10% to 100% of your payment (in 10% increments) is paid to your spouse for your spouses' lifetime. If your spouse dies before receiving any benefit payments, benefits end.
c) Ten-Year Certain and Continuous – you receive a monthly benefit for your lifetime. If you die before 120 payments are made, your *beneficiary* receives the same monthly income until all the guaranteed 120 payments are made.
d) Ten-Year Certain/Contingent – you receive a monthly benefit for your lifetime. If you die before 120 payments (10 years of payments) are made, your *beneficiary* receives the remainder of the 120 payments. After your *beneficiary* receives these payments, the contingent annuity portion of the option becomes effective. Payments to your *beneficiary* will continue for the rest of your *beneficiary's* life in an amount equal to 10% to 90% (in 10% increments) of the amount of your reduced benefit.
e) Level Income – you must commence prior to age 62. Prior to reaching age 62, your benefit is increased by an amount equal to your estimated age 62 Social Security benefit. Once you reach age 62, the monthly benefits from the plan are reduced.

[62] Note that you can commence your CRI Accrued Benefit as early as age 50 if you are eligible to start your 80-Point Formula benefit under SPP. In this case, your CRI Accrued Benefit will be actuarially reduced, and a reduction to the *Social Security Offset* will be applied at 3 1/3 % per year between ages 50 and 55.

APPENDIX 4

Definitions

1) Social Security benefit – In calculating your Social Security benefits, the plan estimates your prior earnings history. However, if you prefer, you can request your actual earnings history from the Social Security Administration and ask the plan administrator to use those amounts. The calculation is binding even if it results in a lower amount.

2) Accrued Service – You receive one month of accrual service for any month that you complete one or more hours of service as an eligible *employee*. After January 1, 2001, you accrue or continue to accrue service only if you elected to participant in the CRI Pension Plan. Your accrued service is frozen as of December 31, 2002.

3) Annual Compensation –

    a. Your regular *base pay* as of each September 1, including your pre-tax contribution in the flexible benefits plan and the 401(k) plan;

    b. Any board-adopted cash incentive pay (limited to 33 1/3% of regular *base pay* as of each September 1); and

    c. Any cash sales commissions earned the previous plan year, regardless of when you received the pay.

    Annual Compensation does not include amounts for overtime, shift differentials, weekend premium, hourly incentives, special pay or bonuses, except as described above.

4) Average Annual Compensation – This is the average of your highest five calendar years' compensation over the last 10 calendar years.

Appendix 4.12 – Motiva Joint Venture Separation

The Motiva joint venture with Saudi Refining, Inc (SRI) was dissolved on May 1, 2017. Prior to the dissolution, employees of the Motiva joint venture participated in the SPF and SPP. Upon dissolution, the SPP and SPF benefits of those transferred former *employees* were spun off to new benefit plans sponsored by an affiliate of SRI.[63] These transferred former *employees* no longer have a benefit in either the SPF or SPP.

These transferred former *employees* may elect to make direct *rollovers* back into the SPF. Further, in the event you are one of these transferred former *employees*, and you are ever rehired by a *participating company*:

- your service recognized under the SPF prior to May 1, 2017, will be credited back to you for purposes of *accredited service*; and

- your service recognized under the SPP prior to May 1, 2017, will be credited to you for purposes of *vesting service* and *eligibility service* but not for purposes of *accredited service* or *APF points*.

[63] However, special rules may apply to any benefits you had as an alternate payee or *beneficiary* of another SPP participant prior to May 1, 2017.

GLOSSARY

The terms included in this Glossary appear throughout the book and are italicized.

70-Point Eligibility
At the time you *terminate*:

- You must be at least age 50;
- You must have a minimum of 20 years of *eligibility service*; and
- You have *terminated* for one of the following reasons:
  - your serious ill health, which is expected to continue for the foreseeable future (a medical report is required);
  - the sale or closing of a facility, office, or plant;
  - the sale or dissolution of a *participating company*; or
  - the restructuring, reorganization, or reduction of the workforce of a *participating company*.

80 Points
Your age plus *eligibility service* equal 80, and you are at least age 50.

80-Point Eligibility
At the time you *terminate*, you have *80 Points*.

80-Point Service
Accredited service earned under the 80-Point Formula of the SPP.

Accredited Service
Accredited service is used to determine eligibility for *Company* contributions under the SPF and to determine benefit accrual under the SPP.

For active service on or after January 1, 2003, *accredited service* is generally defined as all of your time of employment with the *participating companies,* or time credited to you for time not worked or for other occasions. Specifically, you earn one year of *accredited service* if you work or receive credit for a one-year "Period of Service," which is generally defined as follows:

- Each 12-month period of service starting on your hire date or rehire date (if any) and ending on the earlier of:
  - *Termination;* or
  - The last day of the first 12 months of an authorized leave of absence.
- In most cases, you will be credited with one month of service for each calendar month in which you are credited with one or more hours of service; and
- Any period required to be credited as a "Period of Service" by other federal law, such as the Uniformed Services Employment and Reemployment Rights Act of 1994. The following may be credited, as exceptions to the active service requirement:
  - The entire period that you are absent due to war or national emergency;
  - The period approved under the *Company*'s military leave policy; and
  - The time you are absent in accordance with the family and medical leave policies of the *Company*, up to one year.

In certain cases, service with other Shell non-*participating companies* will count for purposes of determining eligibility for *Company* contributions under the SPF. For example, if you transferred directly to a *participating company* from, or had prior service with, a Shell non-*participating company*, you may receive credit for your period of service with the Shell non-*participating company* for the purpose of determining your SPF *Company* contribution amount. As another example, if you became an *employee* as a result of a business transaction (e.g., your prior employer was acquired by Shell), you may have received service credit for the purpose of determining your SPF *Company* contribution amount. Contact the *SBSC* for more information about these SPF special service crediting rules.

Accrued Benefit
The monthly pension benefit earned to date, which is payable at your *normal retirement age.*

Affiliated Company
An *affiliated company* is, generally, a non-*participating company* that has at least an 80% ownership connection with Shell Oil Company or other *participating companies*. For purposes of *eligibility service* and *vesting service*, an *affiliated company* is a non- participating entity that has more than a 25% ownership connection with Shell Oil Company or other *participating companies*.

APF Points
APF points are determined annually using your completed years of age on the previous December 31, plus the number of prior calendar years in which you earned any *APF Service*. In determining your *APF points*, there are no partial years — age is rounded down to the nearest attained age, and if you participated under the APF in a prior year, even for only one day, you receive a point for purposes of determining *APF points* in later years*. APF points* correspond to annual percentages for the purpose of calculating your APF benefit.

APF Service
Accredited service earned under the Accumulated Percentage Formula of the SPP.

Average Final Compensation (*AFC*)
Your *average final compensation* is determined by looking at the last 120 months (or the actual number of months, if you have worked or been credited with less time) of your *accredited service* and averaging your monthly earnings (including *variable pay* from all *participating companies*) for the 36 consecutive months that give you the highest average monthly earnings. The word "final" does not mean that your pay calculation is limited to your final 36 months of work. If you have a higher average in another consecutive 36-month period in the last 120 months of your employment, that monthly average is used. *Variable pay* is included as compensation in the month paid, except as applied to partial payments, which are combined so an *employee* is credited with the equivalent of one *variable pay* payment for each calendar year.

If you work part-time, effective for those months included in the calculation on and after November 1, 2003, your *AFC* is not adjusted to reflect full-time earnings on a regular work-year basis. Instead, your actual compensation is used to determine your *AFC*. For individuals affected by this change, the amount of *accrued benefit* under the SPP calculated at *termination* will not be less than your *accrued benefit* as of October 31, 2003.

AFC includes the following types of pay:

- Your base salary and wages;
- The applicable straight-time portion of scheduled overtime pay (i.e., pay for hours over 40 hours per workweek where such hours are part of an established normal work schedule of more than 40 hours per workweek);
- The applicable straight-time portion of night shift bonus for up to 40 scheduled hours per workweek and such payments calculated under shift supervisors' differential;
- Certain shift premium payments for which you are generally eligible when you work overtime hours under an approved work schedule involving scheduled overtime hours;
- Contributions that you made to the SPF, the Shell Oil Company Comprehensive Welfare Benefits Plan and Vacation Purchase Plan;

- The amount of the reduction a *participating company* makes to certain *employees'* base salary and *variable pay* as a result of a portion of their pay not being subject to tax in The Netherlands;
- Up to three consecutive years of *variable pay* payments (excluding deferred payments) paid before *termination* or in connection with certain *terminations* approved by the *Company*; and
- The amount of the U.S. hypothetical tax reduction a *participating company* makes to an *employee's variable pay* as a result of an *employee* being compensated under a *participating company's* long-term international assignment policy and, to the extent not otherwise included, the amount of U.S./pensionable base salary attributed to an *employee* solely as a result of an *employee* being compensated under a *participating company's* international mobility policy.

AFC does not include such things as:

- Other overtime pay, or time or pay for shift relief;
- Other premium pay, including premiums paid as a result of a temporary assignment to a foreign work location;
- Other bonuses granted and paid outside the *variable pay* program adopted by your employing *participating company*;
- *Company* contributions to the SPF, medical plans, life insurance plans, and other insurance plans or programs;
- Deferred compensation;
- Stock option awards;
- Any host country base salary for work in a foreign location that is in excess of your U.S./pensionable base salary;
- Pay in lieu of vacation; and
- Any other extra compensation such as severance.

Base Pay
Your *base pay* generally includes your base salary and wages, excludes your *variable pay*, and includes:

- Contributions that you made to the SPF, the Shell Oil Company Comprehensive Welfare Benefits Plan and Vacation Purchase Plan;
- Amounts excludable from your gross income as qualified transportation fringe benefits under the Internal Revenue Code of 1986, as amended;
- The amount of the reduction a *participating company* makes to certain *employees'* pay as a result of a portion of their pay not being subject to tax in The Netherlands;
- To the extent not otherwise included, the amount of U.S./pensionable base salary attributed to an *employee* solely as a result of an *employee* being compensated under a *participating company's* international mobility policy;
- Commissions, where your commissions are paid in addition to a fixed basic wage or salary; and
- Payments made to you under a disability benefit plan of a *participating company* (and assuming there is no reduction for amounts received under a worker's compensation or similar law.

The following amounts are generally excluded:

- Overtime pay;
- Extended work week pay;
- Premium remuneration, including premiums you may receive as a result of a temporary assignment to a foreign work location;
- Any host country base salary for work in a foreign location that is in excess of your U.S./pensionable base salary;

- Bonuses;
- Special allowances for living expenses, dwelling, medical assistance or the like; and
- Any amount of severance pay or payments for accrued vacation received in connection with your *termination* (unless the amount is paid for a period of approved absence from work).

Beneficiary(ies)
For the SPF, the person(s) designated to receive a plan benefit upon death of the account holder. *Beneficiary(ies)* may include an individual, an estate, a qualified trust, and/or a *qualified charitable organization. Beneficiary(ies)* can be changed at any time.

For the SPP, the person(s) designated to receive a plan benefit (generally, under a *joint and survivor annuity*) upon the prior death of the participant.

Benefit Commencement Date
In the case of a lump-sum payment, the *benefit commencement date* is the first day of the month for which a pension payment is made. In the case of an annuity benefit, the *benefit commencement date* is the first day of the month for which the first pension payment is made. Note that your *benefit commencement date* for an 80-Point Formula benefit may be a different date than for an APF benefit. In certain cases, your *benefit commencement date* will be adjusted so that you receive your notice of available payment options more than seven days before you begin receiving your pension benefits (as required by federal tax law).

Catch-up Eligible Individual
Beginning in the year you reach age 50, you are a *catch-up eligible individual*. This means you are eligible to make catch-up contributions – additional pre-tax or Roth 401(k) contributions, up to $6,000 per year (this limit relates to 2019, and subject to change).

Company
See the *participating companies* definition.

Controlled Group
Generally, a group of companies that have at least an 80% ownership connection with Shell Oil Company or other *participating companies*.

Deferred Vested Pension
This term relates to *employees* who *terminate* without *immediate pension eligibility* and will not reach *80 Points* before *normal retirement age*. It is an accrued pension benefit commencing at *normal retirement age*.

Differential Pay
Differential pay is the difference between your normal earnings with the *Company* and your military pay. Military pay will be interpreted to include *base pay*, plus any allowance for service, ratings or special qualifications, but will not include allowances for uniforms, quarters, travel, subsistence or any military pay earned during an *employee's* regularly scheduled day off.

Disability Pension
For those who qualify, the SPP provides the option of a *disability pension* in the form of a life annuity (which includes a *Free 50* but does not include a *SSO Supplement*). See Section 5.7 for the full *disability pension* details.

Disability Service
Includes all of your *accredited service* (including both *80-Point Service* and *APF Service*) through the date of your *termination*, plus the additional *accredited service* you would have earned if you had continued as an *employee* until you reached *normal retirement age*.

Early Deferred Vested Pension
Relates to *employees* that *terminate* without *immediate pension eligibility* and who will later reach *80 Points* as a result of their increase in age. The *early deferred vested pension* is the *deferred vested pension*

as actuarially reduced on the basis of the former *employee's* age at commencement (using factors from Table 2 – *Early Deferred Vested Pension* Factors in Section 5.4(d)).

Eligibility Service
Eligibility service is generally used to determine your eligibility for SPP benefits. Your *eligibility service* is your *accredited service* plus certain other service recognized under the SPP. It generally includes prior service with an *affiliated company* and other service credited as a result of a business transaction (see Appendix 4 for further information).

Eligibility service under the SPP is used to determine:

- Your eligibility for an early pension under the 80-Point Formula;
- Your eligibility for a *disability pension*; or
- The amount of death benefits.

Employee
A person employed by any of the *participating companies* who receives regular and stated compensation (other than a retainer) directly from such *participating company*, and from whose pay the *participating company* withholds income tax, but not a person who is any of the following:

- A non-resident alien;
- A leased employee;
- An employee paid solely in commissions;
- An employee temporarily transferred from a foreign *affiliated company* that is not a *participating company*. If you are in this category of *employee*, you should have received a separate communication. If you have not, contact your local Human Resources Department;
- A person before the first day of the first period of which a *participating company* is required to withhold federal income taxes from that person's pay;
- An employee of a *participating company* excluded as the result of liquidation, merger, or asset acquisition;
- A person excluded from participating due to a contract of employment, engagement letter, or contract for services that provides that he or she is not entitled to participate in the SPF and/or SPP or other employee benefit plans of one or more *participating companies*;
- A person designated by a *participating company* as an independent contractor; or
- An employee of Pennzoil-Quaker State Company dba SOPUS Products or a successor company who is represented by the Teamsters or a successor union at the Whippany, Alameda, Northeast, and Blue Coral locations.

ERISA
The Employee Retirement Income Security Act of 1974, as amended.

Estimated Social Security Benefit
See the definition in Appendix 2.

Free 50 (80-Point Formula and Disability Pension only)
If you *retire with immediate pension eligibility* or *terminate* with eligibility for a *disability pension*, the cost of your 50% survivor benefit is paid by the SPP (the *Free 50*). If you are married on your *benefit commencement date*, the *Free 50* will be paid to your spouse (and may not be provided to another *beneficiary*). If you are single on your *benefit commencement date*, you may designate a *beneficiary* to receive the *Free 50*; however, if your *beneficiary* is more than five years younger than you, you must pay the incremental cost of the survivor benefit via a reduction to your monthly benefit. Whether or not you are married on your *benefit commencement date, y*ou must pay the cost. Note that if you receive an 80-Point Formula benefit, the *Free 50* is calculated based on your 80-Point Formula benefit before application of the *SSO*.

Immediate Pension Eligibility
This is determined under the rules of the 80-Point Formula, regardless of whether you participate under the 80-Point Formula, APF, or both formulas.

To qualify for *immediate pension eligibility*, at your *termination* you must have:

- *80-Point Eligibility*;
- *70-Point Eligibility;* or
- Reached *normal retirement age.*

Joint and Survivor Annuity (J&S Annuity)
This is a monthly benefit to the participant for life. Upon the death of the participant, monthly benefits become payable to any surviving *beneficiary(ies)* for life. *Beneficiary(ies)* must be named on or before the *benefit commencement date* and cannot be changed later.

For example, a 50% *J&S annuity* provides monthly lifetime payments to the participant, followed by lifetime monthly payments to the participant's surviving *beneficiary*. The amount of the *beneficiary's* monthly payment is generally 50% of the participant's benefit; however, if the participant is entitled to a *Free 50*, the 50% survivor benefit is calculated prior to the participant's *SSO*. See the examples in Appendix 1.

Leased Employee
Generally, a *leased employee* is defined by the Internal Revenue Code, Treasury Regulations, and other IRS guidance as an individual whose services are purchased from a leasing organization and provided to a recipient company.

An individual must be employed by a leasing organization and must complete at least 750 hours of service during a computation period to be recognized as a *leased employee*. In addition, an *employee* may only receive credit for leased service if the *employee* furnishes proof of leased service to the Plan Administrator within one year of becoming an *employee*.

Minimum Required Distributions (MRDs)
Federal tax law requires that you begin withdrawing money from your SPF account by April 1 of the year following the year in which the later occurs: (i) you turn age 70½; or (ii) your *termination*. The amount that you must withdraw each year is called a *minimum required distribution* or *MRD*, and *MRD* payments are not eligible for *rollover*. The annual *MRD* payment is generally calculated by dividing your total account balance (as of the last valuation date of the prior year) by a factor determined in a life expectancy table as provided in Treasury Regulations. *MRD* amounts are funded proportionately from all of your investment portfolio (excluding BrokerageLink). Special rules may apply if you have assets invested in BrokerageLink. For example, if there are insufficient assets in your Tier I, II, and III investments to satisfy an *MRD* payment, assets invested in BrokerageLink may be liquidated to satisfy the *MRD* rules. If your SPF account passes to a *beneficiary*, the *beneficiary* will be subject to *MRD* rules that apply to *beneficiaries*.

NetBenefits
The Fidelity website located at http://www.netbenefits.com/shell.

Normal Payment Option
The *normal payment option* is the form of payment you will receive unless you timely elect an optional form of payment (or are subject to a cash-out). The SPP's *normal payment option* (regardless of your pension formula) is a 50% *joint and survivor annuity* with your spouse as the *beneficiary* if you are married on your *benefit commencement date* and a *single life annuity* if you are single on your *benefit commencement date*.

Normal Retirement Age
Normal retirement age is the first day of the month in which you reach age 65.

Participating Company
Participating companies are the companies that have adopted the SPF and the SPP for the benefit of their *employees*. Throughout this book, these companies also may be referred to as the "*Company*" or "Shell." From time to time, companies may begin or stop participating in the plans. In this regard, each of the companies may continue or *terminate* coverage for its own *employees* under the plans. The current list of *participating companies* in both the SPF and SPP is as follows:

Participating Company	EIN
Shell Oil Company	13-1299890
Shell Catalysts & Technologies US LP	76-0665402
Equilon Enterprises LLC d/b/a Shell Oil Products US	52-2074528
Pecten Middle East Services Company Limited	98-0137631
Pecten Producing Company	74-2211531
Pennzoil-Quaker State Company d/b/a SOPUS Products	76-0200625
Shell Chemical LP	76-0641749
Shell Downstream Inc.	33-1115091
Shell Energy Resources Company	77-0599130
Shell Expatriate Employment US Inc.	76-0696736
Shell Exploration & Production Company	76-0457926
Shell Global Solutions (US) Inc.	30-0032507
Shell Information Technology International Inc.	76-0460697
Shell International Exploration and Production Inc.	76-0551934
Shell Marine Products (US) Company	76-0588338
Shell North America Gas & Power Services Company	76-0551935
Shell Offshore Inc.	74-2211530
Shell Oil Products Company LLC	76-0672445
Shell Pipeline Company LP	52-2074531
Shell Trademark Management Inc.	45-3030966
Shell Trading North America Company	76-0659720
Shell Trading Risk Management, LLC	76-0480645
Shell Trading Services Company	76-0659593
Shell Trading (US) Company	76-0580508
Shell US Gas & Power LLC	76-0559211
Shell Windenergy Services Inc.	76-0665780
SOPC Southeast Inc.	65-1163125
SWEPI LP	76-0073231

Preretirement 50% Joint & Survivor Spouse's Pension (Preretirement 50% J&S Spouse's Pension)
Your spouse's pension is 50% of the amount you would have received under the 80-Point Formula had you *terminated* and elected a 50% joint and survivor pension. Payments cannot start before the earliest date that you would have been eligible to receive a pension had you not died. At your spouse's request, the start of payments can be delayed to a date later than the earliest start-up date but not later than the date you would have reached *normal retirement age*. This delay of the start of pension payments meets legal requirements and is mandatory. A voluntary delay in the start of your spouse's pension increases the amount of pension (see Table 2 – *Early Deferred Vested Pension* Factors, Section 5.4(d)), but payments that would have been received in the meantime are lost.

Preretirement 100% Joint & Survivor Spouse's Pension (Preretirement 100% J&S Spouse's Pension)
Your spouse's pension is the amount that would have been paid under the 80-Point Formula if you had elected a 100% joint survivorship option. Your spouse has the option of starting payments immediately or delaying

payments to a later date; however, he or she cannot delay payments to a date later than the date you would have reached *normal retirement age*. A voluntary delay in the start of your spouse's pension increases the amount of the pension (see Table 1 – Early Pension Factors table, Section 5.4(d)), but payments that would have been received in the meantime are lost.

Preretirement 50% Spouse's Pension
Your spouse's pension is 50% of the amount you would have received under the 80-Point Formula had you *retired with immediate pension eligibility*. At your spouse's request, the start of payments can be delayed to a date later than the earliest start-up date but not later than the date you would have reached *normal retirement age*. A voluntary delay in the start of your spouse's pension increases the amount of pension (see Table 1 – Early Pension Factors, Section 5.4(d)), but payments that would have been received in the meantime are lost.

Projected 80-Point Formula Service
See the definition in Appendix 2.

Qualified Charitable Organization
For purposes of *beneficiary(ies)* designations under the SPF, a charitable organization in existence at the time of the distribution that is either:

- An organization described in Section 170(c) of the Internal Revenue Code and listed in the IRS Cumulative List of Organizations described in Section 170(c) of the Internal Revenue Code as published by the Internal Revenue Service (currently published as Publication 78) at the time of distribution;
- An organization which is a church or other church organization that qualifies as a charitable organization under Section 501(c)(3) of the Internal Revenue Code; or
- An educational organization that either qualifies as a charitable organization under Section 501(c)(3) of the Internal Revenue Code or that otherwise constitutes an educational organization to which charitable contributions may be deducted under Section 170(c) of the Internal Revenue Code.

Any charitable organization you designate as a *beneficiary* under the SPF must present clear and convincing evidence to the Plan Administrator that it is a *qualified charitable organization*. Additional information concerning the naming of a charitable organization as a *beneficiary* is available from the *SBSC*.

Qualified Military Service
Qualified military service is a period for which a person is absent from his or her position of employment on account of the performance of duty, on a voluntary or involuntary basis, in a uniformed service under competent authority, and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty, and a period for which a person is absent from employment for the purpose of performing funeral honors duty.

Retire (or Retirement) with Immediate Pension Eligibility
To *terminate* with *immediate pension eligibility*.

Rollover or Roll Over
A *rollover* is a payment of all or part of a benefit from one qualified plan or IRA to another that allows you to maintain the tax-preferred status of the benefit.

Most distributions from the SPF and lump sums from the SPP are eligible to *roll over*. However, the following types of payments are not eligible:

- Payments spread over long periods — payments that will last for:
  - Your lifetime (or your life expectancy),
  - Your lifetime and your *beneficiary(ies)*'s lifetime (or life expectancy), or
  - A period of 10 years or more;

- *Minimum required distributions*; and
- Hardship withdrawals

A direct *rollover* is a type of *rollover* made directly to another qualified plan or IRA. In a direct *rollover* situation, your payments are not taxed at the time of the *rollover* (unless you *roll over* taxable amounts to a Roth IRA), and no income tax is withheld; however, your *rollover* must be reported on your federal income tax return.

To make an indirect *rollover*, you must transfer your plan withdrawal to another qualified plan or IRA generally within 60 days to receive *rollover* treatment (an extended period of time may apply in certain circumstances). In addition, an indirect *rollover* will be subject to mandatory federal income tax withholding on taxable amounts. As a result, you will need to make up the amount withheld in order to *roll over* 100% of your withdrawal. If you do not make up the amount withheld, that amount will be treated as a withdrawal and be subject to ordinary income taxes and an early withdrawal penalty, if applicable.

Roth Amounts
Roth amounts generally include Roth 401(k) contributions, amounts converted to *Roth amounts* via a Roth in-plan conversion, and Roth *rollover* contributions.

Self-Directed Account Plan
A *self-directed account plan* is a plan that allows you to choose from a broad range of investment offerings for all the assets in your account. According to the U.S. Department of Labor, a *self-directed account plan* must:

- Offer at least three investment offerings with considerably different risk and return characteristics;
- Provide sufficient information to allow you to make informed decisions for every investment alternative offered;
- Make diversification of investments possible; and
- Allow you to change investments at least quarterly, and more frequently if volatile investments are offered.

Shell Benefits Service Center (SBSC)
The Shell Benefits Service Center, also known as Fidelity, provides recordkeeping and administrative services to the Wealth plans. They can be reached at 1-800-30 SHELL (1-800-307-4355).

Single Life Annuity (SLA)
This is a lifetime monthly benefit. Upon death of the recipient, no further payments are made.

Social Security Normal Retirement Age (SSNRA)
Your retirement age as defined by the Social Security Administration. See also Appendix 2, *Social Security Offset*.

Social Security Offset (SSO)
The *Social Security Offset (SSO)* is a component of the 80-Point Formula benefit calculation — an offset that reflects the fact that the *Company* contributes payroll taxes on your behalf into the Social Security system. Essentially, the *SSO* represents a portion of your *estimated Social Security benefit* and is explained further in Appendix 2. A projected *SSO* is also a component of the *disability pension*.

Social Security Offset (SSO) Supplement
If you *retire with immediate pension eligibility,* the SPP will “make up” the *SSO* via a supplement until you reach *SSNRA*. When you reach *SSNRA*, the supplement will be discontinued.

Spousal Consent
Spousal consent means:

- Your spouse must complete a notarized consent form provided by the plan; or
- You must demonstrate that your *spousal consent* cannot be obtained for various approved reasons — for example, because your spouse cannot be located.

Terminate (or Termination)
Generally, this term means you cease to be an *employee.* For purposes of when you can receive your SPF or SPP benefits, to *terminate* means you cease to be employed by any *controlled group* company.

Totally and Permanently Disabled (TPD)
Generally, you are considered *totally and permanently disabled* when you suffer from physical or mental deterioration such that you are unable to do your normal occupation, and it is unlikely that you will ever again be able to work at your normal occupation.

Variable Pay
Variable pay is the portion of your compensation that is payable pursuant to a qualifying *variable pay* program (which is sometimes also referred to as an incentive compensation or bonus program) established and maintained by a *participating company*. It includes the amount of any U.S. hypothetical tax reduction a *participating company* makes to your *variable pay* as a result of you being compensated under a *participating company's* long-term international assignment policy;

Vesting Service (SPP)
Vesting service is the service that determines your non-forfeitable right to your SPP benefits. *Vesting service* for this purpose means service with a *participating company* and/or *affiliated company.* For participants who are in active service on or after January 1, 2003, if you work or receive credit for a one-year "Period of Service," (see the discussion of a one-year "Period of Service" in the *accredited service* definition), you earn a full year of *vesting service*. For participants who are in active service on or after January 1, 2008, you are 100% vested after you are credited with two one-year "Periods of Service," three months of service, and one day of service. For the first two one-year "Periods of Service," the SPP disregards any less than a whole year "Period of Service" (i.e., 12 months, 365 days, or, during leap year, 366 days). For example, if you were hired on January 1, 2007, and later leave the *Company* having worked 18 months, if you are rehired more than 12 months later, you will be credited only with one year of *vesting service*. You will need to earn another one-year "Period of Service" plus three months and one day of service to be vested.

Generally, prior service with an *affiliated company* counts towards *vesting service*. In limited cases, subsequent service with an *affiliated company* counts towards *vesting service*. Prior and subsequent service with a *controlled group* company also counts towards *vesting service*. In certain circumstances, and under special rules, if you *terminate* and are later rehired, the period not working may be counted as a "Period of Service" for *vesting service* in the SPP.

In addition, a *leased employee* who becomes an *employee* of a *participating company* may have service worked as a leased service employee credited for purposes of *vesting service* in the SPP. Also, an *employee* who becomes a *leased employee* can receive *vesting service* credit for that subsequent leased service. An *employee* must be employed by a leasing organization and must complete at least 750 hours of service during a computation period to be recognized as a *leased employee*. An *employee* may only receive credit for leased service if the *employee* furnishes proof of leased service to the Plan Administrator within one year of becoming an *employee*.

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