

## **U.S. and Canada Dependent Scholarship Program**

The ConocoPhillips U.S. and Canada Dependent Scholarship Program ("Program") was created for the purpose of establishing a fund from which college or university scholarships may be made to dependent children of eligible employees and retirees of ConocoPhillips Company (COPCO), ConocoPhillips Canada Resources Corp. (CPCRC), and certain of their respective subsidiary companies (collectively, "ConocoPhillips"), which dependent children might not, without such assistance, be able to meet the expenses of college education.

The Program is administered by Scholarship America, a third-party administrator of educational assistance programs that is independent of and not related to ConocoPhillips, the "Program Administrator."

The Program awards up to 60 four-year scholarships for higher education at an accredited institution of higher learning. With annual awards of \$4,000 (USD) per student, the total monetary value of the scholarship is \$16,000 (USD). No more than 25 percent of eligible applications submitted for a scholarship, up to a maximum of 60 scholarships per year, are awarded.

The criteria used to select scholarship winners are academic excellence, financial need and community service. Scholarship winners are expected to maintain scholastic standards and comply with the Rules and Regulations of the Program described below.

These guidelines are subject to change at any time without prior notification.

### **U.S. and Canada America Dependent Scholarship Rules and Regulations**

#### **Who is eligible to participate?**

Applicants must meet all of the following criteria to be eligible for consideration:

- a) Be dependent children of full-time employees who are employed with ConocoPhillips as of May 1 of the year in which the awards are made, or
- b) Be dependent children of former employees who retired from ConocoPhillips, and having met retiree eligibility requirements under their applicable retirement plan, and retired board members, who:
  - a) Are not actively employed full-time elsewhere, including self-employment, or
  - b) Are not eligible to participate in another company's dependent scholarship program offered to employees or retirees.
- c) Be high school seniors, and
- d) Plan to enroll in full-time undergraduate study at an accredited two-year or four-year college or university for the entire academic year following the application period.

For purposes of the above eligibility criteria:

A dependent child means, a child who qualifies as a federal tax exemption to the employee on his or her most recently filed U.S. federal tax return (Form 1040) or Canadian Revenue Agency personal tax return (Form T1). An exception may be requested for a natural or legally adopted son or daughter in cases such as divorce or separation. A written explanation and proof of support is required; and any U.S. or Canadian subsidiary of COPCO or CPCRC in which ownership by ConocoPhillips (or one of its subsidiaries) exceeds 50% shall be deemed employment by a ConocoPhillips company within the meaning of the application criteria described in clause (a) above. Children of employees who were principal officers of a ConocoPhillips company as of February 1 of the year in which awards are made are ineligible to apply.

### **Who is not eligible to participate?**

Dependent children of retirees who are:

- a) Actively employed full-time elsewhere, including self-employment, or
- b) Eligible to participate in another company's dependent scholarship offered to employees or retirees, or
- c) Retired from ConocoPhillips at the time of the split and began employment with Phillips 66 on or after May 1, 2012, or
- d) Retired from Phillips 66 after May 1, 2012.

### **How does my child apply for a Dependent Scholarship?**

The only mode of application for students is a web-based e-application. Applicants will be required to establish an on-line account by registering with the Program Administrator on its website at <https://www.scholarsapply.org/conocophillips/>. The Applicant is responsible for accurately completing the entire application form and submitting it to the Program Administrator no later than the submission deadline date listed on the website. Through the e-application process, an email address for the ConocoPhillips employee will be requested. In addition, applicants will be required to provide the Program Administrator with a current complete high school transcript of grades, a completed Applicant Appraisal Form, a completed Financial Data Form, and a copy of the U.S. 1040 federal tax form or Canada Revenue Agency T1 personal tax return that corresponds to the information provided on the Financial Data Form. Submission deadlines and the manner in which these documents and forms must be submitted (either by postal mail or e-mail) will be described on the Program Administrator's website.

THE PROGRAM ADMINISTRATOR MAY NOT CONSIDER APPLICATIONS RECEIVED AFTER THE DATE SPECIFIED IN THE APPLICATION, NOR MAY IT CONSIDER INCOMPLETE APPLICATIONS WHICH DO NOT INCLUDE ALL REQUESTED MATERIALS.

### **What is the scholarship award review process?**

- a) The Program will use standardized recipient selection procedures including the consideration of academic performance, demonstrated leadership and participation in school and community activities, work experience, a statement of career and educational goals and objectives, unusual personal or family circumstances and an outside appraisal.
- b) Financial circumstances will also be used in the review process. For example, income, as defined as total family adjusted gross income plus 10% of family savings, may be used as a selection criterion. The final criterion will be determined annually by ConocoPhillips and the Plan Administrator prior to the application period.
- c) Up to 60 awards of \$4,000 (USD) each will be granted, provided there are sufficient qualified applicants. The total number of scholarship awards will be limited to 25% of the total applicants. An additional 30 alternates will also be selected.
- d) Scholarship awards are for undergraduate study only.

### **What happens if a scholarship award recipient fails to meet the eligibility requirements?**

If any scholarship award recipient does not accept the award or fails to meet the eligibility requirements to receive or renew the award, an alternate, in order of originally determined rank, will be deemed a recipient and will receive the remaining portion of the original recipient's award. To facilitate alternate selection, 30 alternates will be selected each year along with the 60 recipients. Upon the vacancy of an existing award, the highest-ranking alternate from the list of alternates will be notified. To receive the award, the alternate must provide proof that he or she meets the renewal requirements of the Program including full-time enrollment and a cumulative 3.0 GPA on a 4.0 scale, or the equivalent.

### **Are the scholarship awards renewable?**

Scholarship awards are renewable up to three consecutive years or until a bachelor's degree is earned, whichever occurs first, on the basis of maintaining full-time enrollment in an accredited institution of higher education and a 3.0 grade point average ("GPA") on a 4.0 scale, or the equivalent.

Students who drop below full-time, do not maintain a cumulative 3.0 GPA or who fail or withdraw from more than one-third of their total credit hours in any one school year will forfeit their scholarship.

Students may petition the Program Administrator for a continuation of their award upon enrolling in the summer session to meet the above requirements. In addition, an exception may be made if absence from classes is on account of illness, certified to by a physician, or other exceptional reasons, shall have been the cause of a student's failing in or withdrawing from more than one-third of their total credit hours in any one school year.

### **Can the award payment payments be accelerated?**

Scholarship holders desiring to participate in plans for earning a bachelor's degree in less than four years may petition the Program Administrator for an acceleration of scholarship award payments. The Program Administrator may grant such petitions for accelerated payments upon presenting the existence of advanced standing credits or plans for accelerated school attendance. Such requests for

accelerated scholarship award payments should not be presented and will not be accepted until at least 50% of the credit hours required for graduation have been earned. Earning a bachelor's degree in less than four years will not deny a scholarship recipient from receiving the full scholarship award distribution of \$16,000 (USD).

### **What if the scholarship award recipient is called into active military service?**

Any award of a scholarship, or extension thereof, to a scholarship recipient called into or volunteering for active military service may be deferred from year to year at the request of the scholarship holder and at the discretion of the Program Administrator until such time as such active military service has been completed. Upon completion of such service, the scholarship recipient may petition the Program Administrator for reinstatement of such award or extension. The Program Administrator will grant reinstatement unless the petitioner is otherwise ineligible to receive funds under the provisions of these Rules and Regulations. Holders of scholarship awards or extensions that are deferred and reinstated under this Rule 6 will be required to accept such awards or extensions for use during the next succeeding school year after completion of active military service.

### **What standards are the scholarship award recipients required to maintain?**

Scholarship holders will be required to maintain personal and scholastic standards satisfactory to ConocoPhillips and the Program Administrator.

Each holder is required to work toward the completion of requirements to receive a bachelor's degree. Each holder must be a full-time student at all times, enrolled in at least 12 credit hours per semester or 24 credit hours during the school year (or the equivalent course load at institutions not utilizing credit hours as a measurement). It is expected that satisfactory performance, including passing grades in all subjects and a cumulative grade point average of 3.0 (or the equivalent at institutions not utilizing a 4.0 scale as a measurement), will be maintained each year.

Scholarship holders will be required to submit a progress report at the close of each year on forms provided by the Program Administrator. Information bearing upon the eligibility of any holder of an award or extension to continue to receive funds must be reported promptly by the holder to the Program Administrator. The Program Administrator may request periodic reports from the college or university in which the holder is enrolled.

Except as expressly provided in these Rules and Regulations, neither ConocoPhillips nor the Program Administrator assume any responsibility or control over the conduct, course of study or personal affairs of holders of scholarships.

### **Can the scholarship award be revoked or forfeited?**

The Program Administrator may revoke any scholarship award or extension thereof at any time. Revocation decisions are made at the sole discretion of the Program Administrator; however, petition for reinstatement can be submitted in writing to the Program Administrator stating the reasons for reconsideration.

Holders of scholarships or extensions thereof failing in and/or withdrawing from less than one-third of the total credit hours enrolled in for any one school year may petition the Program Administrator for

continuation of the award or extension, upon showing of plans satisfactory to the Director to make up hours failed or withdrawn from. The Program Administrator may continue such award or extension, or revoke the scholarship, depending upon the circumstances of each individual case. Failure to make up hours failed or withdrawn from within a reasonable time shall forfeit the scholarship. (See Rule 5)

Failure in and/or withdrawal from more than one-third of the total credit hours enrolled in for any one school year shall forfeit any holder's scholarship. The Program Administrator may make exception to this Rule, upon petition by the holder, if absence from classes on account of illness, certified to by a physician, or other exceptional reasons, shall have been the cause of such failure or withdrawal.

Students who willingly participate in illegal activities that come to the attention of ConocoPhillips or the Program Administrator will immediately forfeit their scholarship.

### **Will the scholarship award be revoked if the parent dies or is no longer employed by ConocoPhillips?**

Death of the parent of any scholarship holder or retirement from or separation from service with a ConocoPhillips company by the parent of any scholarship holder shall not cause the scholarship holder to be ineligible to receive extensions of scholarship awards. (See Rule 5.)

### **How will the scholarship award be paid out?**

The Program Administrator determines the time and manner of payment of scholarship awards and extensions of scholarship awards under these Rules and Regulations. The standard payment schedule provides for the Program Administrator to pay scholarship checks in two installments of \$2,000 (USD) each. Checks are made payable to the college or university for the scholarship holder's account. The first installment will be mailed to the scholarship recipient's home address usually beginning in August for the fall term, and the second installment will be mailed beginning in December for the spring term. Requests for early payments and special handling will be denied.

However, exceptions from this standard payment schedule may be approved for accelerated school attendance as explained in Rule 6.

### **Liabilities and Rights**

Neither ConocoPhillips nor Scholarship America, Inc., nor their respective subsidiaries, affiliates, directors, officers or employees shall be liable for the debts or conduct of holders of scholarships, and such holders shall have no right to anticipate, assign or transfer rights acquired by reason of awards of scholarships or extensions thereof.

### **Other important information**

- (a) Scholarship awards may be subject to taxes, which are the responsibility of the scholarship recipient.
- (b) Marriage of scholarship holders does not affect eligibility to receive scholarship awards.

- (c) Enrollment in an accredited junior college is acceptable; however, the scholarship holder must be working toward the requirements for a bachelor's degree.
- (d) The Program Administrator has the discretion at any time to make such exceptions, interpretations, modifications and amendments to the provisions hereof as it deems appropriate.
- (e) Address all correspondence to:

Program Administrator  
ConocoPhillips Dependent Scholarship Program  
Scholarship America  
One Scholarship Way  
Saint Peter, MN 56082

### **Important Dependent Scholarship Program Administrative Conditions and Disclosures**

Make sure that you are familiar with these Dependent Scholarship Program rules. Failure to abide by these rules or providing any false or misleading information in connection with a scholarship request could result in disciplinary action up to and including termination, as well as possible civil or criminal liability.

ConocoPhillips reserves the right, in its sole discretion, to discontinue funding and to demand the return of all or any portion of the scholarship amount and any income earned thereon if you provide us with any false or misleading information or make any misrepresentations in connection with a request for a scholarship.

ConocoPhillips may modify, suspend or terminate the Dependent Scholarship Program at any time without prior notice. The interpretation, application and administration of the program shall be determined by the management of ConocoPhillips' Community Relations, whose decision is final.