

**CITGO Petroleum Corporation  
Salaried Employees' Pension Plan**

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**Summary Plan Description**  
as in effect January 1, 2009

In the event of any conflict between this Summary Plan Description (SPD) and the actual text of the CITGO Petroleum Corporation Salaried Employees' Pension Plan, the more detailed provisions of the actual text will control. You can receive a copy of the actual text from the Plan Administrator upon written request (see *Additional Information* page 39 for the Plan Administrator's address).



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**PURPOSE**

Many people don't plan ahead for retirement—but should. Most of us will spend more than one quarter of our lives “retired.” The purpose of the CITGO Petroleum Corporation Salaried Employees' Pension Plan (the “Pension Plan” or “Plan”) is to help you build a source of income for retirement, in addition to the Retirement and Savings Plan (401(k) Plan), Social Security and your own savings.

The Pension Plan is funded totally by contributions made by the Company. Further, the Pension Plan is a qualified defined benefit plan (a special status granted by the Internal Revenue Service (“IRS”). As a result, you enjoy the advantage of deferring income taxes on the contributions the Company makes to the Plan on your behalf until you ultimately receive benefits from the Pension Plan.

This Summary Plan Description (SPD) describes the benefits available under the Plan, as well as the Plan's limitations and exclusions. As a participant of the Plan, you may be asked to comply with certain provisions of this Plan, which could affect the benefits you receive. You should acquaint yourself with these provisions, as failure to comply may result in a penalty, a reduction in benefits, or even the denial of benefits.

**ELIGIBILITY**

**Who is Eligible**

You are eligible to participate in the Plan if you are least 21 years of age and meet **all** of the following requirements:

- (1) You are a Salaried Employee of the Company or you are an Hourly Employee of the Company who is not included in a unit of employees covered by a collective bargaining agreement; and
- (2) You have completed twelve (12) months of employment.

**Who is Not Eligible**

You are not eligible to participate in the Plan if you meet **any** of the following conditions:

- (1) You are employed on any basis other than as a Salaried Employee of the Company or as an Hourly Employee not covered by a collective bargaining agreement;
- (2) You provide services to the Company under an independent contract or agreement between yourself and the Company or under a contract or agreement between the Company and a third party;
- (3) You provide services to the Company under a leasing agreement between the Company and a third party;
- (4) You are a non-resident alien and receive no earned income from the Company or a Related Company which constitutes income from sources with the United States;
- (5) You are a non-employee member of the Board of Directors of the Company;
- (6) You are accruing benefit credit service under another defined benefit plan of the Company or a related company;
- (7) Your employment is governed by terms of a collective bargaining agreement between employee representatives and the Company under which retirement benefits were the subject of good faith bargaining between the parties, unless such agreement expressly provides for such coverage under the Plan;
- (8) You are employed pursuant to an agreement providing that you are not eligible to participate in the Plan;
- (9) You are an employee whose basic compensation for services on behalf of the Company or a Related Company is not paid directly by the Company or a Related Company; and

(10) You are an employee of any related company which has not adopted the Plan.

If you are excluded from participation because you provide services under a contract or leasing arrangement or are not carried as an employee on the Company's payroll and a federal or state court or agency later determines that you should have been classified as an employee, you will still be excluded from participation.

There may be other situations – related to mergers, acquisitions, or employment with predecessor companies or other similar circumstances – in which you may be entitled to Plan eligibility. For example, if you were an employee of The UNO-VEN Company (UNO-VEN) on April 30, 1997 and you became a salaried employee of the Company prior to January 1, 1999, your employment with UNO-VEN counts for eligibility purposes. Contact the Benefits HelpLine at 1-888-443-5707 for more information about service under these situations.

You must be employed by the Company and be on the payroll of the Company to be eligible to participate in the Plan. In no event will you be eligible to participate in the Plan if you are not on the payroll of the Company, irrespective of any determination made by governmental agencies or by a court.

### **When Participation Begins**

If you are an eligible employee, you automatically become a participant in the Plan once you complete twelve (12) months of employment with the Company and you are at least 21 years of age. You become a Plan participant on the first day of the month coinciding with or next following when you complete these requirements.

## **SERVICE**

The Plan considers two types of service:

- Benefit Credit Service, and
- Vesting Credit Service.

### **Benefit Credit Service**

If you are an eligible employee, you become a Plan participant once you complete twelve months of employment with the Company and you are at least age 21. After you become a Plan participant, you receive Benefit Credit Service for every month in which you receive pay from the Company. In no event will you receive Benefit Credit Service while you are in a group of employees who are not eligible to participate in the Plan. You can accrue up to, but no more than forty (40) years of Benefit Credit Service. This includes periods, such as absence due to short-term disability or vacation, in which you receive pay even though you are not actively at work. Regardless of your age, if you become totally and permanently disabled as determined by the Plan Administrator while covered under the Plan as an eligible employee, as long as you are receiving Long-Term Disability benefits from the Company or a Company sponsored Long Term Disability Plan and have not elected to retire under the terms of the Plan, you may continue to earn Benefit Credit Service until retirement.

If you are an eligible employee in employment with the Company on or after April 1, 2008, you will receive Benefit Credit Service for the twelve months of employment during which you completed the eligibility requirements (see *When Participation Begins* on page 3). This provision only applies to actual periods of time during which you were an eligible employee waiting to become a Plan participant. Thus, you may receive less than 12 months of Benefit Credit Service if you have less than a 12 month waiting period (such as due to previous employment with the company, transfer from an ineligible class of employment, being actively employed on the effective date of the plan on January 1, 1991, etc.).

You will not receive Benefit Credit Service while you are on a leave of absence and not receiving pay, *unless* (in accordance with applicable law) the leave is a military leave of absence, and you return to work with the Company once the military leave of absence ends.

If you were an eligible employee with at least 12 months employment and age 21 on January 1, 1991, your Benefit Credit Service begins on January 1, 1991. If you become eligible after that date, your Benefit Credit Service begins on your first day of Plan participation.

In no event, are you eligible to receive more than one year of Benefit Credit Service for any 12-month period.

### **Vesting Credit Service**

Vesting Credit Service determines whether you are entitled to a benefit under the Plan. Generally, your Vesting Credit Service is your period of employment (past age 18) with the

Company, measured from your date of hire to your termination date. You will be credited with one year of Vesting Credit Service for each year (measured from your date of hire) you are employed by the Company.

In no event, are you eligible to receive more than one year of Vesting Credit Service for any 12-month period. If you leave the Company and are re-employed within 12 months, you will receive Vesting Credit Service for the period of your absence. If you are gone more than 12 months, it will generally be considered a break in service and you will not receive Vesting Credit Service for the period of your absence. Since special rules may apply for extended absences due to maternity or paternity reasons, please contact the Benefits HelpLine toll-free at 1-888-443-5707 in those situations. If you are on an approved leave of absence for any reason and you either return to active employment with the Company at the end of the leave or you retire directly from the approved leave, you receive Vesting Credit Service for the time you are on leave.

You will automatically become 100% vested in accordance with the following schedule:

<u>Years of Vesting Credit Service</u>	<u>% Vested</u>
Less than 5	0%
5 or more	100%

You will also become 100% vested in Plan benefits in the event that you have satisfied the eligibility requirements and:

- The Plan Administrator determines you became totally and permanently disabled while in employment; or
- You reach at least age 55 while an employee with the Company.

### CHANGES IN EMPLOYMENT STATUS

#### **Transfer from/to Affiliate**

If you were an employee with any affiliated company within the controlled group of corporations (as defined in Section 414(b) of the Internal Revenue Code) (e.g., Petroleos de Venezuela, S.A.), that is not participating in the Plan, immediately before you began participation in this Plan, your prior employment with the affiliated company will be recognized under this Plan for purposes of determining your eligibility and Vesting Credit Service, but *not* your Benefit Credit Service.

If, after becoming a participant of the Plan, you transfer to a position with an affiliated company which is not participating in the Plan, you'll continue to earn Vesting Credit Service under the Plan. However, you will no longer earn Benefit Credit Service. When you eventually leave both the affiliated company and the Company, your retirement benefits under this Plan will be determined.

It is your responsibility to inform the Benefits HelpLine (call toll-free at 1-888-443-5707) of any prior service with the Company or related companies or service related to mergers, acquisitions or employment with predecessor companies or other similar circumstances. Previous service may be considered for eligibility purposes and Vesting Credit Service.

#### **Transfer in Employment Status**

If you transfer from hourly to salaried employment status, and as an hourly employee you were a participant in the Retirement Plan of CITGO Petroleum Corporation and Participating Subsidiary Companies, here is how your participation in that plan is affected at the time of your transfer:

- Benefit credit service is frozen;
- Vesting service continues to be credited; and
- Pay continues to be credited in the calculation of final average base earnings.

Also, in this event you will immediately begin participation in this Plan.

#### **Re-Employment with the Company**

After you are a Plan participant, if you terminate employment with the Company and you later return to work as an eligible employee, you will begin accruing benefits from the time of your re-employment if you are eligible for participation in the Plan when you return. If you are not yet a Plan participant when you terminate employment with the Company and you later return to work, you will begin accruing benefits when you meet the eligibility requirements. Your prior employment with the Company will count towards meeting the 12 months of employment eligibility requirement.

If you terminate employment and are subsequently re-employed by the Company as an eligible employee, you will be entitled to Vesting Credit Service, Benefit Credit Service (if you are in a class of employees eligible to participate in the Plan) and service for eligibility for Plan participation for your employment prior to such termination with the Company. However, if you received your entire vested accrued benefit in a single sum payment following your termination, you will not be entitled to Benefit Credit Service for your previous employment because you received payment for that benefit. You may also be entitled to Vesting Credit Service and service for eligibility for Plan participation for all or a portion of the time you were not employed in certain circumstances such as your re-employment within 12 months.

### **If You Return to Work After Payments Begin**

Should you return to work after monthly retirement payments begin, your payments will continue. When you leave employment again, the amount of your new monthly retirement payment will be re-determined taking into account the additional compensation and Benefit Credit Service earned during your period of re-employment if you are eligible for participation in the Plan.

### **Maternity or Paternity Leave**

If you are away from work because of a maternity or paternity leave, you can, under certain circumstances, avoid incurring a break in service under the Plan. Before you take a maternity or paternity leave, you should contact the Plan Administrator to determine how the leave may affect your service. For purposes of the Plan, maternity or paternity leave includes time you are absent from work due to:

- pregnancy,
- the birth of your child,
- placement of a child with you in connection with adoption, and/or
- your care of a child immediately after birth or placement for adoption.

### RETIREMENT BENEFIT

The Plan is a “defined benefit” plan. This means the amount of your benefit is figured using a specific – or defined – formula. This section describes how your annual pension is calculated under the provisions of the Plan.

#### **Final Average Base Earnings**

This is the annual average of your highest 36 consecutive months of “Base Pay” during your last 10 years of employment. Base Pay is the amount of regular compensation paid to you by the Company before reduction for taxes. Base Pay also includes your tax-deferred contributions to any of the Company’s defined contribution (401(k)) plans, and/or flexible spending account plans (as well as any other deductions for benefit plans paid on a pre-tax basis).

Base Pay does *not* include:

- Bonuses
- Overtime (except as described below)
- Shift differential
- Employer contributions under employee benefit plans
- Extra pay such as:
  - Car and housing/living allowances;
  - relocation reimbursements;
  - benefits received under a Company-sponsored Long-Term Disability program;
  - imputed income;
  - taxable education assistance;
  - compensation deferred by election beyond termination of employment; or
  - separation or severance pay.

Base Pay does not include overtime pay unless your job uniformly includes some overtime pay as a part of your customary and normal work week; in this case, amounts regularly paid for such overtime in addition to your regular rate of pay – but not shift differential – will be included in “Base Pay”.

Federal law limits pay which can be considered for pension benefits. This limit generally changes each year. For the Plan Year beginning January 1, 2009 this amount is \$245,000.

#### **The Breakpoint**

The breakpoint is 125% of your “covered compensation”. Covered compensation is the 35-year rolling average of the Social Security taxable wage base ending with the year you reach your Social Security Retirement Age. Your covered compensation changes every year but is always determined by your date of birth. Generally, the breakpoint is determined in the year in which you stop accruing Benefit Credit Service. If you are accruing Benefit Credit Service due to the

fact that you are receiving Long-Term Disability benefits, the breakpoint used in your benefit formula will be determined from the schedule in effect at the time you terminate from employment with the Company, not the schedule in effect in the year in which you stop accruing Benefit Credit Service. The 2009 Covered Compensation and Breakpoint Schedule is included in Exhibit I of this summary (see page 44).

### **Your Benefit Formula**

1% of Final Average Base Earnings ( <i>up to the breakpoint</i> )	<b>X</b>	your Benefit Credit Service ( <i>up to 40 years</i> )
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PLUS

1.4% of Final Average Base Earnings ( <i>above the breakpoint</i> )	<b>X</b>	your Benefit Credit Service ( <i>up to 40 years</i> )
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This formula determines the annual pension amount payable on your normal retirement date under the Single Life Annuity form of payment option (see *Normal Forms of Payment* page 17). If your benefit is paid under any other form of benefit (see *Optional Forms of Payment* page 18) or is paid on a date before or after your normal retirement date, the amount of benefit will be adjusted in accordance with Plan provisions.

If you are not a Highly Compensated Employee (as determined by the Plan in accordance with regulations), you may be eligible for a minimum benefit as described on page 9. If you are a Highly Compensated Employee, your normal retirement benefit will be as calculated in the above formula. Some employees may be eligible for an additional supplemental retirement benefit and you will be notified if you are eligible for this provision.

### **Minimum Retirement Benefit**

If you are not a Highly Compensated Employee you will receive the greater of the benefit formula (see page 9) or a Single Life Annuity in the monthly amount of:

- \$90 if you were in employment on or after December 31, 2002 and terminated employment on or before December 31, 2004;
- \$140 if you were in employment on or after January 1, 2005 and terminated employment on or before December 31, 2005; or
- \$145 if you are in employment on or after January 1, 2006.

### **Maximum Retirement Benefit**

The Internal Revenue Code limits the benefit payable and the compensation that may be considered under defined benefit plans for Highly Compensated Employees. You will be notified if these limits apply to you.

<b>EXAMPLE: Benefit Calculation Below Breakpoint</b>	
Assume:	
<ul style="list-style-type: none"> <li>☉ You were born in 1944 and plan to retire in 2009 at age 65 with 18 years of Benefit Credit Service.</li> <li>☉ Your Final Average Base Earnings are \$45,000 which are below the breakpoint.</li> </ul>	
Calculation:	
1% of \$45,000 =	\$ 450.00
Benefit Credit Service	x 18
Annual Pension Benefit	\$8,100.00
	÷ 12
Your Monthly Pension Benefit As a Single Life Annuity	\$ 675.00 *
* - If you choose an optional form of benefit or choose to retire before age 65, your benefit would be adjusted accordingly.	

<b>EXAMPLE: Benefit Calculation Above Breakpoint</b>	
Assume:	
<ul style="list-style-type: none"> <li>☉ You were born in 1944 and plan to retire in 2009 at age 65 with 18 years of Benefit Credit Service.</li> <li>☉ Your Final Average Base earnings are \$85,000 which exceeds the assumed applicable breakpoint of \$74,085 by \$10,915.</li> </ul>	
Calculation:	
1% of \$74,085 =	\$ 740.85
Benefit Credit Service	x 18
	\$ 13,335.30
1.4% of \$10,915 =	\$ 152.81
Benefit Credit Service	x 18
	\$ 2,750.58
First part of formula =	\$ 13,335.30
Second part of formula =	+ 2,750.58
Annual Pension Benefit	\$ 16,085.88
	÷ 12
Your Monthly Pension Benefit As a Single Life Annuity	\$ 1,340.49 *
* - If you choose an optional form of benefit or choose to retire before age 65, your benefit would be adjusted accordingly.	

**Early Retirement**

If you terminate employment after age 55 and start receiving your Pension Plan benefit before you attain normal retirement age, your pension benefits will be reduced for each year (prorated monthly) that you start your pension before age 62. Also, if you choose to start receiving your Pension Plan benefit on a disability retirement date (see page 15) which occurs before you attain normal retirement age, your pension benefits will be reduced. These reductions are called “Early Retirement Reduction Factors” and your pension is reduced for early commencement before age 62 to reflect that you will be receiving your pension payments over a longer period of time.

The following chart shows the percentage of your age 65 pension benefit that will be paid to you if you elect to start your pension early, based on your age when you start your pension.

<b>Early Retirement Reduction Factors</b>	
<u>Age</u>	<u>% of Normal Retirement Benefit</u>
62 and above	100%
61	95%
60	90%
59	86%
58	82%
57	78%
56	74%
55	70%

The above factors will be prorated on a monthly basis for partial years of age.

<b>EXAMPLE: Early Retirement Reduction</b>
Assume: Your normal retirement benefit at age 65 = \$800 per month
At age 55 your retirement benefit = \$560 per month (\$800 x 70%)
At age 60 your retirement benefit = \$720 per month (\$800 x 90%)

**Deferred Vested Retirement**

If your employment with the Company ends before you reach age 55 but after you are 100% vested, you are eligible for a deferred vested benefit. Your deferred vested retirement benefit will be reduced for each year (prorated monthly) that you start your pension before age 65. These reductions are called “Actuarial Reduction Factors” and your pension is reduced for early commencement before age 65 to reflect that you will be receiving your pension payments over a longer period of time.

The following chart shows the percentage of your age 65 pension benefit that will be paid to you if you elect to start your pension early, based on your age when you start your pension.

<b>Actuarial Reduction Factors</b>	
<u>Age</u>	<u>% of Normal Retirement Benefit</u>
65 and above	100%
64	88%
63	78%
62	70%
61	62%
60	56%
59	50%
58	45%
57	40%
56	37%
55	33%

The above factors are rounded and will be prorated on a monthly basis for partial years of age.

<b>EXAMPLE: Actuarial Reduction</b>
Assume:
➤ You terminate employment with the Company at age 40
➤ Your Final Average Base Earnings = \$40,000, which is not greater than the breakpoint
➤ You have ten (10) years of Benefit Credit Service
At age 65 your approximate retirement benefit = \$333 per month ((1% x \$40,000 x 10 years) ÷ 12)
At age 55 your approximate retirement benefit = \$110 per month (\$333 x 33%)

If the present value of your vested accrued benefit is \$5,000 or less when you terminate employment, you may be given an immediate cashout (see page 18) of your benefit.

### Late Retirement

Your late retirement benefit is figured under “Your Benefit Formula” (see page 9). The benefits you receive on your late retirement date generally take into account the legal requirement that you continue to earn benefits after you reach age 65. The calculation of your late retirement benefit is based upon complex IRS regulations which would generally provide you with a late retirement benefit equal to the greater of the following:

- The retirement benefits you have actually accrued under the Plan; or
- The actuarial equivalent of the Plan benefits you were entitled to at age 65.

## **WHEN YOU CAN RECEIVE YOUR BENEFIT**

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### **WHEN YOU CAN RECEIVE YOUR BENEFIT**

You may elect to receive your retirement benefit on the applicable retirement date described below.

#### **Normal Retirement Date**

The normal retirement age under the Plan is 65. The first day of the month coinciding with or next following the month in which you reach age 65 is called your normal retirement date. You qualify for normal retirement benefits once you reach your normal retirement date.

If you are employed by the Company at age 65 and choose to retire at your normal retirement date, your payments will be effective on your normal retirement date. If you are not in employment with the Company when you reach age 65 and you have not begun receiving payments, your payments will be effective on your normal retirement date.

#### **Early Retirement Date**

If you leave employment with the Company after you reach age 55 and before you reach age 65, you are eligible to receive an early retirement benefit. Your monthly pension benefit will be smaller than if you had stayed with the Company until age 65 because:

- Your benefit is based on a fewer number of years of Benefit Credit Service than if you had waited until age 65 to leave employment;
- You are younger than 65 when payments begin so your payments are expected to continue for a longer period of time; and
- Your payments will be paid in accordance with the schedule of Early Retirement Reduction Factors (see page 11).

You may elect that payments are effective as soon as the first day of the month next following the month that you reach age 55. The date payments begin is your early retirement date. You can postpone the start of your payments until any date up to age 65. If you terminate and postpone benefits, you will receive that portion of your benefit which corresponds to your age at the time that payments are effective; in accordance with the schedule of Early Retirement Reduction Factors (see page 11). Payment of your retirement benefits will be effective at age 65, unless you request them to begin earlier.

#### **Deferred Vested Retirement Date**

If you leave employment (other than for disability under a Company sponsored Long Term Disability Plan) with the Company before you reach age 55 but after you are 100% vested, you are eligible for a deferred vested retirement benefit. You will be given a written statement showing the monthly amount payable to you from the Plan beginning at your normal retirement date.

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## WHEN YOU CAN RECEIVE YOUR BENEFIT

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Deferred vested retirement benefits, like normal retirement benefits, are effective on your normal retirement date (age 65). However, you may elect to have payments begin as soon as the first day of the month next following the month that you reach age 55. The date payments begin is your deferred vested retirement date.

Payments starting before your normal retirement date are actuarially reduced. An actuarial reduction is one which takes into account statistics about age, life expectancy, and other factors. The amount of the actuarial reduction factors applicable to deferred vested retirement benefits can be found on page 12.

### Late Retirement Date

The Plan also allows for your retirement if you leave employment after your normal retirement date. Your late retirement date is the first day of the month following your termination date.

In general, if you leave employment with the Company after your normal retirement date without requesting a retirement benefit and you are not entitled to receive any benefits under a long term disability program sponsored by the Company, your benefits will be effective as of the first day of the month after you leave employment. If you are in employment after you attain age 70½ you have the option to commence your benefit or to defer it until the first day of the month after you leave employment.

### Disability Retirement Date

If you are a Plan participant who has not attained age 55 and the Plan Administrator or its designee determines that you have become totally and permanently disabled while in employment with the Company, you are eligible for disability retirement beginning as early as your attainment of age 55.

Once you have been determined to be totally and permanently disabled, you can initiate your retirement benefits as early as the first day of the month next following the month in which you reach age 55, your disability retirement date. However, you may want to defer commencement of your retirement benefit as you will continue to earn Benefit Credit Service (see page 4) as long as you are receiving or entitled to receive benefits under a Company-sponsored Long-Term Disability Program. Also, any retirement benefit you receive under the Plan will reduce the amount of payments you are entitled to receive under a Company-sponsored Long-Term Disability Program. Whether related to a disability or not, if you choose to start receiving retirement benefits at any time prior to your Normal Retirement Date, your payments will be in accordance with the Early Retirement Reduction Factors (see page 11).

If you elect to defer your disability retirement date, your disability retirement benefit will commence on the later of either:

- Your normal retirement date (age 65); or
- The first day of the month after your benefits under the Company-sponsored Long-Term Disability Program are exhausted.

### HOW BENEFITS ARE PAID

The Plan adapts to your retirement needs by offering a number of different ways in which you may receive your benefit. You can choose payments which last for your lifetime alone, providing you with the largest monthly payment, or you can extend payments to cover the life of another person besides yourself, should you die before that person. Your monthly payment is smaller in this case because monthly payments are expected to continue for a longer period.

Generally, your payments are effective on the date you elect to retire provided you complete the appropriate forms in a timely manner.

### **Applying for Benefits**

You may choose your method of payment, not less than 45 days nor more than 90 days before the date you want pension payments to begin. Current CITGO procedures generally require active employees to provide 45 days notice to their Human Resources Representative to initiate the retirement process. Former employees may contact the Benefits HelpLine at 1-888-443-5707 or via email at [Benefits@CITGO.com](mailto:Benefits@CITGO.com). Upon starting the retirement process, you will be provided a retirement package which will provide you with:

- the necessary forms to elect your retirement option, including any required spousal consent and optional forms of payment or beneficiary,
- the terms and conditions of your normal form of payment and any optional forms of payment (as described in this section),
- your rights to waive your normal form of payment and the financial implications of making this choice,
- your spouse's rights concerning waiving the normal form of payment and
- your rights to change a previous choice to waive your normal form of payment.

IRS regulations require that you be given 30 days to consider your tax elections. However, you may waive the 30 day consideration period if the benefit commences more than 7 days after the retirement package was provided.

You should fully complete and return the election forms at least 30 days before the date you want to retire or your payment may be delayed. However, if you do not return the forms within 90 days after we send them to you—or if you choose a pension starting date more than 90 days after the date you receive the forms—you will need to file a new application for benefits and choose a later retirement date.

You may change your pension payment method at any time before the first day of the month in which benefit payments begin; you will not be allowed to change your pension payment method after that date. If you die before pension payments begin, benefits are paid as described in *Survivor's Benefits* (see page 20), regardless of any other election you have made.

If you are married and elect a form of payment other than the normal form, your spouse must consent in writing in order for the election to be effective. If you are married and you elect a benefit other than the 50% joint and survivor annuity, you can revoke the election, without your spouse's consent, at any time before your retirement date. You must then submit a new election which is still subject to the spousal consent requirement.

### Normal Forms of Payment

Regardless of whether you are single or married, if the total value of your retirement benefit is \$1,000 or less, you will receive a single lump-sum payment of your retirement benefit.

If the total value of your retirement benefit is more than \$1,000, you will be able to choose from several payment options. Your benefit is automatically paid in the normal form unless you choose otherwise, as follows:

- If you are single when you begin receiving your benefits, your normal form of payment is a single life annuity. Under this form of payment, you receive a monthly benefit for the rest of your life; no benefit will be payable after you die.
- If you are married when benefits begin, your normal form of payment is a 50% joint and surviving spouse annuity. Under this form of payment, you receive monthly payments for the rest of your life and, after your death, 50% of your benefit will be paid to your spouse for his or her lifetime. To reflect the fact that benefits are paid over two lifetimes, the joint and survivor annuity amount payable to you is less than the single life annuity amount. Your spouse is your husband or wife to whom you were legally married on the date Plan benefits began. Even if you are not married to your "spouse" at the time of your death, the benefit will be payable to your "spouse" unless your "spouse" pre-deceases you.

Initially, your benefit amount is calculated according to the benefit formula which is in the form of a single life annuity. The amount is then converted to a 50% joint and survivor annuity using an actuarial factor which is based on the joint life expectancy of you and your spouse. If your spouse should die within 30 days of your retirement, the payments would revert to a single life annuity, which would increase the amount of your monthly payment but would end at your death.

### Optional Forms of Payment

You can elect an optional form of payment instead of the normal form. If you are married and want to elect a form of payment other than a joint and surviving spouse annuity, you must have your spouse's written, notarized consent to such election. Your options include:

- **Cashout**—If the actuarial present value of your vested accrued benefit is \$5,000 or less when you terminate employment, you will be eligible to receive a cashout (a single sum payment) as soon as administratively possible. If you receive a cashout, no further benefits will be payable under the Plan. If you later return to eligible employment with the Company, your Benefit Credit Service will start over, but you will be 100% vested in any benefit that you accrue. You may elect to roll over the portion of your cashout that qualifies as an eligible rollover distribution (see page 36) directly to an IRA or another qualified plan that accepts rollover contributions.
  - If the actuarial present value of your vested accrued benefit is \$1,000 or less, you will automatically be given a cashout.
  - If the actuarial present value of your vested accrued benefit is more than \$1,000 but is \$5,000 or less, you may elect to receive a cashout.
- **Single Life Annuity**—You receive a monthly benefit for as long as you live and upon your death payments stop.
- **Joint and Survivor Annuity**—You receive an actuarially reduced monthly benefit for your lifetime. You may choose to continue payments to your survivor equal to 50%, 75% or 100% of the amount you had been receiving. After your death, your surviving beneficiary receives the elected percentage of your benefit until their death. Your surviving beneficiary may be anyone you name – be it a spouse, a relative, or a friend. To reflect the fact that benefits are paid over two lifetimes, the joint and survivor annuity amount payable to you is less than the single life annuity amount. If you elect the 100% Joint and Survivor Annuity and the surviving beneficiary is someone other than your spouse, the percentage of your monthly payments to be continued to your survivor may be limited. Your named survivor must be one individual and cannot be changed after benefits have commenced.
- **Ten Year Continuous and Certain**—You receive an actuarially reduced monthly benefit for your lifetime with a guarantee that at least 10 years (120 months) of benefit payments will be made. If you die before you have received 10 years (120 months) of payments, your beneficiary will receive the remaining monthly payments. You may designate primary and contingent beneficiaries. If you, your primary and your contingent beneficiaries die before the 120 months of payments have been made, the remaining monthly benefits will be paid in a single sum to the estate of the last survivor. Also, if your life expectancy according to actuarial life expectancy tables is less than 10 years you are not eligible for this payment option.
- **Level Income (available only if you retire prior to age 62)** —The Level Income option pays you a monthly annuity that is greater than your single life annuity until you first become eligible for Social Security benefits. Then, when Social Security benefits become available your monthly annuity is reduced by the estimated amount of your Social Security

benefit, producing a “level” income (from pension, plus Social Security) during your retirement years. Because your initial benefit is based on an estimate of your Social Security benefits, your ultimate combined income from Social Security and the Plan after age 62 may be somewhat higher or lower than calculated. In some cases, your monthly annuity from the Plan may reduce to zero at age 62. No benefit is payable to a survivor upon your death. If you have other retirement plans in which similar options are available, you should carefully consider your options under all plans combined as election of this option or similar options under two or more plans could result in a significant reduction in your total income at age 62.

- **Single Sum Payment**—If the actuarial present value of your vested accrued benefit is more than \$1,000 but less than \$10,000 when you elect to receive your pension benefit, you may elect to receive a single sum (lump-sum) payment rather than a monthly annuity. A single sum payment in an amount greater than \$5,000 is not available before the later of your attainment of age 55 or your retirement. If you choose to receive a single sum payment, no further benefits will be payable under the Plan. However, if you were a participant in the Champlin Pension Plan, additional benefits may be payable. For details regarding the Champlin Pension Plan, see page 23. You may elect to roll over the portion of your single sum payment that qualifies as an eligible rollover distribution (see page 36) directly to an IRA or another qualified plan that accepts rollover contributions.

If you elect to receive your benefit as a 50%, 75%, or 100% joint and survivor annuity, and your named survivor dies within 30 days after your retirement date, your benefit will be payable as a single life annuity.

### Spousal Consent

If you elect an optional form of payment instead of the normal form and you are married, you must obtain your spouse’s written consent to your election of an optional form of payment and/or your designation of a beneficiary other than your spouse. Your spouse’s consent must be obtained unless it is established by the Plan Administrator that:

- There is no spouse; or
- Your spouse cannot be located.

Your spouse’s consent must:

- be in the form and manner required by the Plan Administrator;
- be irrevocable;
- be in writing;
- acknowledge the effect of the consent and the specific non-spouse beneficiary; and
- be witnessed by a notary public.

Although your spouse’s consent is irrevocable, you can change your election at any time before your benefits are due to begin, and the 50% joint and survivor annuity will be payable unless you elect an optional form of benefit payment. If you elect another optional form of benefit payment and/or designate a beneficiary other than your spouse, you must once again obtain your spouse’s consent.

**SURVIVOR'S BENEFITS**

There are rules for determining if a benefit is payable to anyone else following your death, either before or after you retire. These rules vary depending upon your CITGO employment status as well as your marital status. Below is a table with an overview of some of these rules.

<b>Employment Status at Time of Death</b>	<b>Marital Status at Time of Death: Single</b>	<b>Marital Status at Time of Death: Married</b>
Active employee and under age 55	No survivor benefit	Spouse entitled to Pre-Retirement Survivor Annuity (see page 21)
Active employee and age 55 or above	No survivor benefit	Spouse entitled to Spouse's Benefit (see page 21)
Not active employee and terminated before age 55	No survivor benefit	Spouse entitled to Pre-Retirement Survivor Annuity (see page 21)
Not active employee, terminated after age 55, and retirement benefit not in pay status	No survivor benefit	Spouse entitled to Spouse's Benefit (see page 21)
Not an active employee and retirement benefit in pay status	Survivor benefit, if any, based on form of payment and beneficiary election at retirement	Survivor benefit, if any, based on form of payment and beneficiary election at retirement

As indicated above, the Plan has special provisions for your surviving spouse if you die before payments from the Plan begin. On the date of your death, your surviving spouse will be entitled to a survivor's benefit from the Plan if you are vested in your Plan benefits and your spouse survives until the date the survivor's benefit is payable. No survivor's benefit is payable if:

- you are not married at the time of your death; or
- you are married but not vested in the Plan's benefits.

If your surviving spouse is entitled to a benefit, the benefit is not payable before the later of:

- the date of your death; or
- the date you would have reached the earliest retirement age (age 55) under the Plan.

However, if the value of the survivor's benefit is \$1,000 or less, your spouse will receive a lump-sum payment as soon as practicable following your death. Additionally, if the present value of the survivor's benefit is more than \$1,000 but less than \$10,000 your spouse may elect to receive a lump-sum payment.

There are two forms of surviving spouse's benefits. No surviving spouse will be eligible for more than one type of survivor's benefit.

### **Spouse's Benefit (must have attained age 55 while in employment)**

The first survivor's benefit, the "Spouse's Benefit" is payable to your surviving spouse if:

- You are vested in the Plan's benefits;
- You die (whether or not you are currently employed by the Company at the time of your death) after reaching the earliest retirement age (age 55) while in employment; and
- You have not elected to receive retirement benefits under the Plan.

Under the Spouse's Benefit, your surviving spouse will be entitled to a monthly income, payable for life, beginning the first day of the month immediately following your death. Your spouse will be entitled to receive 50% of the amount you would have received as a Single Life Annuity had you retired on the first day of the month following your death. If this amount is payable before you would have reached age 65, it will be reduced in accordance with the schedule of Early Retirement Reduction Factors (see page 11) based upon your age.

Your surviving spouse may defer receiving benefits until a later date. By so doing, the Early Retirement Reduction Factor will change according to the Early Retirement Reduction Factors table based on the age you would have attained on the elected start date. However, payments cannot be deferred past what would have been your normal retirement date. If your surviving spouse dies before initiating benefit payments, no survivor's benefit will be payable.

### **Pre-Retirement Survivor Annuity**

The second form of survivor's benefit, the "Pre-Retirement Survivors Annuity" is payable to your surviving spouse if:

- You are vested in the Plan's benefits; and,
- Either of the following occurs:
  - You die while in employment with the Company but before you reach your earliest retirement date (the first day of the month following the month you reach age 55); or,
  - You leave employment prior to reaching the earliest retirement date and die prior to receiving benefits under the Plan.

Under the Pre-Retirement Survivor Annuity, your surviving spouse is entitled to a monthly income payable for life beginning on the later of what would have been your earliest retirement date under the Plan or the first day of the month immediately following your death. Your surviving spouse will be entitled to receive a monthly benefit equal to the survivor's portion of a 50% Joint and Survivor Annuity. The Pre-Retirement Survivor Annuity will be figured under "Your Benefit Formula" (see page 9) using the breakpoint in effect at the earlier of the date of your death or the date when you stopped accruing Benefit Credit Service under the Plan.

The benefit that is payable to your surviving spouse will be reduced in accordance with the schedule of Actuarial Reduction Factors (see page 12) based upon the age you would have attained on the date benefits begin. Your surviving spouse may defer receiving benefits until a later date. By so doing, the Actuarial Reduction Factor will change according to the Actuarial Reduction Factors table based on the age you would have attained on the elected start date. However, payments cannot be deferred past what would have been your normal retirement date. If your surviving spouse dies before payments are effective or payments begin, no survivor's benefit will be payable.

### **Post-Retirement Survivor Benefits**

If you die after beginning to receive Plan benefits, any survivor's benefits that may be payable will be based on the form of payment and beneficiary you elected at the time you started your benefit.

### **Loss of Eligibility to Receive Benefits**

If a court determines that a beneficiary, spouse or surviving spouse intentionally caused the death of you or your beneficiary, the person causing the death shall be ineligible to receive any benefits from the Plan.

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## **SPECIAL PROVISIONS FOR CHAMPLIN SALARIED EMPLOYEES**

### **SPECIAL PROVISIONS FOR CHAMPLIN SALARIED EMPLOYEES**

Effective December 31, 1991, all benefits you earned while an employee of Champlin Refining and Chemicals, Inc. (now CITGO Refining and Chemicals Company L.P., but in this SPD referred to as “Champlin”) in the Pension Plan for Salaried Employees of Champlin Refining and Chemicals, Inc. (the “Champlin Pension Plan”) were frozen. This means that you cannot earn any additional benefits under the Champlin Pension Plan after December 31, 1991. The Champlin Pension Plan was combined or merged with the CITGO Petroleum Corporation Salaried Employees' Pension Plan (called the “CITGO Pension Plan” in this section of this SPD).

Although you stopped earning benefits in the Champlin Pension Plan, you do not lose the benefits you have already earned. All benefits you have earned under the Champlin Pension Plan are payable from the CITGO Pension Plan (since there is no longer a separate plan for salaried employees of Champlin).

This section describes:

- how your service applies to eligibility and vesting in the CITGO Pension Plan;
- the Champlin Pension Plan benefit formula (the "Champlin benefit formula");
- the special CITGO Pension Plan benefit calculation for employees who were active participants in the Champlin Pension Plan on January 1, 1991 and who have earned a benefit under both the Champlin Pension Plan and the CITGO Pension Plan; and
- the benefit payment options available from the Champlin Pension Plan.

The benefits for former Champlin employees who were not active participants in the Champlin Pension Plan on January 1, 1991 and who never return to active employment but who were entitled to a benefit under that plan prior to January 1, 1991 are described in a separate Summary Plan Description. Essentially, the former employee's benefit (payable from the CITGO Pension Plan) will be calculated under the Champlin benefit formula using the former employee's years of credited service, final average earnings, and the Social Security benefit in effect at the time he or she ceased to be an active participant in the Champlin Pension Plan. In order to be eligible for a retirement benefit, the former employee must meet the requirements of the Champlin Pension Plan in effect at the time of his or her retirement.

### **Eligibility and Vesting in the CITGO Pension Plan**

If you were a Champlin employee on or after January 1, 1989, all your service with Champlin counts toward meeting the 12-month eligibility and 5-year vesting requirements of the CITGO Pension Plan (see pages 2 and 4).

If you met the eligibility requirements for the Champlin Pension Plan before December 31, 1991, you participated under the terms of the Champlin Pension Plan until December 31, 1991. On January 1, 1992, you began participation in the CITGO Pension Plan.

## SPECIAL PROVISIONS FOR CHAMPLIN SALARIED EMPLOYEES

If you did not meet the eligibility requirements for the Champlin Pension Plan before December 31, 1991, you will be eligible to participate in the CITGO Pension Plan on the first day of the month coinciding with, or next following, the date you meet the CITGO Pension Plan's eligibility requirements (12 months of employment with the Company and attainment of age 21).

### **Champlin Benefit Formula**

The following formula will be used to determine your annual accrued benefit through December 31, 1990 and through December 31, 1991.

The formula for the Champlin benefit is:

1.667% of your final average earnings	<b>X</b>	your years of credited service (up to 30 years)
	<b>PLUS</b>	
1% of your final average earnings	<b>X</b>	your years of credited service (between 30 and 40 years)
	<b>LESS</b>	
1% of your Social Security benefit	<b>X</b>	your years of credited service (up to 40 years)

The terms used in the formula are defined as follows:

***Final average earnings*** – The greater of either the average of your annual earnings for the 36 consecutive calendar months of highest earnings out of the last 120 calendar months before you retire or terminate **or** the average of your annual earnings for the three consecutive years before you stopped accruing benefits under the Plan, if earlier. Your annual earnings include your base annual salary, overtime, and cash incentive awards paid. Earnings after 1991 will not be considered in calculating your final average earnings for purposes of the Champlin benefit formula.

***Credited service*** – For service before April 1, 1987, you receive credit for all your years of service with Champlin as determined under the provisions of the Union Pacific Resources Company Pension Plan. For service beginning on April 1, 1987, you receive one full year of credited service for each full year of service following your date of employment with Champlin. If you work less than one full year, you receive credited service for each full month of service during the year. Your years of service used in the Champlin benefit formula will be frozen on December 31, 1991. In other words, for purposes of the Champlin benefit formula, your years of service will not increase after December 31, 1991.

***Social Security benefit*** – In the Champlin benefit formula, the benefit you earn is offset by an estimate of the primary Social Security benefit payable to you at normal retirement age (currently age 65), under the law in effect when you stop earning benefits under the Champlin Pension Plan. Any benefit payable to your dependent spouse is not included in this offset amount. Any increase in your Social Security benefit after your employment ends will not reduce the amount payable under the Champlin benefit formula. The amount of your Social Security benefit is estimated under rules provided in the Champlin Pension Plan, which are applied on a uniform basis to all plan

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## **SPECIAL PROVISIONS FOR CHAMPLIN SALARIED EMPLOYEES**

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participants. The use of an estimated Social Security benefit, rather than the actual Social Security benefit earned at the time your employment ends, can have a significant impact on your retirement payments determined under the Champlin benefit formula. A participant and/or his or her surviving spouse have the right to furnish actual wage history information (which may be secured from the Social Security Administration) in order to use an actual, rather than estimated, Social Security benefit in the re-determination of the pension payable under the Champlin benefit formula. However, this information must be furnished to the Plan Administrator no later than 30 days after the later of the date the participant terminates employment or the date that pension payments begin.

### **Determining Your Pension Benefit**

The benefit calculation described in this section will apply to you if, on or after January 1, 1991, you were in employment with Champlin and were an active participant in the Champlin Pension Plan.

**Your pension benefit payable from the CITGO Pension Plan will be equal to the greater of either:**

#### **Method One – The Champlin Benefit through December 31, 1991.**

The accrued benefit, which would be payable upon your retirement date (whether you retire early, on or after your normal retirement date, or with a vested benefit), calculated under the Champlin benefit formula through December 31, 1991. The final average earnings, credited service and Social Security benefit used will be those in effect at the earlier of December 31, 1991 or the date you terminated employment or retired. Champlin Reduction Factors (see next page) will apply if you elect to receive a benefit before age 65. Your benefit payment options will be all of those described under the applicable sub-heading, either “Champlin Benefit Payment Options – Retirees” (see page 26) or “Champlin Benefit Payment Options – Terminated Participants” (see page 28) using the actuarial equivalency assumptions of the Champlin Pension Plan.

**OR**

#### **Method Two – The sum of the Champlin Benefit through December 31, 1990 and the CITGO Benefit after December 31, 1990.**

- The accrued benefit earned **through** December 31, 1990 calculated under the Champlin benefit formula using final average earnings, credited service, and Social Security benefit in effect at December 31, 1990.
- The accrued benefit earned **after** December 31, 1990 calculated under the CITGO benefit formula using final average base earnings, benefit credit service (including Champlin credited service for 1991) and generally the breakpoint in effect at the time you stop accruing benefits under the Plan.

Your benefit payment options for the sum of the accrued benefits earned under the Champlin benefit formula through December 31, 1990 and under the CITGO benefit formula after December 31, 1990 will be all of those described under the heading “Optional Forms of Payment” (see page 18) using the actuarial equivalency assumptions of the CITGO Pension Plan. The reduction factors

## **SPECIAL PROVISIONS FOR CHAMPLIN SALARIED EMPLOYEES**

of the CITGO Pension Plan (see pages 11 and 12) will apply to the sum of the two benefits if you elect to receive a benefit before age 65.

<b>Champlin Reduction Factors</b>			
	<b>Early Retirement Reduction Factors</b>	<b>Social Security Early Retirement Reduction Factors</b>	<b>Actuarial Reduction Factors</b>
<b>Age</b>	<b>Factors</b>	<b>Factors</b>	<b>Factors</b>
65 and above	100%	100%	100%
64	97%	91%	91%
63	94%	83%	83%
62	91%	75%	75%
61	88%	69%	69%
60	85%	63%	63%
59	80%	58%	58%
58	75%	53%	53%
57	70%	49%	49%
56	65%	45%	45%
55	60%	42%	42%

The above factors or percentages will be prorated on a monthly basis for partial years of age.

### **Champlin Benefit Payment Options - Retirees**

As an active participant in the Champlin Pension Plan during 1991, you will receive an accrued benefit for 1991 which is the greater of that either earned under the Champlin benefit formula through December 31, 1991 or under the sum of the Champlin benefit formula through December 31, 1990 and the CITGO benefit formula after December 31, 1990 as described on page 25. This provision applies even if you terminate employment during 1991.

If the greater of the benefits determined under Method 1 or Method 2 is your accrued benefit through December 31, 1991 under the Champlin benefit formula (Method 1), the following forms of payment will apply if you have at least 10 years of continuous service and are at least age 55 when you leave employment, or if you leave employment when or after you reach age 65. If you do not meet either of these requirements, see “Champlin Benefit Payment Options – Terminated Participants” (see page 28).

### **Champlin Normal Forms of Benefit Payment – Retirees**

There are two normal payment methods – one if you are single and another if you are married. Your benefit will be paid according to one of these methods unless you elect an optional payment form (see next section) in writing:

- If you are single, the normal form of benefit is a Single Life Only annuity which pays you a monthly benefit for as long as you live. Benefit payments stop at your death.

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## **SPECIAL PROVISIONS FOR CHAMPLIN SALARIED EMPLOYEES**

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- If you are married, the normal form of payment is an annuity in the amount of a Single Life Only annuity. This form of payment provides a pension payment every month of your lifetime. In the event of your death, your eligible surviving spouse will receive a monthly payment (called a “50% surviving spouse death benefit”) equal to 50% of your Single Life Only annuity amount for the rest of his or her lifetime.

### **Champlin Optional Forms of Benefit Payment – Retirees**

- **Level Income Option** (only available if you retire before age 62) – If you retire before age 62, you may elect an approach that can provide you with a *somewhat* level income throughout retirement. This is accomplished by increasing your monthly pension benefit from the Plan by an amount estimated to be close to your age-62 monthly Social Security benefit. The increased payments are made until you reach age 62, at which time you will be eligible for reduced Social Security benefits. At age 62, the monthly payments from the Plan are reduced, whether or not you actually begin receiving Social Security benefits.

This option allows you to keep your income *somewhat* level throughout retirement. However, because your initial benefit is based on estimated Social Security benefits, your ultimate combined income from Social Security and the Plan after age 62 may be somewhat higher or lower than originally calculated.

- **Ten Year Certain and Continuous Option** – This form pays a monthly benefit to you for your lifetime. If you die before 120 monthly payments (10 years of payments) are made, your beneficiary will receive a lump sum payment in an amount equal to the value of the balance of such ten years’ pension payments which would have been paid to you if you had not died. Your benefit under this option is actuarially reduced from the Single Life Only form because the Ten Year Certain and Continuous Option guarantees the value of at least ten years of benefit payments to be paid to you or your designated beneficiary. If your life expectancy under the applicable mortality table is less than 10 years, you are not eligible for this optional form of payment.
- **50% or 100% Contingent Annuitant Option** – Under this option, you accept an actuarially reduced monthly pension benefit payable for your lifetime. After your death, the survivor you have designated will receive a percentage of your pension amount for his or her life. You may choose to continue payments to your survivor equal to 50% or 100% of the amount you had been receiving. The actuarial reduction in your pension benefit will depend upon the percentage you choose (50% or 100%) and the ages of you and your designated survivor. This option provides a continuing income to your survivor, be it a spouse, a relative, or a friend. Note: Designation of 100% Contingent Annuitant to someone other than your spouse may be limited by law.
- **Single Sum or Cashout Option** – If the present value of your accrued benefit is \$1,000 or less when you terminate employment or retire, you will receive a cashout. If the present value of your accrued benefit is between \$1,000 and \$10,000, you may elect to receive your entire pension benefit in a single sum payment after the date you terminate employment or retire. You may elect to roll over the portion of your cashout or single sum payment that qualifies as an eligible rollover distribution directly to an IRA or another qualified plan that accepts rollover contributions.

### **Champlin Benefit Payment Options – Terminated Participants**

If you terminate employment with less than 10 years of continuous service (unless you leave employment when or after you reach age 65) or before age 55, the only forms of benefit payment available to you are the following:

- Normal Forms
  - Single – Single Life Only annuity
  - Married – 50% Contingent Annuitant option with your spouse as your designated survivor
- Optional Forms (available only with written spousal consent, if required)
  - Single Sum or Cashout option
  - If married, you may elect a Single Life Only annuity.

### **Champlin Surviving Spouse’s Death Benefit**

In addition to the monthly retirement benefit calculated previously, your eligible surviving spouse may be entitled to a surviving spouse's death benefit which will be payable in the event of your death if

- you have at least 10 years of vesting credit service and are at least age 55 when you retire directly from employment, or
- you leave employment when or after you reach age 65.

Your spouse is entitled to this surviving spouse’s death benefit regardless of whether the benefit determined under Method 1 or Method 2 is greater. The only distinction is that if Method 1 is greater, the death benefit will be based on the December 31, 1991 Champlin accrued benefit, and if Method 2 is greater, the death benefit will be calculated based on the December 31, **1990** Champlin accrued benefit. The surviving spouse’s death benefit will be equal to 50% of the benefit you would have been entitled to receive as a Single Life Only annuity upon your retirement. Even if you have a vested benefit, your spouse is not entitled to this surviving spouse’s death benefit if you have less than 10 years of continuous service (unless you leave employment when or after you reach age 65) or if you leave employment before age 55.

This benefit will be available in addition to any optional form of benefit you elect. In order to qualify for the surviving spouse’s death benefit, your spouse must have been married to you for at least 12 months at the time of your death.

In the event of your death prior to your retirement, your spouse will not be entitled to the surviving spouse’s death benefit described under this heading. However, your spouse may be entitled to the applicable death benefit described under “Survivor’s Benefits” (see page 20).

### QUALIFIED DOMESTIC RELATIONS ORDERS

If you are getting divorced or legally separated, there may be a domestic relations order that affects your benefit under this Plan. A domestic relations order is any judgment, decree, order, or court-approved property settlement agreement that deals with child support, alimony payment, or marital property rights and is issued pursuant to a state domestic relations law. Sometimes a domestic relations order will award part or all of your vested benefit under this Plan to another person. But the Plan Administrator is not required to comply with the order unless the order is a Qualified Domestic Relations Order (QDRO).

A QDRO is a domestic relations order that creates or recognizes the right of an alternate payee (who can be your spouse, former spouse, child, or other dependent) to receive all or a portion of your benefit under this Plan. To be a Qualified Domestic Relations Order, the order must specify the name and last known mailing address of the participant and each alternate payee, the amount or percentage of the participant's benefits to be paid to each alternate payee or the manner in which such amount or percentage is to be determined, the number of payments or period to which the order applies, and each plan to which the order applies. A Qualified Domestic Relations Order may not provide for any type or form of benefit or option not otherwise provided under the Plan, provide increased benefits, or pay to an alternate payee amounts required to be paid to another alternate payee under a prior Qualified Domestic Relations Order.

To request a free copy of the guidelines and a model draft used by CITGO to determine and process a QDRO under the provisions of this Plan, call the Benefits Helpline at 1-888-443-5707.

The court-executed Domestic Relations Order must be mailed to the CITGO Benefits Department for approval at the following address:

CITGO Benefits Department  
P.O. Box 4689  
Houston, Texas 77210-4689

Until your QDRO is approved, the benefits that may be awarded to your alternate payee must be protected. Therefore, you will not be able to receive a distribution of your benefits under this Plan until the QDRO is approved.

If the QDRO so provides, an alternate payee may begin to receive a benefit equal to his or her interest at the earliest time prescribed by law and under the terms of the Plan, by making written request to the Plan Administrator. However, the alternate payee will not be able to elect benefits, any sooner than the date on which you would be able to start receiving benefits if you left the Company.

Distributions to alternate payees pursuant to a QDRO are normally subject to ordinary income tax.

## **CLAIMS PROCEDURES**

When you make your final retirement decisions, simply notify your Human Resources Representative or the Benefits HelpLine. You must supply information such as proof of your age and that of your spouse or beneficiary, proof of your marriage, Social Security numbers of you and your spouse or beneficiary, and current addresses and complete all of the appropriate forms within the prescribed time limits.

A claim for benefits is simply a request for retirement benefits. You will be provided with the appropriate forms and be given any help which you may need to fill out the forms. The completed forms should be sent to the Benefits Department (see page 40). If you are a terminated employee, an alternate payee, or a beneficiary, you may write to the following address with regard to your claim for benefits under the Plan:

Secretary, Benefit Plans Committee  
CITGO Petroleum Corporation  
P.O. Box 4689  
Houston, Texas 77210-4689

### **Initial Claim for Benefits**

The Benefits Department will initially process your claim. If there is a question on whether your claim should be paid, it will be forwarded to the “Benefits Manager”. The Benefits Manager is the individual designated or assigned by the Plan Administrator to handle these claims. (The actual Company title may not correspond to the title designated in the claims procedure.) You may contact the Benefits Manager through the Benefits Department (see page 40).

If the Benefits Manager needs additional information to make a decision, he or she will request the additional information from you within 45 days from the date your claim was received. If you do not provide the information within 45 days after you receive the request, your claim will be denied unless you have requested additional time to provide the information. You will have no right to seek review of a denial of benefits under the Plan prior to having filed a formal claim for benefits.

You will be notified of your claim’s approval or denial within 90 days (or 45 days for claims involving a disability determination) after the receipt of the claim – unless special circumstances require an extension of time for processing the claim. If an extension of time for processing is required:

- Notice of the extension will be given to you before the end of the initial 90-day period (or 45-day period for disability claims).
- The notice will specify the special circumstances requiring an extension and the date by which a final decision will be reached.
- The extension may not be more than an additional 90 days (or 30 days for disability claims).

Any notice of extension shall specifically explain:

- The standards on which entitlement to a benefit is based;
- The unresolved issues that prevent a decision on the claim; and
- The additional information needed to resolve those issues.

You will be given notice as to whether the claim is granted or denied, in whole or in part. If you do not receive notice within the time periods stated above, you will be deemed to have exhausted the claim review procedures available under the Plan and will be entitled to pursue any available remedies under section 502(a) of ERISA.

If the claim is denied, in whole or in part, you will be given notice that will contain:

- the specific reasons for the denial;
- reference(s) to pertinent Plan provisions upon which the denial is based;
- a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary;
- a description of the Plan's appeal procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under section 502(a) of ERISA following a denial of an appeal; and
- in the case of a claim regarding a disability determination, a description, if applicable, of any rule, guideline, protocol or other similar criterion which was relied upon in denying the claim or a statement that a copy of such rule, guideline, protocol or other similar criterion will be provided to you free of charge upon request.

### Review of Claim Denial

If your claim is denied, in whole or in part, you will have the right to request that the Plan Administrator (or its designate) review the denial as long as you file a written request for review with the Plan Administrator within 60 (or 180 days in the case of a review of a claim regarding a disability determination) days after the date on which you received written or electronic notification of the denial. Your request for claim review must be in writing, must state the reason or reasons why you believe your claim should not have been denied, and must be addressed to the Plan Administrator as follows:

Benefit Plans Committee – Secretary  
CITGO Petroleum Corporation  
P.O. Box 4689  
Houston, TX 77210-4689

Benefit Plans Committee  
CITGO Petroleum Corporation  
1293 Eldridge Parkway  
Houston, TX 77077

The following rights and rules apply to your request for claim review:

- You (or your duly authorized representative) may review pertinent documents and submit issues and comments in writing to the Plan Administrator. You will also be provided, upon request and free of charge, reasonable access to, and copies of all documents, records and other information relevant to your claim for benefits.
- Review of your claim will take into account all comments, documents, records and other information you submit without regard to whether such information was considered with your initial claim for benefits.
- In the case of a review of a claim regarding a disability determination, the review of your claim will not take into account the initial claim denial, and will be conducted by the Plan Administrator.
- In the case of a review of a claim regarding a disability determination, if your initial claim for benefits was denied based in whole or in part on medical judgment, the Plan Administrator will consult with a health care professional who has the appropriate training and experience in the field of medicine involved in the medical judgment. The health care professional who is consulted will not be someone who was consulted in connection with the initial claim nor the subordinate such a person. Identification of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your claim on review will also be provided without regard to whether the advice was relied upon in making the benefit determination.

After a request for review is received, the review will be completed within 60 days (or 45 days in the case of certain disability claims). You will be given notice of the decision on review unless special circumstances require an extension of time for processing the review.

If an extension is required, you will be notified within the initial 60-day (or 45-day in the case of certain disability claims) period specifying the reasons for the extension and when such review will be completed. The review will be completed within 120 days (or 90 days in the case of certain disability claims) after the date on which the request for review was filed. If an extension is required due to your failure to submit information necessary to decide your claim, the period for deciding the appeal will be suspended until the date on which you respond to the request for additional information.

You will be given notice of the decision on review and, if your appeal is denied, it will include:

- the specific reasons for the denial;
- reference to the specific Plan provisions upon which the denial is based;
- 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 for benefits;
- a statement of your right to bring an action under section 502(a) of ERISA; and
- in the case of a disability determination, a description, if applicable, of any rule, guideline, protocol or other similar criterion which was relied upon in denying the claim or a statement that a copy of such rule, guideline, protocol or other similar criterion will be provided to you free of charge upon request.

If notice of the decision on review is not furnished within the time periods stated above, the appeal shall be deemed denied and you may take additional steps including filing a lawsuit.

## **Exhaustion of Review Remedies**

You must properly file a formal claim for benefits and request a review of any complete or partial denial prior to seeking a review of your claim for benefits in a court of law. You may find out if these voluntary options are available by contacting your local U.S. Department of Labor Office and your State insurance regulatory agency. The Plan Administrator's decision on a Review of Claim Denial (see preceding section) shall be final.

After the Plan Administrator provides this final decision, you may seek judicial remedies in accordance with your rights under ERISA. You may not sue after two years from the date of loss upon which the lawsuit is based.

## **Effect of Plan Administrator's Decision on Claims**

The Plan Administrator has the discretion and power, including, without limitation, discretionary power, to:

- make all determinations required for administration of the Plan;
- construe and interpret the Plan as necessary to carry out its intent and purpose, and
- facilitate operation of the Plan, including discretion to grant or to deny claims for benefits under the Plan.

All rules, regulations, determinations, constructions and interpretations made by the Plan Administrator shall be conclusive and binding.

## **Claims Procedures Questions**

Any questions about the Claims Procedures or the process for requesting a review should be addressed to the Plan Administrator.

## **How You Could Lose or Delay Benefits**

The Plan is an excellent way to build a source of income for your retirement. Yet, you should be aware of circumstances which could cause you to lose or cause a delay in payment of your benefits.

A delay in applying for benefits may cause a delay in the payment of benefits.

If you move and do not notify the CITGO Benefits Department of your new address, you will not receive any benefits until the CITGO Benefits Department is able to locate you.

A court may provide that some or all of your benefits are to be paid to an alternate payee such as a former spouse or a child pursuant to a Qualified Domestic Relations Order (see *Qualified Domestic Relations Orders* page 29).

As noted elsewhere in this summary plan description, there are other situations in which you or your beneficiary may forfeit benefits. These include:

- if you die before you retire, unless a survivor's benefit is payable (see page 20);
- if you die after you retire, unless a joint and survivor annuity or the Ten Year Certain and Continuous option is in effect;
- if your employment is terminated and you are not vested in the Plan benefit; or
- your beneficiary intentionally causes your death (see page 22).

## **ADMINISTRATION**

The Plan Administrator is responsible for the administration of the Plan and has final discretionary authority to interpret the Plan's provisions, to resolve any ambiguities in the Plan, and to determine all questions relating to the Plan, including eligibility for benefits. The decisions of the Plan Administrator with respect to all issues and questions relative to the Plan will be final, conclusive, and binding on all persons.

The Plan Administrator is also responsible for all functions under the Plan involving control or management of Plan assets, including the appointment and retention of the trustees, investment managers, and insurance carriers. Other employees of the Company may be delegated authority by the Plan Administrator to assist in the performance of these duties on his or her behalf.

The trustees, insurance carriers, and investment managers shall have exclusive responsibility for the investment and management of the assets of the Plan transferred to each, as provided in the trust agreements, the insurance contracts, and the appointment agreements, and shall have no responsibilities other than those provided in the governing documents.

All forms, notices, directions, or other communications by a participant will not be deemed duly given, made, delivered or received until actually received by the Plan Administrator or Company.

### **Plan Amendment, Merger, or Termination**

The Company hopes to continue the Plan; however, the Board of Directors of CITGO Petroleum Corporation (or its designee) reserves the right to terminate or amend the Plan from time to time. In addition, the Benefit Plans Committee is authorized to adopt non-material amendments to the Plan. No amendment shall cause any of the trust assets of this Plan to be used for any purpose other than for the benefit of Plan participants.

Upon complete or partial termination of this Plan, solely to the extent each participant's benefit is funded, each participant affected by the Plan termination will become immediately vested in the pension benefit he or she has accrued under the terms of the Plan as of the Plan's termination date. A partial termination may occur when a participating company withdraws from the Plan, thereby terminating the Plan for participants employed by the participating company, or when the Company or a participating company discontinues contributions to the Plan on a permanent basis.

Special rules apply when the Plan is merged with another plan or the Company makes an acquisition or disposition of assets.

### OTHER INFORMATION YOU SHOULD KNOW

#### **Accessing Information About Your Benefit**

You may be able to obtain on-line information about your benefit through the Pension Manager web site. This service is currently available for active employees and some former employees.

The Pension Manager allows you to review your pay history and personal data used in administering your pension benefit. You also can estimate your pension benefit using different effective dates and ages. You can calculate and print estimates under different scenarios based on the variables you enter.

You can access the Pension Manager through a link on CITGO's intranet or through the internet at <http://CITGO.mercerhrs.com>. If you need assistance in using the Pension Manager, you may contact the Benefits HelpLine toll-free at 1-888-443-5707 or by e-mail [Benefits@CITGO.com](mailto:Benefits@CITGO.com).

#### **Tax Issues**

Before choosing to begin your retirement payments under the Plan, you should keep in mind the tax consequences. A notice concerning possible tax treatment of a distribution from the Plan is included in the retirement package you will receive when you start the retirement process. However, neither this Summary Plan Description nor the notice is an adequate substitute for consultation with a competent professional tax advisor.

Tax laws are very complicated and they change from time to time. They also affect different people in different ways depending upon individual circumstances. Therefore, the best source about how tax laws affect you is your personal tax advisor.

Due to the complexity and personal nature of financial information, no employee of the Company is authorized to give tax or other personal financial advice. ***You are urged to seek competent professional tax advice before and after receiving payments under the Plan.***

You are responsible for reporting any payments you receive from the Plan as taxable income on your annual federal, state and local tax returns. You are also responsible for paying all applicable taxes. You will be given the opportunity to complete a federal tax withholding election.

#### **Assignment of Benefits**

Under no circumstances may you assign your benefits or rights under this Plan, in whole or in part. Nor may your benefits or rights under this Plan be liable for or subject to any obligation or liability assumed by you at any time, subject to applicable law. This means that your accrued retirement benefit cannot be sold, used as collateral for a loan, given away, or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your retirement benefits. However, all or a portion of your vested benefit under this Plan will be paid in accordance with a Qualified Domestic Relations Order (QDRO) if properly served on the Plan. (see page 29)

### **Pension Insurance**

Your pension benefits under the Plan 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 of the pension benefits they would have received under their Plan, but some people may lose certain benefits.

The PBGC guarantee generally covers (1) normal and early retirement benefits, (2) disability benefits if you become disabled before the Plan terminates and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover (1) benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates, (2) some or all of the benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the time the Plan terminates, (3) benefits that are not vested because you have not worked long enough for the Company, (4) benefits for which you have not met all of the requirements at the time the Plan terminates, (5) 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 (6) any non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you may still receive some of those benefits from the PBGC depending on how much money your Plan has and on how much the PBGC collects from employers. However, there is a ceiling on the amount of monthly benefit that the PBGC guarantees, which is adjusted periodically.

For more information about the PBGC and the benefits it guarantees, ask your Plan administrator or the PBGC. Inquiries to the PBGC should be addressed to:

PBGC  
Technical Assistance Division  
1200 K Street, N.W., Suite 930  
Washington, D.C. 20005 – 4026

The PBGC can also be reached by calling 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's Web site on the Internet at <http://www.pbgc.gov>.

### **Government Approval**

In order to take advantage of the favorable tax treatment afforded to pension plans such as ours, the Plan has been designed so that it will qualify under various federal laws and regulations of

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## **OTHER INFORMATION YOU SHOULD KNOW**

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United States government agencies. The continuation of this Plan is subject to the Company obtaining and retaining required approvals from these various governmental agencies.

### **If the Plan Becomes Top Heavy**

A plan is considered top-heavy when 60% or more of the benefits from the plan are payable to highly paid employees.

It is unlikely that this Plan will become top-heavy. If the Plan does become top-heavy, you'll be notified. Special rules apply for any period of time a plan is top-heavy.

### **Implied Promises**

Nothing in this SPD says or implies that participation in this Plan is a guarantee of continued employment with your employer, nor is it a guarantee that Plan benefit levels will remain unchanged in future years. The adoption and maintenance of the Plan do not represent an employment contract between the Company and its employees. The Plan confers no right to employment upon any employee. Adoption and maintenance of the Plan do not prohibit the Company from discharging an employee at any time nor do they interfere in any way with an employee's right to terminate at any time.

### **PDVSA Services, Inc.**

Effective October 15, 2003, the PDVSA Services, Inc. Pension Plan (PSI Pension Plan) was merged into the Plan. Participants in the PSI Pension Plan at the time of the merger became participants in the Plan at that time but continue to accrue benefits in accordance with the provisions of the PSI Pension Plan. Such participants are covered by a separate Summary Plan Description that provides details about the PSI Pension Plan Benefits now provided by the Plan.

**ADDITIONAL INFORMATION**

As a participant or beneficiary under this Pension Plan you have certain rights and protections as more fully described within the Statement of ERISA Rights that is included in this section. Other important information about the Pension Plan is provided below:

**Name of Plan:** CITGO Petroleum Corporation Salaried Employees' Pension Plan

**Type of Plan:** Defined Benefit Plan

**Plan Sponsor:** CITGO Petroleum Corporation  
1293 Eldridge Parkway  
Houston, Texas 77077  
832-486-4000

**Plan Sponsor's Employer Identification Number:** 73-1173881

**Plan Administrator:** Benefit Plans Committee – Secretary  
CITGO Petroleum Corporation  
P.O. Box 4689  
Houston, Texas 77210-4689

Benefit Plans Committee  
CITGO Petroleum Corporation  
1293 Eldridge Parkway  
Houston, Texas 77077

**Plan Number:** 004

**Plan's Initial Effective Date:** January 1, 1991

**Plan Year:** January 1 through December 31

**Plan Funding:** The Plan is funded entirely by employer contributions under a Trust Agreement.

**Trustee:** Bank of Texas  
5956 Sherry Lane, Suite 701  
Dallas, TX 75225

**Participating Companies:** A "Participating Company" for purposes of this summary means CITGO or any related Company which has adopted the Plan.

**Benefits HelpLine:**

Toll-free 1-888-443-5707  
Email: [Benefits@CITGO.com](mailto:Benefits@CITGO.com)

**Benefits Department:**

CITGO Petroleum Corporation  
Attn: Benefits Department  
P.O. Box 4689  
Houston, TX 77210-4689  
Toll-free 1-888-443-5707  
Email: [Benefits@CITGO.com](mailto:Benefits@CITGO.com)

**Construction**

The Plan will be governed by, and construed in accordance with, the laws of the United States of America. Subject to the foregoing sentence, the Plan and all rights thereunder will be construed in accordance with the laws of the state of Texas.

**Rollovers**

Amounts received from other qualified retirement plans may not be rolled over or transferred to the Plan.

You may elect to roll over the portion of your distribution from the Plan that qualifies as an eligible rollover distribution (cashout or single sum payments only) directly to an IRA or another qualified plan that accepts rollover contributions.

**Agent for Service of Legal Process**

If you feel you have cause for legal action, petition for service of legal process may be presented to the Secretary of the Benefit Plans Committee at the address shown previously in this section for the Plan Administrator.

Service of legal process may also be made upon the Benefit Plans Committee or any Trustee of the Plan.

### **YOUR RIGHTS UNDER ERISA**

For purposes of the ERISA rights statement, “Plan” refers to the CITGO Petroleum Corporation Salaried Employees’ Pension Plan.

Under the Employee Retirement Income Security Act of 1974 (ERISA), the Company is required to provide you with the following statement of ERISA Rights to fully inform you of your rights as a participant under those benefit plans subject to ERISA.

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

#### **Receive Information About Your Plan and Benefits**

Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites, all documents governing the Plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA).

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, 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 the 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 telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan 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 get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

#### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called “Fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit under this Plan or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a benefit under this Plan 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.

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 Plan and do not receive them within 30 days, you may file suit in 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 because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which 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's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in 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 have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### **Assistance with Your Questions**

If you have any questions about the 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 1-888-444-3272.

**DEFINITIONS**

This Plan description has been written in a simplified manner that is intended to help explain this Plan as clearly as possible. These words specifically apply to the CITGO Petroleum Corporation Salaried Employees' Pension Plan:

**“Benefits HelpLine”** is a resource you may contact for assistance with any benefits related issues. The Benefits HelpLine is available toll free at 1-888-443-5707 or by email to [Benefits@CITGO.com](mailto:Benefits@CITGO.com).

**“Code”** means the Internal Revenue Code of 1986, as amended from time to time.

**“Company”** means CITGO Petroleum Corporation and any of its subsidiaries or affiliated companies or any related company participating in the Plan (see page 39).

**“Highly Compensated Employee”** means an employee whose annual base pay is equal to or in excess of the annual benefit plan compensation limit as prescribed in the Internal Revenue Code (for 2009 = \$110,000).

**“Hourly Employee”** means an employee who is compensated on an hourly-wage basis.

**“Plan”** means the CITGO Petroleum Corporation Salaried Employees' Pension Plan.

**“Related Company”** means any corporation or other business entity which is included in the controlled group of corporations within which the Company is also included, as provided in Code Section 414(b), or which is a trade or business under common control with the Company, as provided in Code Section 414(c), or which constitutes a member of an affiliated service group within the meaning of Code Section 414(m), or which has been so designated by the Company for one or more purposes under the Plan and any other entity required to be aggregated with the Company pursuant to regulations under Code Section 414(o).

**“Salaried Employee”** means an employee who is compensated on a salaried basis.

**“Social Security Retirement Age”** means the age used as the retirement age under Section 216(l) of the Social Security Act applied without regard to the age increase factor and as if the Early Retirement Age under Section 216(l)(2) of the Social Security Act were 62 or the meaning of such term in Code Section 415(b)(2) as it may be amended from time to time.

**“You” or “Your”** (even if not capitalized) means you, the employee, and does not mean your dependents or any other person, institution or other entity.

These meanings will apply whenever these words are used, unless a different meaning is clearly indicated in the text. There may be places where other words are used that also have important and specific meanings, and these words and their definitions are identified in the text of the description.

## EXHIBIT I

### 2009 Covered Compensation And Breakpoint Schedule

Birth Year	2009 Covered Comp	Break point	Birth Year	2009 Covered Comp	Break point	
1930	\$25,920	\$32,400	1955	\$85,620	\$106,800	*
1931	\$27,576	\$34,470	1956	\$87,384	\$106,800	*
1932	\$29,304	\$36,630	1957	\$89,064	\$106,800	*
1933	\$31,128	\$38,910	1958	\$90,660	\$106,800	*
1934	\$33,060	\$41,325	1959	\$92,184	\$106,800	*
1935	\$35,100	\$43,875	1960	\$93,648	\$106,800	*
1936	\$37,212	\$46,515	1961	\$95,052	\$106,800	*
1937	\$39,444	\$49,305	1962	\$96,372	\$106,800	*
1938	\$43,992	\$54,990	1963	\$97,680	\$106,800	*
1939	\$46,344	\$57,930	1964	\$98,940	\$106,800	*
1940	\$48,816	\$61,020	1965	\$100,116	\$106,800	*
1941	\$51,348	\$64,185	1966	\$101,220	\$106,800	*
1942	\$53,952	\$67,440	1967	\$102,192	\$106,800	*
1943	\$56,628	\$70,785	1968	\$103,068	\$106,800	*
1944	\$59,268	\$74,085	1969	\$103,824	\$106,800	*
1945	\$61,884	\$77,355	1970	\$104,448	\$106,800	*
1946	\$64,464	\$80,580	1971	\$105,012	\$106,800	*
1947	\$67,008	\$83,760	1972	\$105,552	\$106,800	*
1948	\$69,408	\$86,760	1973	\$106,032	\$106,800	*
1949	\$71,724	\$89,655	1974	\$106,392	\$106,800	*
1950	\$73,920	\$92,400	1975	\$106,656	\$106,800	*
1951	\$76,044	\$95,055	1976	\$106,800	\$106,800	*
1952	\$78,084	\$97,605	1977	\$106,800	\$106,800	*
1953	\$80,052	\$100,065	1978	\$106,800	\$106,800	*
1954	\$81,972	\$102,465	1979 Etc.	\$106,800	\$106,800	*

\* The breakpoint may never exceed Social Security Compensation for the year in which benefit credit service stops accruing.