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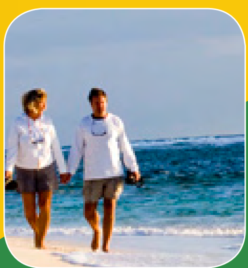
ConocoPhillips

Benefits HANDBOOK



Phillips Retirement Income Plan

Effective January 1, 2009

Phillips Retirement Income Plan

Title I of the ConocoPhillips Retirement Plan

This handbook is the Summary Plan Description (SPD) for the Phillips Retirement Income Plan, Title I of the ConocoPhillips Retirement Plan. Every effort has been made to ensure the accuracy of this SPD. If there is any conflict between this SPD (or other administrative materials) and the official Plan documents, the official Plan documents will govern. The Company reserves the right to amend or terminate any plan at any time, at its sole discretion, according to the terms of the Plan. Nothing in this SPD creates an employment contract between the Company or its subsidiaries and affiliates and any employee.

Welcome to Your Phillips Retirement Income Plan Handbook!

This handbook provides you with important information about the Phillips Retirement Income Plan. Please take the time to review your handbook. It is an easy-to-use resource that gives you the information you need to maximize your Plan benefits.

FEATURES TO HELP YOU

Within the handbook, you'll find features to help increase your understanding of the Plan. These features include:

- **Examples** — We've included several real-life examples of your benefits at work. As you see your benefits "in action," you'll get a working understanding of the mechanics of the Plan and how they might apply to you.
- **Icons** — The following icons placed throughout the text highlight essential information for you:
  - Refers you to other sections in the handbook that provide additional information on the subject.
  - Highlights information of special importance.
- **Glossary** — Some benefit terms used in this handbook have very specific meanings. These terms are underlined throughout the text, and you'll find their definitions in the "Glossary" at the end of the handbook.

STAYING UP-TO-DATE

The information in this handbook will be updated from time-to-time, as necessary. When that happens, you'll be sent a notice of what's changing and when. Be sure to file any updates in the pocket of this handbook for easy access.

CONTACT INFORMATION

Contact HR Connections – Benefits Center if you have questions about the Plan or for any other Plan-related business.

Contact/Address	Phone
HR Connections – Benefits Center 7201 Hewitt Associates Center P.O. Box 563994 Charlotte, NC 28256-3994 **Web:** > Visit *hr.conocophillips.com* to see benefit plan summaries and information. > Visit Your Benefits Resources (YBR) through *HR Express* (for active employees only), or at *http://resources.hewitt.com/conocophillips* to view health and welfare, pension, retirement planning and personal information.	(800) 622-5501 or (718) 354-1344 8:00 a.m. to 6:00 p.m. Central time, Mon. – Fri. At the telephone menu, say "Benefits" or press 1 to speak to a representative at the Benefits Center.

Introduction

The Phillips Retirement Income Plan is one part — called Title I — of the ConocoPhillips Retirement Plan. The ConocoPhillips Retirement Plan as a whole includes the following sections:

> Main Title

> Phillips Retirement Income Plan — Title I

> ConocoPhillips Cash Balance Account — Title II

> Tosco Pension Plan — Title III

> Retirement Plan of Conoco — Title IV

> Pension Plan for Hourly Employees of Phillips Fibers Corporation — Title V

> Burlington Resources Inc. Pension Plan — Title VI

This Summary Plan Description (SPD) covers the provisions of the Main Title and Title I. In this SPD, we'll call this set of provisions "Title I" to avoid confusion with other provisions of the Plan as a whole. Separate SPDs describe the other Titles of the Plan.

The ConocoPhillips Retirement Plan, including all its Titles, is a single defined benefit plan intended to be qualified under section 401(a) of the Internal Revenue Code of 1986, as amended, and to satisfy the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Title I is designed to provide benefits which — when combined with Social Security, benefits from Company-sponsored savings plans, and your personal savings and investments — will provide income for your retirement years.

Please refer to the Glossary for the definitions of underlined terms used throughout this SPD.

"Glossary," page 43

In this Summary Plan Description (SPD), the term "Company" refers to ConocoPhillips Company and all subsidiary companies that have adopted Title I (listed under "Who Is Eligible"). "Plan" refers to the ConocoPhillips Retirement Plan (as amended from time to time), including all of its titles as listed at left.

"Who Is Eligible," page 9

This SPD does not describe certain special provisions that may affect the benefits of participants in these categories:

> Former employees of General American Oil Company of Texas;
> Former employees of Aminoil, Inc.;
> Participants whose employment ended due to the sale of Applied Automation, Inc. to Mannesmann Capital Corporation;
> Certain employees who were participating in the retirement plans of American Thermoplastics Corporation, Phillips Driscopipe, Inc. and Phillips Fibers Corporation on Dec. 31, 1988; and
> Former employees of BP Amoco p.l.c. or Atlantic Richfield Company (ARCO) or their subsidiaries who became Phillips Petroleum Company employees on July 31, 2000 as a result of Phillips' acquisition of certain ARCO subsidiaries and assets.

Supplemental information explaining the special Title I provisions that apply to each group's Plan benefits is provided to participants in each of the above categories by a separate communication. Contact HR Connections – Benefits Center if you want more information.

"Contact Information," page 4

Highlights of the Plan

Here's a brief overview of the Plan:

Eligibility: Generally, you became eligible to participate in Title I if you were on the Company's payroll when you completed one year of service with the Company. Employees hired or rehired after Jan. 1, 2002 are no longer eligible to participate in Title I.

"Who Is Eligible," page 9

Contributions: The Company pays the entire cost of the Plan, and employee contributions are not required or allowed. However, employee contributions were permitted under earlier plans or programs. If you have made such contributions, you may be entitled to a one-time cash death benefit in certain circumstances, or part of your retirement benefit at commencement may be attributable to your contributions.

"Employee Contributions Under Earlier Plans," page 10

Retirement Age: Normal retirement age is plan age 65 (the first of the month nearest your 65th birthday), but you can elect commencement at any time after plan age 55 and after you have ended employment with the employer. When you retire, you can start your retirement benefit immediately or defer it to a later time. If you choose to start your benefit earlier than age 65, your benefit will be reduced in some cases.

"When You Can Retire," page 10

Vesting: Generally, you become vested in your retirement benefit after you complete 1,000 hours of service in each of five years. Once your benefit is vested, it belongs to you and cannot be lost even if you leave the Company before you reach retirement age.

"Vesting," page 12

Normal Retirement Income Calculation: The benefit payable at your normal retirement date may be calculated using more than one formula. The formula that gives you the largest benefit is the one that will apply. The "Final Average Earnings (FAE) benefit formula" produces the highest benefit for most employees.

"How Your Benefit Is Calculated," page 12

Final Average Earnings (FAE) Benefit Formula

The FAE Formula uses three factors:

- **Final Average Earnings (FAE)** — The monthly average of your highest annual earnings for three consecutive calendar years during your last 11 calendar years, including the year your employment ends.
- **Credited Service (CS)** — Generally, you receive credited service for any month in which you are actively participating in Title I.
- **Primary Social Security (PSS)** — The estimated monthly Social Security benefit you would be eligible to receive at your normal retirement age.

The FAE Formula is:

Final average earnings x 1.6% x Credited service

minus

Primary Social Security x 1.5% x Credited service

equals

Your annual FAE Formula benefit

divided by 12, equals

Your monthly FAE Formula benefit

Early Retirement Benefit Calculation: To calculate your early retirement benefit, first calculate your normal retirement income benefit payable at age 65. Then apply the early retirement discount or the actuarial reduction as applicable.

- **Early retirement discount** — If you retire and start your benefit between age 55 and 60, your benefit will be reduced at the rate of 5% per year. This works out to .4167% per month (1/12 of 5%) for each month that your benefits begin before plan age 60 (or before plan age 62 if your employment end date was before March 31, 2000). You are also eligible for the early retirement discount if your employment with the employer ends as a direct result of any of the following reasons during or after the calendar year in which you would attain age 50, and you are not given the opportunity to transfer your Plan benefit to a tax-qualified retirement plan at a successor employer at that time:
  - Your employment with the employer ends due to layoff;
  - Your employment with the employer ends due to sale of stock or sale of assets (in certain cases); or
  - Your employment with the employer ends due to your transfer to a member of the affiliated group.
- **Actuarial reduction** — If you are leaving the employer before your earliest early retirement date (plan age 55) and are not otherwise eligible for the early retirement discount for the reasons cited immediately above and start your benefit before plan age 65, your benefit will be reduced at the rate of 6% per year. This works out to .5% per month for each month that your benefits begin before plan age 65.

"Early Benefit Commencement Calculation," page 15

Forms of Payment: The form of payment depends on your marital status at your benefit commencement date.

> **If you are not married as defined by Title I (you are single or have been married to your spouse for less than one year)**, the automatic form of payment is a straight life annuity (monthly payments for your life only).

> **If you are married (defined as married to the same spouse for at least one year)**, the automatic form is a 50% joint and survivor annuity (reduced monthly payments for your lifetime, with 50% of your benefit continuing for your spouse's lifetime if he or she survives you). If you are married, other forms of joint and survivor annuities are also available.

In many cases, a lump-sum payment option is also available to both single and married retirees.

"Forms of Benefit Payment," page 18

Survivor Benefits: Survivor benefits depend on when your employment ends or ended and your marital status on your date of death.

> If you were an active employee **on or after Sept. 1, 2004**, have a vested benefit in Title I, and die before beginning your retirement benefit:
- **If you are not married as defined by Title I (you are single or have been married to your spouse for less than one year on the date of your death)**, your death benefit is equal to the actuarial lump-sum value of your entire vested benefit. It is payable to your designated beneficiary.
- **If you were married to your spouse for at least one year on the date of your death**, your spouse will receive a pre-retirement survivor's annuity. The benefit will be equal to 100% of the vested amount of your accrued retirement benefit, adjusted for any difference in age between you and your spouse, and also for any early start of the benefit.

> If you were an active employee **on or after Oct. 1, 2008**, have a vested benefit in Title I, and die before beginning your retirement benefit:
- **If you were married to your spouse for at least one year on the date of your death**, in lieu of your spouse receiving a pre-retirement survivor's annuity as discussed at left, your spouse may elect a spousal lump-sum survivor benefit which is the actuarial lump-sum value of your entire vested Title I benefit.

> If you left employment **prior to Sept. 1, 2004**:
- **If you are not married as defined by Title I (you are single or have been married to your spouse for less than one year on the date of your death)**, no benefit is payable.
- **If you were married to your spouse for at least one year on the date of your death**, your spouse will receive a pre-retirement survivor's annuity equal to 50% of your retirement benefit, with reduction for both early retirement and for payment in the joint and survivor form.

For those who have remaining contributions, including those covered by insurance contracts after transfer from the superseded plan, such contributions may be paid as part of the survivor's annuities or as a one-time cash death benefit in certain circumstances.

"What Happens If You Die," page 28

Who Is Eligible

In general, you became eligible to participate in Title I if you were on the Company's direct U.S. dollar payroll when you completed one year of service with the Company. Employees hired or rehired on or after Jan. 1, 2002 are no longer eligible to participate in Title I. (Such employees are generally eligible to participate in the ConocoPhillips Cash Balance Account, which is Title II of the Plan.)

The companies that have adopted the Plan are:

> ConocoPhillips Company;
> Conoco Pipeline Company;
> ConocoPhillips Expatriate Services Company; and
> Phillips Utility Gas Corporation.

You are **not** eligible to participate in Title I if you are:

> An employee eligible for the International Energy Limited Pension Plan;
> A foreign national covered by a foreign plan to which the Company contributes;
> An employee covered by a collective bargaining agreement, unless the agreement provides for participation in Title I;
> A person providing services under contract, regardless of whether you are determined to be a "common-law" employee, a "joint employee" of the Company and a contractor, or an independent contractor;
> A leased employee; or
> A person who is paid through the payroll of a temporary placement agency or similar organization, regardless of any subsequent reclassification as a common-law employee.

✔ If You Chose the Cash Balance Account in 2002

In 2002, one-time elections were offered to participants in Title I. The choices were:

> To continue to earn benefits in Title I; or
> To move to the ConocoPhillips Cash Balance Account (Title II of the Plan) for new accruals after certain dates.

If you made the election to move to the ConocoPhillips Cash Balance Account, you retained the benefit you had in Title I but you stopped earning credited service or additional final average earnings recognition in Title I. However, as long as you continue to be employed by the employer, you will continue to earn additional vesting service under Title I, and attain higher age for entitlement to Title I's early retirement discount.

How to Enroll

Eligibility for new entrants into Title I is now closed. If you were eligible to participate prior to Jan. 1, 2002, your participation was automatic — you did not need to enroll.

What the Plan Costs

The Company pays the entire cost of Title I — employee contributions are not required or allowed. The Company is required to make adequate contributions to the Plan to pay for benefits under the Plan that are not funded under insurance contracts. Each year, an actuary determines how much the Company should contribute to the Plan so that it complies with ERISA funding requirements.

EMPLOYEE CONTRIBUTIONS UNDER EARLIER PLANS

Previously, employee contributions were required or allowed under:

> The prior plan — the Retirement Income Plan of Phillips Petroleum Company and Subsidiary and Affiliated Companies that was in effect from 1938 through 1975;

> The superseded plan — the Retirement Income Plan of Phillips Petroleum Company and Subsidiary and Affiliated Companies that was in effect from 1976 until its termination on Aug. 31, 1986;

> This Plan (Title I) as such relates to subsidiary plans that after Sept. 1, 1986 were merged into Title I; and

> The "Credited Service Make-Up Program" for contributions missed prior to July 1, 1971. The last such contribution has been made.

If you made contributions to the prior plan and/or the superseded plan, those contributions and accumulated interest were credited to this Plan on Sept. 1, 1986 and were covered under insurance contracts as of that date. Those amounts and any other contributions you may have made to Title I continue to earn interest at federally-required rates until such time as you leave the employer. You may be entitled to the refund value of those contributions at that time. You may not withdraw your contributions while you are still employed by the employer.

How Title I Works

WHEN YOU CAN RETIRE

Your normal retirement date is the first day of the month nearest your 65th birthday. Your early retirement date is the first day of any month in the 10-year period preceding your normal retirement date. Your "earliest" early retirement date is the first day of the first month of that period (generally, the first of the month nearest your 55th birthday). The chart below may be helpful in determining your personal "dates."

If your birthday falls …	Your normal retirement date (your "plan age 65") will be …	Your "earliest" early retirement date (your "plan age 55") will be …
Closer to the first of the month	The first day of the month in which you turn age 65	The first day of the month in which you turn age 55
Exactly in the middle of the month (such as Dec. 16)	The first day of the month in which you turn age 65	The first day of the month in which you turn age 55
Closer to the end of the month	The first day of the month following your 65th birthday	The first day of the month following your 55th birthday

You may elect to retire at any time after plan age 55, as long as you are vested in your benefit. You may start your retirement benefit as of the first day of any month following your retirement, unless you elect to defer the start of your benefit until later. If you start your benefit before your normal retirement date, your benefit may be reduced.

"Vesting," page 12; "Early Benefit Commencement Calculation," page 15

If you end your employment before your normal retirement date and choose to defer the start of your benefit to a later date, you cannot defer the benefit payment beyond your normal retirement date.

SERVICE TIME

Three types of service are important under Title I:

- **Vesting Service** — This is used to determine when you become vested in your benefit.
- **Credited Service —** This refers to the months during which you accrue a benefit.
- **Hours of Service** — This is the total number of hours used to satisfy requirements for vesting and credited service, and also to determine whether a break in service has occurred.

The three types of services are described below. Note that there is considerable overlap among the definitions of these types of service.

Vesting Service

Your vesting service includes all the years in which you complete at least 1,000 hours of service. Years in which you were eligible but didn't make at least one contribution to a subsidiary plan do not count as vesting service. If you became an employee of the employer due to the purchase of ANR Pipeline Company by GPM Gas Corporation, your service at ANR will be treated as though it were employer service for vesting purposes.

Credited Service

Your credited service is the number of months of participation for which you are credited under the Plan. The rules for crediting service have changed over time. See the Glossary for more detailed information about credited service.

"Glossary," page 43

Hours of Service

Your hours of service are hours for which you accrue credit toward vesting and credited service. The definition of hours of service has changed over time.

You may also be credited with hours of service solely for determining whether a break in service has occurred when you are absent from work for specified reasons. See the Glossary for more detailed information about hours of service.

"Glossary," page 43

Break in Service

If you terminate your employment with the employer and later return, you may have what is called a break in service. This occurs when you fail to complete more than 500 hours of service in a year because your employment ends. The number of break in service years between when you left the employer and your rehire can determine whether benefits you may have forfeited when you left the Company are restored.

"Recapture of Previous Benefits After Rehire," page 32

VESTING

The benefits you have earned up to the date your employment ends become fully vested (nonforfeitable except at death) at the earliest of the following events:

> The date you earn five years of vesting service;

> The date you reach age 65 or your normal retirement date, whichever is earlier, while you are still employed;

> The date (on or after Nov. 11, 1991) your employment with the employer ends as a result of a sale of stock, transfer within the affiliated group or layoff; or

> The date the Plan terminates — in which case your benefit will be vested to the extent the Plan is funded.

HOW YOUR BENEFIT IS CALCULATED

Your retirement benefit under Title I will depend on the following factors:

> The benefit determined under the applicable benefit formula;

> When you choose to start receiving your benefit; and

> The form of payment you elect.

Each of these factors is discussed in more detail in the following sections. Examples are included in each section to help you understand how the calculations work. By following the examples, you can do your own estimated retirement benefit calculations.

Frozen Benefits

Note that benefits under two of the retirement formulas — the "Minimum Final Average" benefit formula (also called the "MFA Formula") and the "Current Service" benefit formula (also called the "Unit Accrual Formula") were frozen as of Dec. 31, 1995. Therefore these formulas typically produce small benefit amounts, and another formula will usually provide a more generous benefit to you. However, for some former employees with a vested benefit who left employment when such formulas were used, one of these formulas may have provided the more generous benefit. In that case, the formula that provided the more generous benefit was used to determine the normal retirement income for that person.

Normal Retirement Income Calculation

Your monthly retirement benefit may be calculated using several formulas. Each formula produces a benefit amount that is payable at your normal retirement date in the straight life annuity form (monthly payments for your lifetime only). The formula that produces the largest benefit amount is the one that determines your benefit.

Final Average Earnings (FAE) Benefit Formula

This formula produces the highest benefit for most employees who have full careers with the Company. This formula uses three factors: Final Average Earnings (FAE), Credited Service (CS) and Primary Social Security (PSS).

Final Average Earnings (FAE): The monthly average of your highest three consecutive calendar years of annual earnings out of the last 11 calendar years, including the year your employment ends.

Credited Service (CS): Generally, you receive credited service for any month in which you are actively participating in Title I of the Plan.

Primary Social Security (PSS): The estimated monthly Social Security benefit that you would be eligible to receive at your normal retirement age (regardless of your age at termination).

"Primary Social Security (PSS)," page 47

The FAE benefit formula is:

FAE x 1.6%[1] x CS (up to 576 months)
minus
PSS x 1.5% x CS (up to 400 months)[2]
equals
Your annual FAE Formula benefit
divided by 12, equals
Your monthly FAE Formula benefit

[1] *Different percentages apply for credited service earned from July 1, 1971 to Jan. 1, 1975 under the Basic Benefit Schedule.*

[2] *If you could earn more than 400 months of credited service before your normal retirement date, your actual credited service is multiplied by the following ratio:*

$$\frac{\text{Actual credited service plus projected credited service to your normal retirement date (limited to 400 months)}}{\text{Actual credited service plus projected credited service to your normal retirement date (limited to 576 months).}}$$

EXAMPLE — FAE FORMULA CALCULATION

Assumptions:

> Credited Service (CS) of 240 months (20 years);
> Primary Social Security (PSS) benefit of $1,760 per month;
> Final Average Earnings (FAE) of $5,000 per month, calculated as follows:

Last 11 Years	Annual Earnings[1]
1997	$38,540
1998	40,296
1999	42,165
2000	43,429
2001	48,500
2002	51,100
2003	53,255
2004	55,385
2005	57,600
2006	60,000
2007	62,400

Final Average Earnings (FAE) calculation:

Your highest annual earnings during three consecutive calendar years of the last 11 are 2005, 2006 and 2007.

$ 57,600
60,000
+ 62,400

= $180,000 total annual earnings

$180,000 ÷ 3 = $60,000 annual FAE
$ 60,000 ÷ 12 = $5,000 monthly FAE

Your benefit under the **FAE Formula** would be:

$5,000 FAE x 1.6% x 240 months of CS = $19,200

minus

$1,760 PSS x 1.5% x 240 months of CS = $6,336

equals

Your annual FAE Formula amount of $12,864 ($19,200 – $6,336)

divided by 12, equals

Your monthly FAE Formula amount of $1,072

[1] *Annual earnings includes Performance Incentive Program (PIP) payments and Variable Compensation Incentive Program (VCIP) payments.*

Minimum Retirement Income Benefit Formula ($15 Minimum Formula)

This formula uses only your Credited Service (CS) in the calculation.

The $15 Minimum Formula is:

$15 x CS (up to 576 months)

equals

Your annual $15 Minimum Formula benefit

divided by 12, equals

Your monthly $15 Minimum Formula benefit

EXAMPLE — $15 MINIMUM FORMULA CALCULATION

Continuing the example begun in the FAE section on page 14 (which assumes 240 months of Credited Service), your benefit under the **$15 Minimum Formula** would be:

$15 x 240 months of CS

equals

Your annual $15 Minimum Formula amount of $3,600

divided by 12, equals

Your monthly $15 Minimum Formula amount of $300

Your normal retirement income benefit would be the highest of the $300 shown above and the $1,072 produced by the FAE Formula (calculated in the prior example). If you were to commence your benefit on your normal retirement date in the straight life annuity form, you would receive the full amount of $1,072 per month.

Early Benefit Commencement Calculation

If you begin your retirement benefits before your normal retirement date, your benefit may be reduced. There are two types of reduction — the early retirement discount and the actuarial reduction.

Early Retirement Discount

You are eligible for the early retirement discount if you have a vested benefit and if:

- You remain employed by the employer on or after the earlier of:
  - Your 55th birthday; or
  - Your earliest early retirement date; or
- Your employment ends for any of the following reasons during or after the calendar year in which you attain age 50 and you are not given the opportunity to transfer your Plan benefit to a successor employer's retirement plan when your employment with the employer ends:
  - Your employment ends due to layoff;
  - Your employment ends due to sale of assets (in certain cases) or sale of stock; or
  - Your employment ends due to your transfer to a member of the affiliated group.

"If Employment Ends Due to Layoff, Sale of Assets or Stock, or Transfer," page 26

If your employment ending date is on or after March 31, 2000, the early retirement discount is a 5% reduction per year. This works out to 0.4167% per month (1/12 of 5%) for each month that your benefits begin before plan age 60.

If your employment ending date is before March 31, 2000, the early retirement discount is the same reduction of 5% per year (0.4167% per month) as above, but the reduction applies for each year and month that your benefits begin before the first of the month nearest your plan age 62 (36 months before your normal retirement date).

Note: Regardless of the above, Plan benefits cannot commence before you reach plan age 55.

Actuarial Reduction

The actuarial reduction applies if your employment ends before your earliest early retirement date and you are not otherwise eligible for the early retirement discount as discussed at left.

The actuarial reduction is a 6% reduction per year. This works out to 0.5% per month (1/12 of 6%) for each month that your benefits begin before your normal retirement date.

Reduction Schedule

The following chart shows the percent of your benefit that would be payable after applying these reduction schedules (for full years of age only). Your actual reduction would be calculated in years and months.

Plan Age at Commencement	Percent of Benefit Payable Under		
	Early Retirement Discount *(Employment End Date ON or AFTER March 31, 2000)*	Early Retirement Discount *(Employment End Date BEFORE March 31, 2000)*	Actuarial Reduction
55	75%	65%	40%
56	80	70	46
57	85	75	52
58	90	80	58
59	95	85	64
60	100	90	70
61	100	95	76
62	100	100	82
63	100	100	88
64	100	100	94
65	100	100	100

EXAMPLES

Assume that you terminate employment on or after March 31, 2000, and you are eligible for the **early retirement discount (ERD)**. Your normal retirement income (NRI) payable at plan age 65 is $2,265.00 in the straight life annuity form. If you elect to begin your benefit early, the following monthly amounts would be payable at the following ages:

Age	NRI	ERD Percent		Monthly Straight Life Annuity Amount
60	$2,265.00	x 100%	=	$2,265.00 at age 60
58	$2,265.00	x 90%	=	$2,038.50 at age 58
55	$2,265.00	x 75%	=	$1,698.75 at age 55

Assume that you are subject to the **actuarial reduction (AR)**. Your normal retirement income (NRI) payable at plan age 65 is $2,265.00 in the straight life annuity form. If you elect to begin your benefit early, the following monthly amounts would be payable at the following ages:

Age	NRI	AR Percent		Monthly Straight Life Annuity Amount
62	$2,265.00	x 82%	=	$1,857.30 at age 62
60	$2,265.00	x 70%	=	$1,585.50 at age 60
55	$2,265.00	x 40%	=	$ 906.00 at age 55

Forms of Benefit Payment

Before your payments begin, you must elect the form in which your benefit will be paid. Your election must be made no earlier than the 180-day period before benefits are to begin. You must be alive on your benefit commencement date for your election to be effective.

Required Lump-Sum Settlement

At any commencement date at which your retirement benefit has a present value of $1,000 or less, and you have no benefit due that was transferred from the superseded plan or any other Title within the Plan, your benefit will be paid to you in a lump sum. No other form of payment will be available.

"Mandatory Commencement," page 35

There are both automatic and optional forms of payment as discussed below. Your benefit will be paid in the automatic form applicable to your marital status, unless you are eligible for and elect an optional form as part of the commencement process.

Automatic Forms of Payment

The following two forms of benefit are called "automatic" because ERISA requires these forms to be paid based on your marital status.

> **If you are not married as defined by Title I** (you are single or have been married to your spouse for less than one year), the automatic form of benefit is the straight life annuity. Under this form, monthly payments are made during your lifetime only.

> **If you are married** (defined in Title I as married to the same spouse for at least one year), the automatic form is the 50% joint and survivor annuity. Under this form, reduced monthly payments are made during your lifetime. After your death, 50% of your benefit amount continues to your surviving spouse for his or her lifetime.

Optional Forms of Payment If You Are Married

If you are married, instead of the automatic 50% joint and survivor annuity, you may elect:

> A straight life annuity (monthly payments during your lifetime only); or

> A joint and survivor annuity (reduced monthly payments during your lifetime, with a designated percentage of your benefit amount paid to your spouse after your death). The designated percentage options for your surviving spouse's benefit can be from 10% to 100%, in any multiple of 10%, 25% or 33-1/3%.

Your spouse must consent in writing to any form other than the automatic form or a joint and survivor annuity form with a survivor percentage greater than 50%, and your spouse's consent must be witnessed and certified by a notary public.

JOINT AND SURVIVOR (J&S) ANNUITY EXAMPLE:

Assumptions:

> Your normal retirement income (NRI) paid as a straight life annuity would be $2,265.00 per month;

> You have been married to your spouse for one year or longer at commencement and the spouse's birth date is within four years of your own birth date[1]; and

> You elect a joint and survivor annuity.

The following monthly amounts would be payable at your normal retirement date under the joint and survivor annuities at the percentages shown.

J&S%	NRI		J&S Factor[2]		Your Annuity Amount[3]		J&S%		Survivor's Annuity Amount[4]
100%	$2,265.00	x	.85	=	$1,925.25	x	100%	=	$1,925.25
80%	$2,265.00	x	.87	=	$1,970.55	x	80%	=	$1,576.44
50%	$2,265.00	x	.90	=	$2,038.50	x	50%	=	$1,019.25
25%	$2,265.00	x	.95	=	$2,151.75	x	25%	=	$ 537.94

[1] *The relative ages of you and your spouse affect the J&S factor. Larger differences in age have a larger effect on the factor.*

[2] *The J&S Factor lowers your NRI to reflect the fact that benefits are being paid over two lifetimes rather than one.*

[3] *This is the reduced monthly benefit you will receive during your lifetime.*

[4] *If you die before your spouse, this is the monthly benefit that will be paid to your spouse for the rest of his or her life.*

Joint and Survivor Annuities

The joint and survivor annuity is available both as an automatic and an optional form of payment for participants who are married. **The survivor annuitant must be your spouse at the time benefits start and CANNOT be changed later.** Under this form, your retirement income is lower compared to a straight life annuity, because benefits are being paid over two lifetimes rather than just one.

Both your age and your spouse's age at the time benefits start are used to determine the amount of the joint and survivor reduction to be made to your straight life annuity amount. The younger your spouse is (compared to you), the greater the reduction will be to your amount.

The joint and survivor annuity payment options are not available to unmarried participants.

Lump-Sum Option

A lump-sum payment option is also available to both unmarried and married participants under some conditions. The lump sum is the actuarial equivalent of the benefit amount that Title I would need to provide a straight life annuity for you starting on your commencement date.

You are eligible for the lump-sum option if:

> Your employment end date was before March 31, 2000 and you have reached the first of the month nearest your 60th birthday (no more than 60 months before your normal retirement date); **OR**

> Your employment end date is on or after March 31, 2000 and you have reached the first of the month nearest your 55th birthday (no more than 120 months before your normal retirement date); **AND**

> You have completed all necessary forms (including a spousal consent, if applicable).

In accordance with the Company decision in response to the Pension Protection Act of 2006, for commencements in 2009 or later in which part of the normal retirement income was earned after Dec. 31, 2008, the normal retirement income earned prior to Jan. 1, 2009 is converted to a lump sum using the specific mortality table and interest rate method described in (A) below and the normal retirement income earned after Jan. 1, 2009 is converted to a lump sum using the other mortality table and interest rate described in (B) below. Then, the two lump sums are added together (in an A + B approach) to produce the Title I Plan lump sum. Here is how the calculations work:

> Determine the straight life annuity amount that is payable on your commencement date. For commencement dates on or after Jan. 1, 2009 and if such normal retirement income (expressed as the straight life annuity) includes any benefit earned on or after Jan. 1, 2009, the straight life annuity earned through Dec. 31, 2008 and the straight life annuity earned on or after Jan. 1, 2009 need to be determined in order to apply the different lump-sum factors that apply to each in the A + B method.

> Determine your remaining life expectancy (probability that you remain alive to receive each future month's straight life annuity payment) using specific mortality tables.

(A) The mortality table used for the Title I lump-sum conversion of your straight life annuity at commencement for your normal retirement income earned **through Dec. 31, 2008** is the 1994 Group Annuity Reserving (GAR 94) Table projected to 2002 consisting of a 50% female/50% male gender mix and applied as a unisex table.

(B) The mortality table used for the Title I lump-sum conversion of your straight life annuity at commencement for your normal retirement income earned **after Dec. 31, 2008** is the table found in Section 417(e)(3) of the Internal Revenue Code (IRC). This table may be updated periodically by the Secretary of the U.S. Treasury. Internal Revenue Bulletin 2008-42 provided a different table by year to be used for this purpose for years 2009 through 2013. This mortality table found in the IRC is also the table used to determine the minimum lump sum as required by law and the mortality table specifically required by the Pension Protection Act of 2006.

> Determine the interest rate(s) for valuing immediate annuities.

(A) For the lump-sum conversion of your straight life annuity at commencement for your benefit accrued through Dec. 31, 2008, Title I uses the monthly average of 30-year Treasury securities as published by the Federal Reserve or the U.S. Treasury. The rate used to determine the lump sum will be the lower of:

– The rate for the fourth month before the calendar quarter in which you begin your benefit; or

– The rate for the month before the month in which your benefit begins, if that rate is one percentage point or more lower than the rate for the fourth month before the calendar quarter in which you begin your benefit.

(B) For the lump-sum conversion of your straight life annuity at commencement for your benefit accrued after Dec. 31, 2008, Title I uses the three segment interest rates derived from the corporate bond yield curve as cited in Section 417(e)(3) of the Internal Revenue Code. For commencements in plan years 2009, 2010 and 2011, such rates are blended with the 30-year Treasury securities rate as prescribed by law and specifically by the Pension Protection Act of 2006. For commencements in 2012 and after, the interest rates will be the aforementioned three segment interest rates without blending.

The rates used to determine the lump sum of your benefit accrued after Dec. 31, 2008 will be the rates for the fourth month before the calendar quarter in which you begin your benefit.

As required by law and for commencements on or after Jan. 1, 2008, in no event shall the lump sum of your full accrued benefit payable at commencement in straight life annuity form be less than that derived using the mortality table and the three segment interest rates as described in Section 417(e)(3) of the Internal Revenue Code. This is referred to as the legally-required minimum lump sum.

> Multiply the straight life annuity amount(s) by the lump-sum factor(s). Remember, if you have part of your normal retirement income earned on or after Jan. 1, 2009, these are calculations with different straight life annuity amounts (the amount earned on or before Dec. 31, 2008 and the amount earned on or after Jan. 1, 2009) and different lump-sum factors as noted on page 20. The calculation will be of the A + B type previously described.

Generally, the lump-sum amount will be paid three to four weeks after your commencement date. Title I provides for payment of a lump sum no later than 60 days following your commencement date provided all properly completed forms have been received as required. No interest is paid for the period following your commencement date and the date your lump-sum payment is issued. Lump-sum amounts are a total settlement of your Title I benefit. Partial lump sums aren't permitted.

If you elect to receive a lump sum but die before your commencement date, your election will not be effective. However, survivor benefits may be payable.

"What Happens If You Die," page 28

You should also be aware that from time to time the Company has elected to make certain supplemental payments to retirees receiving ongoing monthly payments. The Company has historically not provided supplemental payments to those who have received lump-sum distributions.

EXAMPLE 1:

All of your normal retirement income (earned benefit) is earned prior to Jan. 1, 2009.

Assume that:

> You terminate employment on Oct. 31, 2008 and are eligible for the early retirement discount;

> Your normal retirement income (straight life annuity at normal retirement date) is $2,265 per month;

> Your age 58 straight life annuity (reduced using the early retirement discount) would be $2,038.50 per month; and

> You elect the lump-sum option for your age 58 commencement date.

The following lump-sum amounts would be payable under the different interest rates shown.

Age 58 Interest Rate	Straight Life Amt.		Age 58 Lump-Sum Factor[1]		Lump-Sum Amount at Stated Interest Rate
4.79%	$2,038.50	x	169.145	=	$344,802.08
5.50%	$2,038.50	x	157.633	=	$321,334.87
6.00%	$2,038.50	x	150.315	=	$306,417.13
6.50%	$2,038.50	x	143.573	=	$292,673.56

[1] *These amounts are the Lump-Sum Factors derived from the GAR 94 mortality table and the denoted interest rate.*

EXAMPLE 2:

Part of your normal retirement income (earned benefit) is earned prior to Jan. 1, 2009 and part of it is earned on and after Jan. 1, 2009 through Oct. 31, 2010.

Assume that:

> You terminate employment on Oct. 31, 2010 and are eligible for the early retirement discount;

> Your normal retirement income earned through Oct. 31, 2010 is $2,440 per month.
Your normal retirement income earned through Dec. 31, 2008 is $2,280 per month.
Your normal retirement income earned from Jan. 1, 2009 through Oct. 31, 2010 is $2,440 minus $2,280 or $160 per month; and

> Your age 58 straight life annuity (reduced using the early retirement discount) would be $2,052 per month for your benefit earned through Dec. 31, 2008 and $144 per month for your benefit earned from Jan. 1, 2009 through Oct. 31, 2010.

The Title I lump sum is the amount consisting of the lump-sum value of the benefit earned through Dec. 31, 2008 **plus** the lump-sum value of the benefit earned from Jan. 1, 2009 through Oct. 31, 2010, as shown below:

Part A — earned through Dec. 31, 2008: $2,052 x 169.145[1] = $347,085.54

plus

Part B — earned after Dec. 31, 2008: $ 144 x 158.339[2] = $ 22,800.82

equals

The total lump-sum amount: $369,886.36

[1] *This lump-sum factor is derived from the GAR 94 mortality and a 4.79% 30-year Treasury Securities rate.*

[2] *This lump-sum factor is derived from the Internal Revenue Code (IRC) 417(e) mortality table prescribed for use in 2010 (per Internal Revenue Bulletin 2008-42) and the three segment corporate bond yield curve spot rates of 5.28% / 6.12% / 6.55% blended with a 4.79% 30-year Treasury Securities Rate, with the blend being 40% of the 30-year Treasury Securities rate and 60% of the corporate bond yield curve spot rates, thus producing the blended three segment rates of 5.08% / 5.59% / 5.85%. This method is that prescribed as the IRC 417(e) method — pursuant to the Pension Protection Act of 2006 — and per Title I provisions as the lump-sum conversion method for the Title I benefit accrued on or after Jan. 1, 2009.*

Benefit Limitations

The Internal Revenue Code and ERISA impose limitations on benefits provided under Title I, both alone and in combination with other Titles and plans sponsored by the Company. Generally, these limitations affect only the benefits of certain highly-compensated employees. The Plan Benefits Administrator will notify you if you are affected by these limits.

Your benefit amount under Title I will never be less than the greatest of:

> The equivalent of your vested benefit transferred to Title I from the superseded plan or any other retirement plan;

> The equivalent of the benefit amount attributable to your contributions;

> The equivalent of your vested benefit amount; or

> If the Plan is ever determined to be "top heavy," the greater of a special minimum benefit or your vested benefit under the Plan (with only three years of vesting service required to vest). "Top heavy" is a determination under government rules that a disproportionate amount of Plan benefits is going to the most highly-paid officers of the Company. The Company anticipates that the Plan will **never** become "top heavy."

"Employee Contributions Under Earlier Plans," page 10; "Vesting," page 12

Naming Your Beneficiary

If you are an active employee, were an active employee on or after Sept. 1, 2004 or have a refund value in Title I, you should designate one or more beneficiaries, using forms available from HR Connections – Benefits Center.

"Contact Information," page 4

The following rules apply to beneficiary designations:

> The most recently dated valid beneficiary designation received by the Plan Benefits Administrator supersedes any previous designation.

> If your marriage ends before your benefit commencement date, any designation of your former spouse as beneficiary is void as of the date the marriage ends. You are strongly encouraged to review your beneficiary designations after your marriage ends and to make any changes you deem appropriate.

> After receipt by the Plan Benefits Administrator, a valid beneficiary designation is effective as of the date it was signed by you, even if you have died before the designation is received.

> Any payment made before receipt of a valid beneficiary designation will not be changed due to later receipt of that designation, and those payments will constitute a release of obligations to Title I of the Plan, the committee, the trustee and the insurance companies.

IF YOU ARE AN ACTIVE EMPLOYEE ON OR AFTER SEPT. 1, 2004

If you have been married to your spouse for at least one year on the date of your death, your primary beneficiary is your spouse. While your spouse must be the only primary beneficiary, you may also designate contingent beneficiaries who would receive a benefit only if the primary beneficiary died before you did. If your marriage ends before your benefit commencement date, any designation of your former spouse as beneficiary is void as of the date the marriage ends.

If you are unmarried (you are single or have been married to your spouse for less than one year at the time of your death), you may name any person or persons, including a trust or estate, as primary beneficiary(ies) and contingent beneficiary(ies).

If all of your beneficiaries die before you do, or if no valid designation is on file at your death and you have no surviving spouse, your beneficiary will be determined in the following order of priority:

> Your surviving children in equal shares;

> Your surviving parents in equal shares;

> Your surviving sisters and brothers in equal shares; or

> Your estate.

IF YOU ARE NOT AN ACTIVE EMPLOYEE ON OR AFTER SEPT. 1, 2004

If you have been married to your spouse for at least one year at the time of your death, your sole beneficiary is your spouse. If your marriage ends before your benefit commencement date, your former spouse is no longer your beneficiary as of the date the marriage ends.

If you are unmarried (you are single or have been married to your spouse for less than one year on the date of your death), no survivor annuity death benefit is payable and thus there is no need for a beneficiary, unless you have a refund value. If you have a refund value, you may name any person or person(s), including a trust or estate, as primary beneficiary(ies) and contingent beneficiary(ies).

If all of your beneficiaries die before you do, or if no valid designation is on file at your death and you have no surviving spouse, your beneficiary will be determined in the following order of priority:

> Your surviving children in equal shares;

> Your surviving parents in equal shares;

> Your surviving sisters and brothers in equal shares; or

> Your estate.

If You Leave ConocoPhillips Before Retirement

If you leave the employer before your earliest early retirement date, the vested portion of your normal retirement income will be payable as discussed below.

> Payment of the vested portion of your benefit will be deferred to your normal retirement date and paid in the automatic form for your marital status. You may also elect to begin payment at any time after plan age 55, in any optional form for which you are eligible as of the date you want benefits to begin. However, optional forms are not available in certain cases as described in the Required Lump-Sum Settlement box on page 18.

"When You Can Retire," page 10; "How Your Benefit is Calculated," page 12; "Early Benefit Commencement Calculation," page 15; "Forms of Benefit Payment," page 18

Any portion of your normal retirement income that is **not** vested will be forfeited (lost) when you terminate. Under certain circumstances, forfeited benefits can be recaptured (restored).

"Recapture of Previous Benefits After Rehire," page 32; "Vesting," page 12

BENEFIT ATTRIBUTABLE TO YOUR CONTRIBUTIONS

Previously, employee contributions were required or allowed under:

> The prior plan — the Retirement Income Plan of Phillips Petroleum Company and Subsidiary and Affiliated Companies that was in effect from 1938 through 1975;

> The superseded plan — the Retirement Income Plan of Phillips Petroleum Company and Subsidiary and Affiliated Companies that was in effect from 1976 until its termination on Aug. 31, 1986; and

> This Plan (Title I).

"Employee Contributions Under Earlier Plans," page 10

If you have made employee contributions to Title I and have a refund value, upon separation from service, you may be eligible to elect to commence the portion of your Title I benefit attributable to that amount and receive a reduced vested deferred benefit.

If you have a refund value in Title I, the present value used will be the higher of:

> The present value of the portion of your vested deferred benefit attributable to your contributions; or

> Your refund value.

For detailed information about refund value and the calculation of the vested deferred benefit attributable to your contributions, please contact HR Connections – Benefits Center.

IF EMPLOYMENT ENDS DUE TO LAYOFF, SALE OF ASSETS OR STOCK, OR TRANSFER

Layoff

The following special rules apply if your employment ends due to layoff:

> If you are entitled to receive layoff pay, you will receive months of credited service based on 45 hours for each week of layoff pay for which you are eligible.

> If you are laid off on or after Jan. 1, 1996, to determine your final average earnings, your annual earnings will be extended after the month of your layoff for the number of months left until the end of the calendar year. However, the maximum earnings extension will not exceed your layoff pay.

> If you are laid off during or after the calendar year in which you would reach age 50 and you are not given the opportunity to transfer your Title I benefit to a successor employer's retirement plan, you will be eligible for these additional special provisions:
>
> – The early retirement discount will apply if you begin benefits before your normal retirement date; and
>
> *"Early Benefit Commencement Calculation," page 15*
>
> – If you do not continue employment with a successor employer and you are not offered a job with a successor employer at 80% or more of your previous regular monthly earnings rate, you will be entitled to a temporary limited Social Security make-up, subject to certain conditions. Contact HR Connections – Benefits Center for more information.
>
> *"Contact Information," page 4*

Sale of Assets, Sale of Stock or Transfer to an Affiliated Group

The following special rules apply if your employment ends as a direct result of a sale of assets (in certain cases), a sale of stock or transfer to an affiliated group:

> Your accrued retirement benefit and a portion of the Plan's assets will be transferred to the successor employer's plan if:
>
> – Your employment continues with the successor employer;
>
> – There is an agreement allowing benefits to be transferred from this Plan to the successor employer's plan; and
>
> – You consent to such a transfer within 60 days after your current employment ends. If this occurs, you will have no remaining benefits or rights under this Plan.

> If you are age 50 or older in the calendar year in which your employment ends, you will be eligible for the early retirement discount if you begin benefits before your normal retirement date, unless you were offered and declined the transfer of benefits described above.

"Early Benefit Commencement Calculation," page 15

What Happens If You Go on Leave, Die, Are Rehired or Transfer

There may be instances when your Title I benefit could be affected by events in your life. For example, you might take a leave of absence or transfer within the ConocoPhillips Group of Companies. Here is an overview of how your Title I benefit is affected by these situations.

What Happens If …	Generally …
You are granted a leave of absence (including disability leave)	Your participation in Title I continues until the expiration of your leave. *"What Happens If You Are Granted a Leave of Absence," page 28*
You die	> **If payment of retirement benefits HAS NOT begun** — – Your spouse is entitled to a "pre-retirement survivor's annuity" if you are vested, have been married to your spouse for at least one year on your date of death and your employment ended before Sept. 1, 2004. – If you are currently actively employed or your employment ended on or after Sept. 1, 2004, you are married to your spouse for at least one year on the date of your death and you are vested, your spouse is eligible for an enhanced death benefit in the form of a survivor annuity equal to 100% of your normal retirement income, adjusted for any difference in age between you and your spouse and reduced for any early receipt of benefits. If you are employed on or after Oct. 1, 2008, your spouse may elect a lump-sum survivor benefit in lieu of the survivor annuity. The lump-sum survivor benefit is equal to the actuarial lump-sum value of your entire vested Title I benefit. – If you are not married (you are single or have been married to your spouse for less than one year on the date of your death) and your employment date ended before Sept. 1, 2004, no benefit is payable from Title I, unless you have made contributions to Title I (see the "If you made contributions to the Plan" bullet below). – If you are not married (you are single or have been married to your spouse for less than one year on the date of your death), have a vested benefit, and you are actively employed or your employment ended on or after Sept. 1, 2004, your beneficiary is eligible to receive a single cash payment (lump sum) equal to the actuarial value of your normal retirement income. *"Vesting," page 12; "Death Before Retirement Benefits Begin," page 28* > **If payment of retirement benefits HAS begun** — Whether payment continues depends on the form of payment you elected. *"Forms of Benefit Payment," page 18* > **If you made contributions to the Plan** — A cash death benefit will be paid if the payments you have received are less than the value of your contributions and interest and they have not already been totally paid out to you. *"Benefit Attributable to Your Contributions," page 25*
You are rehired	> You retain any vested benefits not previously paid out to you. > If annuity payments have begun under Title I they continue; further benefits may accrue under Title II, the ConocoPhillips Cash Balance Account, only. > Under some cases you may recapture prior benefits that were forfeited. *"Recapture of Previous Benefits After Rehire," page 32*
You transfer within the ConocoPhillips Group of Companies	> Special rules apply for calculating your benefits. *"What Happens If You Transfer Within the ConocoPhillips Group of Companies," page 33*

WHAT HAPPENS IF YOU ARE GRANTED A LEAVE OF ABSENCE

If you are granted a Disability Leave or another type of Leave of Absence under the approved personnel policies of your employer, your participation in Title I continues until the expiration of your leave (including any approved extensions). If you fail to return from your leave before its expiration, your participation in Title I ends as of the date your leave is terminated — which will correspond to your employment end date. If you are granted a Military Leave, your participation in Title I ends when your employment ends. However, your participation in Title I for the time spent on the leave will be restored and recognized as vesting service and credited service if you return to employment within the time specified.

"Service Time," page 11

Generally you must return to employment within the following timeframes or your participation in Title I will be considered terminated:

> Disability Leave — 24 months;

> Military Leave — generally 90 days or less (depending on length of military service) after release from duty; and

> Other leaves of absence granted after Dec. 31, 2002 — expiration of the leave as per the approved personnel policies of your employer.

WHAT HAPPENS IF YOU DIE

Death Before Retirement Benefits Begin

If you die while having been an active employee **on or after Sept. 1, 2004 and before Oct. 1, 2008**, and are vested:

> **If you have been married to your spouse for at least one year on the date of your death**, your spouse is entitled to a straight life pre-retirement survivor's annuity which is equal to 100% of your retirement benefit (including any insured portions) adjusted for any difference in age between you and your spouse, and reduced for any early receipt of benefits. The survivor's annuity is payable to your spouse as early as your Plan age 55 or may be deferred up to your Plan age 65. You may name contingent beneficiaries.

> **If you are unmarried (you are single or have been married to your spouse for less than one year on the date of your death)**, you may name a beneficiary who would be eligible to receive a single cash payment equal to the actuarial value of your entire retirement benefit (including any insured portions).

If you die while having been an active employee **on or after Oct. 1, 2008**, and are vested:

> **If you have been married to your spouse for at least one year on the date of your death,** your spouse may elect a lump-sum survivor benefit in lieu of the straight life pre-retirement survivor's annuity discussed at left.
 – The lump-sum survivor benefit is equal to the actuarial value of your entire Title I benefit (including any insured portions) and shall be in lieu of any pre-retirement survivor's annuity and inclusive of any lump-sum death benefits transferred from the superseded plan attributable to you.
 – The spousal lump-sum survivor benefit is available only for commencement as of the first early retirement date following your death or the first of the month after your death if you were actively employed on or after your normal retirement date.
 – The lump-sum survivor benefit is not available for deferred commencement dates. Your spouse will be given a one-time election for the lump-sum survivor benefit.
 – Such election must be made in a manner determined by the Plan Benefits Administrator within 60 days after the later of the date of your death or the date the death benefit election forms are provided your spouse.
 – If such election is not made within that period, your spouse will be deemed to have foregone the lump-sum survivor benefit and will be provided the death benefit for which the spouse is otherwise eligible.

> **If you are unmarried (you are single or have been married to your spouse for less than one year on the date of your death)**, you may name a beneficiary who would be eligible to receive a single cash payment equal to the actuarial value of your entire retirement benefit (including any insured portions).

If you die while **not** having been an active employee **on or after Sept. 1, 2004**, and are vested:

> **If you have been married to your spouse for at least one year on the date of your death**, your spouse is entitled to a pre-retirement survivor's annuity which is equal to one-half of the vested value of your retirement benefit after reduction for any early receipt of benefits and reduction for payment in a 50% joint and survivor form. This is available for commencement by your spouse on any of your early retirement dates following your death up to, but not beyond, your normal retirement date. If you were actively employed on your normal retirement date, commencement must occur on the first of the month following your death.

> **If you are unmarried (you are single or have been married to your spouse for less than one year on the date of your death)**, no death benefit is payable, unless you have a refund value, which will be paid as a single cash payment.

"When You Can Retire," page 10; "Early Benefit Commencement Calculation," page 15; "Naming Your Beneficiary," page 24

EXAMPLES OF PRE-RETIREMENT DEATH BENEFITS:

Assumptions:

> You have earned a vested normal retirement income benefit of $1,000 as of the date of your death (or the date of your termination, if earlier);

> You are married (defined as having been married to the same spouse for at least 12 months as of the date of your death, or the date of your termination, if earlier)*; and

> Your spouse's birth date is exactly two years later than yours (that is, your spouse is exactly two years younger than you)*.

* *These assumptions do NOT apply to Example 4 on page 30.*

Example 1 — Pre-retirement survivor's annuity if you were or had been an active employee on or after Sept. 1, 2004, but you were NOT an active employee on or after Oct. 1, 2008:

A. If your spouse elected to begin the survivor's annuity **on your normal retirement date**:
   - Your $1,000 per month straight life annuity at your normal retirement date would be actuarially adjusted for the difference in age between you and your spouse. (Since your spouse is two years younger than you, your spouse would be age 63 as of your normal retirement date and would be expected to receive more payments prior to his/her death. Your $1,000 monthly amount is adjusted downward to reflect this longer life expectancy.)
   - Your spouse would receive $937.92 per month for life.

B. If your spouse elected to begin the survivor's annuity **at your plan age 58**, his/her survivor's annuity would depend on whether you were eligible for the early retirement discount:
   - If you died **after** becoming entitled to the early retirement discount — Your spouse would receive $844.13 per month for life; or
   - If you died **before** becoming eligible for the early retirement discount — Your spouse's benefit would be subject to the actuarial reduction, and he/she would receive $543.99 per month for life.

Example 2 — Spousal lump-sum survivor benefit if you were or had been an active employee on or after Oct. 1, 2008, and you died on Nov. 1, 2008:

A. If you were exactly **plan age 58** at the time of your death on Nov. 1, 2008 and you were entitled to the early retirement discount:
   - Your entire benefit would have been earned before Jan. 1, 2009.
   - Your spouse would be given a one-time election for the spousal lump-sum survivor benefit, and, if desired, your spouse must make such election within 60 days from the later of (1) the date of your death or (2) the date death benefit election forms are mailed or otherwise provided to your surviving spouse.
   - If your spouse elects the spousal lump-sum survivor benefit, the lump-sum survivor benefit payable to your spouse would be $153,794.70. This benefit is based on the actuarial basis in use on Nov. 1, 2008 (the GAR-94 mortality table and a 4.69% interest rate).

(continued)

B. If you were exactly **plan age 54** at the time of your death on Nov. 1, 2008, and thus not eligible for the early retirement discount:

- Your entire benefit would have been earned before Jan. 1, 2009.
- Your spouse would be given a one-time election for the spousal lump-sum survivor benefit calculated for commencement at your plan age 55 (Nov. 1, 2009). If desired, your spouse must make such election within 60 days from the later of (1) the date of your death or (2) the date death benefit election forms are mailed or otherwise provided to your surviving spouse.
- If your spouse elects the spousal lump-sum survivor benefit, the lump-sum survivor benefit payable to your spouse would be $86,444. This benefit is based on the assumption that the actuarial basis for a Nov. 1, 2009 commencement date (your earliest early retirement date) is the GAR-94 mortality and a 4.69% interest rate.

Example 3 — Spousal survivor annuity if you were NOT and had never been an active employee on or after Sept. 1, 2004:

A. If your spouse elects to begin the survivor's annuity **on your normal retirement date**:

- Your spouse will receive $450 per month for life. This benefit is 50% of the $900 monthly benefit you would have received under the 50% joint and survivor annuity if you had ceased to earn benefits on the date of your death or termination (whichever was earlier), survived, and begun benefits on your normal retirement date.

B. If your spouse elects to begin the survivor's annuity **at your plan age 58**, his/her survivor's annuity would depend on whether you were eligible for the early retirement discount:

- If you died **after** becoming entitled to the early retirement discount (and your employment end date is on or after March 31, 2000) — Your spouse would receive $405 per month for life; or
- If you died **before** becoming eligible for the early retirement discount — The benefit would be subject to the actuarial reduction, and your spouse would receive $261 per month for life.

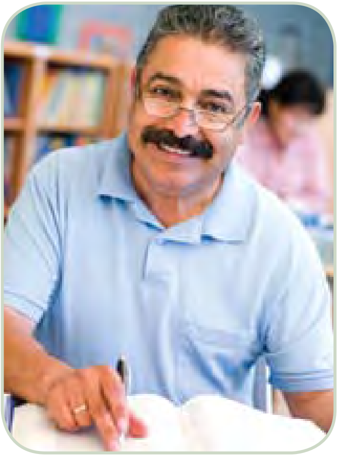
Example 4 — Pre-Retirement death benefit if you are unmarried or you have been married to the same spouse for less than 12 months at the date of your death and you were or had been an active employee on or after Sept. 1, 2004:

A. If you were exactly **plan age 58** at the time of your death on Nov. 1, 2008 and you were entitled to the early retirement discount:

- Based on the actuarial basis in use on Nov. 1, 2008 (the GAR-94 mortality table and a 4.69% interest rate), the cash death benefit payable to your named beneficiary would be $153,794.70.

B. If you were **plan age 53 and six months** at the time of your death on Nov. 1, 2008, and thus not eligible for the early retirement discount:

- Based on the actuarial basis in use on Nov. 1, 2008 (the GAR-94 mortality table and a 4.69% interest rate), the cash death benefit payable to your named beneficiary would be $80,391.00.



Death After Retirement Benefits Have Begun

The form of payment at commencement of your retirement benefits determines whether any benefits are payable after your death.

> If you have elected and begun receiving payments in the form of a joint and survivor annuity and your spouse survives you, the survivor's annuity (in the continuation percentage you elected) will be paid to your spouse.

> If you have elected and begun receiving payments in the form of a straight life annuity, benefits will end — no survivor's annuity is payable.

> If you had made contributions to the Plan and payments have begun in any form of annuity, a cash death benefit may be payable (see the next section).

"Refund of Your Contributions After Death," below

> If you had elected and received payment of a lump sum, no death benefit is payable.

Refund of Your Contributions After Death

Your remaining contributions (if any) may be paid as part of the survivor's annuity payments or as a one-time cash death benefit in certain circumstances. Upon the earlier of your termination or your benefit commencement date, the initial cash death benefit will be fixed as the greater of:

> Your contributions x 125%;

> Your refund value;

> Your death benefit transferred from the superseded plan as payable under the insurance contracts; or

> The present value of your vested normal retirement income attributable to your refund value.

"Benefit Attributable to Your Contributions," page 25

If either the pre-retirement survivor's annuity or a joint and survivor annuity applies:

> The survivor's annuity payments will be made to your surviving spouse; and

> No cash death benefits will be paid upon your death.

"Forms of Benefit Payment," page 18

After your surviving spouse's death, if the total amount of annuity payments received by both you and your surviving spouse is less than the full amount of your initial cash death benefit, the difference will be paid to your spouse's estate.

If you have begun benefits in the form of a straight life annuity and the total payments you have received before your death is less than the initial cash death benefit, the difference will be paid to the person to whom you were married on the date your benefit began.

If you do not have a surviving spouse (including cases where payments had begun in the form of a joint and survivor annuity and your spouse died before you do), the cash death benefit will be paid to your beneficiary.

"Naming Your Beneficiary," page 24

WHAT HAPPENS IF YOU ARE REHIRED

Normal Retirement Income

When you separate from service, you retain any vested portion of your normal retirement income — unless you receive a cash distribution (which is a complete settlement of Title I's and the insurers' obligations). If you have a refund value as a result of your earlier employee contributions and you withdraw it after your separation from service, Title I's and the insurers' obligations for the portion of your normal retirement income attributable to your contributions is satisfied by the withdrawal, and your normal retirement income is reduced by the portion withdrawn.

"Vesting," page 12; "If You Leave ConocoPhillips Before Retirement," page 25; "Benefit Attributable to Your Contributions," page 25

If you are rehired by the employer **prior to Jan. 1, 1996**, you will continue to retain any vested portion of your normal retirement income for which you have not received a cash distribution.

If you were rehired **after Dec. 31, 1995 and prior to Jan. 1, 2002**, and you received a cash distribution, you will retain the vested portion of your normal retirement income. However, that income will be reduced by the amount attributable to the cash distribution.

If you are rehired after beginning a monthly annuity, you will retain the benefit you had earned to your termination date and will continue to receive the annuity. However, if you are rehired on or after Jan. 1, 2002, you will not earn any additional benefits under Title I. If rehired by the Company, you can accrue additional benefits only under Title II, the ConocoPhillips Cash Balance Account.

Recapture of Previous Benefits After Rehire

If you are rehired **before** the date on which you have one break in service year, your years of vesting service **will** be recaptured (restored) immediately upon rehire.

If you are rehired **after** having at least one break in service year, your years of vesting service **may** be recaptured.

> **If your normal retirement income was partially or fully vested** (without regard to the portion attributable to your contributions), you may recapture your years of vesting service only if you complete a "participation service period" (with that period being the period from the date of rehire to the end of that month) after your rehire.

> **If your normal retirement income was not vested** (without regard to the portion attributable to your contributions), you may recapture your years of vesting service only if:
– You complete a "participation service period" (with that period, as of Jan. 1, 2002, being the period from the date of rehire to the end of that month) after your rehire; **AND**
– **If your termination was after Dec. 31, 1988**, you have fewer than five consecutive break in service years after termination and before rehire; **OR**
– **If your termination was before Jan. 1, 1989**, you have fewer consecutive break in service years after termination and before rehire than the greater of (1) five years or (2) the number of years of vesting service you had earned before termination.

Recapture of Vesting Service

Whether you can recapture years of vesting service after rehire is important because:

> Earning years of vesting service is one of the ways that you can become vested in the non-vested portion of your normal retirement income; and

> Years of credited service are recaptured only to the extent that you recapture years of vesting service. Because the benefit formulas use credited service, recapturing years of credited service may result in an increased Title I benefit.

"Service Time," page 11

EXAMPLE:

Assumptions:

> Your employment ended when your normal retirement income was not vested.
> You had earned two years of vesting service and credited service, but forfeited them when you left the Company.
> You had four break in service years after termination and before rehire.

"Vesting," page 12; "Service Time," page 11

You would recapture your two years of vesting service and credited service after you had completed a "participation service period" which is the period from your date of rehire to the end of that month. This is because your four break in service years were less than five years. The recapture would give you the opportunity to become vested in the non-vested portion of your retirement benefit that had been forfeited.

However, if you had five break in service years instead of four, you would not have recaptured your previous years of vesting service or credited service that had been forfeited. Your years of vesting service would have begun again upon your rehire.

"If You Leave ConocoPhillips Before Retirement," page 25

If You Participated in the Superseded Plan

Special rules may apply if you are rehired and have benefits from the superseded plan.

"Special Provisions for Certain Rehired Employees," page 34

WHAT HAPPENS IF YOU TRANSFER WITHIN THE CONOCOPHILLIPS GROUP OF COMPANIES

Transfer to an Affiliated Company, Transfer From an Affiliated Company and Return to the Company After Transferring to an Affiliated Company

There are special Title I provisions dealing with these types of transfers. For more information, please contact HR Connections – Benefits Center.

Other Rules Applied to Transfers

In each affiliated company transfer situation, your total normal retirement income will never be less than the total of your affiliated company plan's normal retirement income, plus your benefit from this Title I (based only on the period you actually participated in this Title I).

A "transfer" means a change of employment from an affiliated company to a Company, or from a Company to an affiliated company, without any interruption of service and by the mutual agreement of both companies. A "transfer" does not occur when an affiliated company adopts the Plan and thus becomes a Company or when one Company merges with another Company.

SPECIAL PROVISIONS FOR CERTAIN REHIRED EMPLOYEES

Special provisions generally apply to benefits calculated for pre-Sept. 1, 1986 rehires (entitled to an SSP benefit or an SSP make-up benefit), post-Sept. 1, 1986 rehires who recapture years of vesting service and credited service and who may be entitled to an SSP benefit or an SSP make-up benefit. Please contact HR Connections – Benefits Center for more information.

"Contact Information," page 4

Please refer to the Glossary for definitions of the specific terms used in this section. In addition, the following terms are used in these provisions:

- **Post-Sept. 1, 1986 rehire** — An employee who was rehired **on or after** Sept. 1, 1986 whose superseded plan benefits were not transferred to Title I.
- **Pre-Sept. 1, 1986 rehire** — An employee who was rehired **before** Sept. 1, 1986 whose superseded plan benefits **were** transferred to Title I and are provided under insurance contracts.
- **SSP benefit** — A special normal retirement income calculation that applies to certain employees who terminated under a Special Separation Program (SSP) during April 3 – June 30, 1986. The SSP benefit may begin on or after the employee's earliest early retirement date without any reduction for early payment.
- **SSP make-up benefit** — A special temporary Social Security make-up benefit calculation that applies to employees who terminated employment after reaching age 50 under the SSP. This benefit may begin on or after the employee's earliest early retirement date without any reduction for early payment. The last payment will be for the month before the employee turns age 62, or the month of death if earlier.

"Glossary," page 43

How to Begin Receiving Your Benefit

Before your retirement benefits can begin, you must:

- Properly complete and submit all forms and documents required for commencement to HR Connections – Benefits Center no more than 180 days before your requested commencement date. You are strongly encouraged to begin this process by requesting a benefit commencement packet approximately 60 – 90 days before your desired commencement date. In order to receive your requested commencement date, you must have requested a benefit commencement packet no later than the 15th of the month before your requested commencement date.

  "Contact Information," page 4

- Not be employed by the employer on your desired commencement date;
- Have separated from service with a successor employer if:
  - Required by an agreement between the employer and the successor employer; or
  - There are provisions for recognition of credited service or annual earnings in Title I while you are employed by the successor employer;
- Have a vested benefit; and
- Have reached your earliest early retirement date.

WHEN BENEFITS BEGIN

Retirement benefits are scheduled to begin on your normal retirement date. However, you may elect to begin benefits on any early retirement date. Special rules apply if you terminate before your earliest early retirement date and you have a refund value.

"When You Can Retire," page 10; "Benefit Attributable to Your Contributions," page 25

IF YOU CONTINUE WORKING BEYOND YOUR NORMAL RETIREMENT DATE:

> You may not begin benefits on your normal retirement date.

> If you are eligible, during the time you work after your normal retirement date, you will continue to earn additional credited service (up to the 576-month maximum of Title I). In that event, the additional credited service and/or your additional annual earnings may result in increased monthly retirement benefit amounts.

> However, the amount of your benefit will not increase solely because you deferred payment of your benefits beyond your normal retirement date.

Mandatory Commencement

Your retirement benefits **must** begin no later than the earliest of the following dates:

- At your normal retirement date, if you have separated from service before that date;
- The first of the month after you separate from service if you work beyond your normal retirement date;
- The first of the month following the final payment of any disability benefits you are receiving under the ConocoPhillips Long-Term Disability Plan if you are at or past your normal retirement date at that time; or
- On your mandatory commencement date (April 1 of the year following the year in which you reach age 70½), even if you have not separated from service by that date.

TAX CONSIDERATIONS

All Title I distributions are considered taxable income and are subject to normal federal and (if applicable) state and/or local income taxes.

Annuity payments are subject to income tax withholding at ordinary income tax rates.

If you elect a lump-sum payment to be paid to you, the Company must withhold 20% federal tax from your distribution, unless you elect a direct rollover. This withholding is sent to the IRS and is credited as part of your tax withholding for the year in which you receive your distribution.

"Rollovers," page 36

If you're under age 59½ and don't roll over your lump-sum payment to an Individual Retirement Account (IRA) or other tax-qualified retirement plan, your distribution is subject to a 10% federal income tax penalty in addition to the 20% withholding tax. State income tax penalties may also apply. However, the additional 10% IRS penalty does not apply if your payment is:

- Paid to you because you leave the Company during or after the year in which you reach age 55;
- Paid to you after you're permanently and totally disabled;
- Paid to you as equal (or almost equal) payments over your life expectancy (or you and your beneficiary's combined life expectancies);
- Used to pay certain medical expenses; or
- Paid to your beneficiary after your death.

Tax laws are complicated and subject to frequent change. You should consult a qualified tax adviser before making your distribution election.

For More Information

For more information on the tax implications of your distribution options, you should review the **Special Tax Notice Regarding Plan Payments** which is available from HR Connections – Benefits Center. This notice contains pertinent disclosures specifically described by the Internal Revenue Service in connection with any distribution from a qualified retirement plan.

"Contact Information," page 4

Any tax considerations mentioned in this summary should be regarded only as highlights and not as comprehensive discussions of the tax issues involved. The application of tax laws varies depending on the individual circumstances involved.

Rollovers

To avoid mandatory withholding on a lump-sum payment to be paid directly to you, you may elect to roll over your lump-sum payment to a tax qualified retirement plan such as an Individual Retirement Account (IRA), a ConocoPhillips savings plan or another employer's plan that accepts such rollovers. When you roll over part or all of a distribution into another plan, you postpone paying taxes on the amounts rolled over until they're distributed from the new plan. This can give you substantial tax savings if you're in a lower tax bracket when you receive the distribution.

There are two ways to roll over a distribution:

> With a direct rollover, you instruct the plan administrator to pay part or all of your distribution directly to the trustee or administrator of the other plan. No taxes are withheld from a direct rollover.

> With an indirect rollover, you receive a check for the distribution payable to you, and you choose to roll over all or part of the distribution into another plan within 60 days after you receive the check. Mandatory federal tax withholding (and state/local tax withholding, if applicable) applies in this case. Because the required 20% tax withholding will have been applied, you'll need to replace the 20% withheld with money from another source if you want to roll over the entire amount. You're responsible for following applicable guidelines and timetables to make sure your distribution is not eventually taxed because you missed the 60-day deadline.

Filing Claims and Appeals Under the Plan

If you feel you have a claim against the Plan, you should mail or deliver a statement in writing to the Plan Benefits Administrator explaining the reasons for your claim. Provide as much information about your situation as you can. Within 90 days (or within 180 days in special circumstances that require more time for processing) after receipt of your claim, the Plan Benefits Administrator will notify you of the approval or denial of your claim.

If your request to begin benefits (or other claim) is denied, the Plan Benefits Administrator will notify you in writing with:

> Specific reason(s) for the denial;

> References to the Plan provisions that support the denial;

> A description of any additional materials or information that is necessary to perfect (improve) the claim; and

> An explanation of the Plan's claim review procedure.

APPEALS PROCESS

If you still feel you have a right to the claim, within 60 days of your receipt of the claim denial you may appeal in writing to the committee. You may also review all pertinent Plan documents. The committee will make its written decision within 60 days of your request for an appeal (or within 120 days in special circumstances that require more time for processing). The committee's decision will include:

> Specific reason(s) for the denial;

> References to the Plan provisions upon which the decision was based;

> Notification of your right to receive copies of, without charge, all documents, records and other information relevant to your claim; and

> Notification of your right to bring legal action under Section 502(a) of ERISA within three years after the denial.

Other Information/ERISA

This section provides you with general information about the ConocoPhillips Retirement Plan (Plan), which includes the Phillips Retirement Income Plan — Title I. It also gives you information you're required to receive under the Employee Retirement Income Security Act of 1974 (ERISA).

ERISA PLAN INFORMATION

ConocoPhillips Retirement Plan *(Includes the Phillips Retirement Income Plan — Title I)*	
Type of Plan	Defined benefit pension plan that is intended to be qualified under Internal Revenue Code Section 401(a)
Plan Number	021
Plan Year	Jan. 1 – Dec. 31
Sources of Contributions	Each year, an actuary determines the range of Company contributions on a basis acceptable under ERISA. The Company is required under ERISA to make contributions necessary to provide benefits under the Plan that are not provided from insurance contracts. Employee contributions are not presently required or allowed. Since Sept. 1, 1986 all contributions have gone into the trust fund. The trust fund is administered by trustees, insurance companies and investment managers. All Plan expenses are paid from the trust fund unless paid by the Company. Employee contributions to the superseded plan and the prior plan were credited to this Plan on Sept. 1, 1986, and were covered under insurance contracts as of that date.
Plan Trustees	Bank of New York 1 Wall Street New York, NY 10286 PNC Bank Attn: PNC International Investment Client Services One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Insurance Carriers for certain insured benefits	> Metropolitan Life Insurance Company (pre-1968 period) > Prudential Insurance Company of America (1968 to Sept. 1, 1986)

YOUR ERISA RIGHTS

As a participant in the Plan, you're entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. ERISA provides that all Plan participants are entitled to receive information about the Plan and your benefits, to expect prudent action by Plan fiduciaries, and to enforce your rights under ERISA.

Information About the Plan and Your Benefits

All Plan participants have the right to:

> Examine, without charge, at the Plan Benefits Administrator's office and at other locations (field offices, plants and selected work sites), all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor. These documents are also available for review at the Public Disclosure Room of the Employee Benefits Security Administration;

> Obtain, upon written request to the Plan Benefits Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. When allowed by law, the Plan Benefits Administrator may make a reasonable charge for the copies;

> Receive a summary of the Plan's annual financial report at no charge (the Plan Financial Administrator is required by law to furnish each participant with a copy of this summary financial report); and

> Obtain a statement telling you whether you have a right to receive a benefit at your normal retirement date, and what your normal retirement income would be at your normal retirement date if you stopped working as of the date of the statement. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. **You must request this statement in writing and the Company is not required to give the statement more than once a year.** The Plan must provide the statement free of charge.

Prudent Action 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 Plan. The people who operate the Plan are called "fiduciaries" and have a duty to operate the Plan prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union or any other person, may fire you or discriminate against you in any way to prevent you from obtaining benefits under the Plan or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to receive a written explanation of the reason for the denial, to obtain copies of documents relating to the decision without charge, and to appeal any denial to the committee.

Under ERISA, there are steps you can take to enforce your rights. For instance, if you request materials from the Plan and don't receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Benefits Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless they were not sent because of reasons beyond the control of the Plan Benefits Administrator.

If you have a claim for benefits that 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 the Plan fiduciaries misuse the Plan's money, or if you're 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're successful, the court may order the person you have sued to pay these costs and fees. If you lose — for example, if the court finds your claim is frivolous — the court may order you to pay these costs and fees.

For More Information

If you have any questions about the Plan, contact HR Connections – Benefits Center or the Plan Benefits Administrator.

"Contact Information," page 4

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 Benefits Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210.

You may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 866-444-3272.

PLAN ADMINISTRATION

Plan Identification Information

The Plan Name, Plan Sponsor, Identification Number and Plan Number are:

ConocoPhillips Retirement Plan
ConocoPhillips Company
600 N. Dairy Ashford
Houston, TX 77079

Employer ID#: 73-0400345
Plan Number: 021

Retirement Plan Committee

The committee is the governing body for the Plan. Committee members are appointed by the Board of Directors of ConocoPhillips Company or its designee. The committee's address and phone number are:

411 S. Keeler Avenue
327-01 Adams Building
Bartlesville, OK 74004
(918) 661-6199

The committee is responsible for:

> Establishing and enforcing rules and procedures for:
  – The administration of the Plan; and
  – The selection of trustees and others who provide investment services to the Plan;
> Delegating administrative duties to selected persons and companies as appropriate;
> Interpreting the Plan; and
> Making final decisions as to any disputes or claims under the Plan.

The committee has absolute discretion in carrying out its responsibilities. All interpretations, findings of fact and resolutions made by the committee are binding, final and conclusive on all parties.

Plan Administrators

The ConocoPhillips Retirement Plan has two administrators — the Plan Benefits Administrator and the Plan Financial Administrator.

Plan Benefits Administrator

The Plan Benefits Administrator is the Manager, Global Compensation and Benefits, ConocoPhillips Company or his successor(s). The address and telephone number of the Plan Benefits Administrator are:

411 S. Keeler Avenue
327-01 Adams Building
Bartlesville, OK 74004
(918) 661-6199

The Plan Benefits Administrator is responsible for the duties assigned by the Plan, which include:

> Determining benefits eligibility and payment amounts;
> Initial determination of claims for benefits;
> Hiring persons and companies to provide services to the Plan;
> Communicating benefit rights to Plan participants;
> Keeping records relating to the Plan, other than those kept by the Plan Financial Administrator, the trustee and the insurance companies; and
> Delegating powers or duties to other persons and companies as appropriate.

Plan Financial Administrator

The Plan Financial Administrator is the Treasurer of ConocoPhillips Company or his successor(s). The address and telephone number of the Plan Financial Administrator are:

411 S. Keeler Avenue
327-01 Adams Building
Bartlesville, OK 74004
(918) 661-6199

The Plan Financial Administrator is responsible for controlling and managing the assets of the Plan, and has the following additional duties:

> Monitoring the Plan's funding policy;
> Requiring the trustee to allow audits and submit reports on its activities;
> Preparing and filing government required reports;
> Paying the required Pension Benefit Guaranty Corporation (PBGC) premiums;
> Keeping records relating to Plan benefits and assets; and
> Delegating powers or duties to other persons and companies as appropriate.

Agent for Service of Legal Process

For disputes arising from the Plan, legal process may be served on the General Counsel of ConocoPhillips Company. The address is:

600 N. Dairy Ashford
Houston, TX 77079

Service of legal process may also be made upon the trustees or the Plan Administrators at the addresses shown for them.

PENSION BENEFIT GUARANTY CORPORATION

Your benefits under the ConocoPhillips Retirement 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 the Plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

> Normal and early retirement benefits;
> Certain disability benefits if you became disabled before the Plan terminates; and
> Certain benefits for survivors.

The PBGC guarantee generally does **not** cover:

> Benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates;

> Some or all of 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;

> Benefits that aren't vested because you have not worked long enough for the employer;

> Benefits for which you have not met all of the requirements at the time the Plan terminates;

> Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and

> Non-pension benefits, such as health insurance, life insurance, certain death benefits, savings plan benefits, vacation pay and severance pay.

Even if certain of your Plan benefits aren't guaranteed, you may still receive some of those benefits from the PBGC depending on how much money the Plan has and how much the PBGC collects from employers.

For More Information

For more information about the PBGC and the benefits it guarantees, ask the Plan Benefits Administrator. You may also contact the PBGC's Technical Assistance Division:

> **By mail** — 1200 K Street N.W., Suite 930, Washington, DC 20005-4026;

> **By phone** — (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; or

> **Via the Internet** — At *http://www.pbgc.gov.*

When the Plan Changes or Ends

Although it's intended that the Plan continue indefinitely, the Company may amend or terminate the Plan at any time.

Subsidiary companies that have adopted the Plan have the right to decline amendments with respect to their employees' participation, to end their participation in the Plan at any time, and to request a separation of the trust fund. Subsidiary companies that have adopted the Plan cease to sponsor the Plan automatically if they leave the employer.

No amendment or modification of the Plan will reduce the benefits you have earned as of the effective date of amendment or modification. If the Plan is ever terminated, the benefit you have earned as of the termination date will become vested and will be distributed to you in any manner permitted by the Plan. The assets of the Plan will be allocated in accordance with the priorities set forth in the Plan.

ASSIGNMENT OF BENEFITS

Your interest in the Plan may not be assigned or alienated (transferred). However, payment of benefits under the Plan will be made in accordance with "qualified domestic relations orders."

A "qualified domestic relations order" is a judgment, decree or court order (including approval of a property settlement agreement) that:

- Pertains to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, child or other dependent;
- Is made pursuant to a state domestic relations law (including community property laws); and
- Meets a series of specific criteria set forth in both ERISA and the Internal Revenue Code.

If the Plan Benefits Administrator receives a certified court order that awards part of your interest in the Plan to another person, you'll be notified and given a copy of the Plan's established procedures for determining whether the order is a "qualified domestic relations order." You may also request, at any time and without charge, a copy of the Plan's qualified domestic relations order procedures by contacting HR Connections – Benefits Center.

"Contact Information," page 4

A qualified domestic relations order creates rights for a person known as an "alternate payee." The alternate payee may become entitled to part or all of your benefit under the Plan. The order may also grant a former spouse rights normally provided to a surviving spouse under the Plan, preventing a later spouse from having full spousal rights. Special rules apply to benefits assigned to an alternate payee that aren't covered in this section.

PAYMENTS TO A MINOR OR LEGALLY INCOMPETENT PERSON

The Plan Benefits Administrator may authorize payments to a conservator, guardian or other individual who is legally responsible for the management of the estate of the minor or the legally incompetent person.

IF YOU CANNOT BE LOCATED

If you cannot be located on the latest date upon which your retirement benefits must start, your benefit is forfeited and used to reduce the cost of the Plan to the Company. If you're later located, your benefit will be restored and payment will be made, retroactive to the applicable date.

"Mandatory Commencement," page 35

Glossary

actuarial reduction (AR): A normal retirement income reduction schedule for employees who terminate before retirement, or in certain cases, other than by layoff, sale of assets (in certain cases), sale of stock or transfer to a member of the affiliated group, in or after the calendar year in which the employees would have attained age 50. See the schedule in the "Early Benefit Commencement Calculation" section.

"Early Benefit Commencement Calculation," page 15

affiliated company: A subsidiary which has a retirement plan with provisions similar to Title I and which ConocoPhillips Company has agreed to recognize as an affiliated company.

"What Happens If You Transfer Within the ConocoPhillips Group of Companies," page 33

affiliated group: The employer (ConocoPhillips) plus other subsidiaries and affiliates in which it owns a 5% or more equity interest.

annual earnings: Your annual earnings include the following, as defined in the Company's standard policies and/or payroll procedures:

> Wages or salary attributable to your regularly scheduled workweek — before any reduction for before-tax benefit participation — or wages received during the month if you're classified as an "Intermittent" employee;

> Unscheduled (or temporarily scheduled) overtime pay;

> Shift differential pay;

> Vacation pay paid before your employment ends;

> Premium pay for any holidays you work;

> Payments made for temporary upgrades in job classification;

> Call-out pay;

> Payments for Short-Term Disability Pay, sickness or injury;

> Payments for special duty, special assignments, shore allowance or shore relief — excluding Alaskan allowance and temporary or regular North Slope allowance;

> Retail marketing outlet commissions and bonuses (during periods when retail marketing employees were eligible to actively participate in Title I);

> Any amount payable under the Annual Incentive Compensation Plan of ConocoPhillips Company (or under a similar plan maintained by a subsidiary), awarded and paid within the same calendar year;

> For years after 1994, amounts both awarded and paid within the same calendar year under the Performance Incentive Program of Phillips Petroleum Company and/or the Variable Cash Incentive Program of ConocoPhillips Company;

> Base rate of pay, including any regularly scheduled overtime, that would have been in effect during a period of military service absence;

> The weeks of layoff pay attributable to the lesser of (a) the number of whole or partial weeks from your date of termination to the end of the calendar year or (b) the number of weeks of layoff pay for which you're eligible in the calendar year in which your termination occurs;

> For the portion of plan year 2000 subsequent to becoming an employee of the employer, amounts both awarded and paid within the same calendar year under the Steward's Bonus Plan, the Performance Recognition Plan, and under any other bonus program for employees that is designated to be included in the annual earnings under this Plan under a collective bargaining agreement covering those employees.

Your annual earnings **don't** include:

> Amounts you're paid for working an extended schedule or in other than your regular job during a strike;

> Any amounts over $245,000 (2009 limit) per plan year, as adjusted by the Internal Revenue Code.

Your annual earnings **don't** include, and **won't** be adjusted, by any amount that is paid, reported or used as an offset under Company policies and payroll procedures for Workers' Compensation, military pay or state disability programs.

break in service or **break in service year:** This occurs when you fail to complete more than 500 hours of service in a year because your employment ends.

committee: The ConocoPhillips Retirement Plan Committee, which is the governing body of Title I and the Plan.

Company: ConocoPhillips Company and all subsidiary companies that have adopted Title I.

credited service (CS): The number of months of participation for which you're credited under the Plan. The rules for crediting service have changed over time.

Beginning Jan. 1, 1996, your credited service under Title I is defined as the greater of:

> The number of months in which you're eligible to participate in Title I; or

> The number of months indicated by the following table:

Hours of Service Credited While Eligible for Title I in a Year	Twelfths of a Year of Credited Service
1 – 190	1
191 – 380	2
381 – 570	3
571 – 760	4
761 – 950	5
951 – 1,140	6
1,141 – 1,330	7
1,331 – 1,520	8
1,521 – 1,710	9
1,711 – 1,900	10
1,901 – 2,090	11
2,091 – 2,280	12

From Jan. 1, 1976 through Dec. 31, 1995 under the former "Noncontributory Benefit Schedule," your credited service under Title I was defined as the greater of:

> The number of months in which you earned at least one hour of service; or

> The number of months indicated by the following table:

Hours of Service Completed in Year	Months of Credited Service
1 – 173	1
174 – 346	2
347 – 520	3
521 – 693	4
694 – 866	5
867 – 1,040	6
1,041 – 1,213	7
1,214 – 1,386	8
1,387 – 1,560	9
1,561 – 1,733	10
1,734 – 1,906	11
1,907 or more	12

From Jan. 1, 1975 through Dec. 31, 1975 under the former "Noncontributory Benefit Schedule," your credited service under Title I was defined as the number of months you received 50% or more of your regular monthly earnings under the prior plan.

From July 1, 1971 through Dec. 31, 1974:

> **Under the "Basic Benefit Schedule"** (a 1.4% multiplier is used under the FAE Formula for the period July 7, 1971 – Dec. 31, 1972; a 1.5% multiplier is used for the period Jan. 1, 1973 – Dec. 31, 1974), your credited service under Title I was defined as the number of months you received 50% or more of your regular monthly earnings under the prior plan; or

> **Under the "Optional Benefit Schedule,"** your credited service under Title I was defined as the number of months you contributed to the prior plan.

Before July 1, 1971, your credited service under Title I was defined as:

> The number of months you contributed to the prior plan up to July 1, 1971; plus

> The number of full calendar months of recognized continuous service you completed before Jan. 1, 1938, minus 12 months. (This amount is included as credited service if you began contributing on Jan. 1, 1938).

The following rules also apply when calculating credited service:

> If you became an employee after 1991, when you became an employee you received a month of credited service for each full or partial month up to 12 that you worked while satisfying the one-year eligibility period.

> If you're a non-managerial retail marketing outlet employee who was excluded from participation in Title I before Dec. 1, 1991, you receive months of credited service for each full month that you worked in an excluded regular retail marketing job before that date. If you're such an employee who is excluded on or after Jan. 1, 1994, you receive these months only for the period after your most recent date of hire or rehire, and only upon the first time you became an employee.

> You get an extra one-fourth month of credited service for each month of credited service you earned while you were employed in international service while participating in the Company's International Salary Plan before Jan. 1, 1992.

> You may earn up to 576 months (48 years) of credited service. If you continue employment after you have earned 576 months of credited service, you won't earn any additional credited service.

> Credited service may be earned only through employment in an eligible category with a Company that has adopted the Plan. (**Exception:** Credited service is granted in certain cases when an employee is acquired from another company or joins the Plan after being in an excluded non-managerial retail marketing outlet job.)

Through special make-up/buy-back programs in the past, you may have been allowed to make up missed credited service under some conditions. This opportunity no longer exists.

early retirement date: The first day of any month in the 10-year period preceding your normal retirement date. Your "earliest" early retirement date is the first day of the first month of that period (generally, the first of the month nearest your 55th birthday). The "earliest early retirement date" is also referred to as "plan age 55."

early retirement discount (ERD): A special normal retirement income reduction schedule for employees who terminate by retirement. The ERD also applies for employees whose employment terminates by layoff, sale of stock, transfer to a member of the affiliated group or sale of assets (in certain cases) in or after the calendar year in which they would have attained age 50. See the schedule in the "Early Benefit Commencement Calculation" section.

"Early Benefit Commencement Calculation," page 15

employee: A person who:

> Is on the direct U.S. dollar payroll of the Company (including a person who is on a leave of absence and whose employment with the Company has not been terminated under the personnel policies of the employer), and

> Has completed a participation period, if required.

"Employee" doesn't include any group of employees that has been excluded, or any person who waives his rights in writing to participate in Title I during the period specified by the waiver.

employer: ConocoPhillips Company and any subsidiary or other entity in which ConocoPhillips directly or indirectly has an ownership interest of at least 80%.

ERISA: The Employee Retirement Income Security Act of 1974, as amended from time to time.

final average earnings (FAE): The monthly average of your highest annual earnings for three consecutive plan years during your last 11 plan years with the Company (and affiliated companies), including the year in which your employment ends.

"Final Average Earnings (FAE) Benefit Formula," page 13

hours of service: For years beginning after Dec. 31, 1995, your hours of service are determined under the following schedule:

> 190 hours for each month in which you're:
  – Classified as an active employee or an employee of the employer.
  – On an approved leave of absence after Dec. 31, 2002, as long as you're still employed;

> 190 hours for each month in which you're deemed to be employed due to reinstatement from Military Leave;

> 190 hours for each month in which you have been deemed to be employed through a reinstatement or back pay award or agreement; and

> 45 hours for each week of layoff pay or vacation, for which you're eligible in the calendar year in which your employment ends, regardless of the amount paid.

Before Jan. 1, 1996 an hour of service was an hour for which you were paid or entitled to be paid by the employer. This includes hours you were paid for working, as well as hours while on vacation, paid holiday, paid unavoidable absence, Inactive Employee Status, Political Leave, and (in some cases) Military Leave. You also received credit for hours for which back pay was awarded or agreed to by the employer.

The same hour of service cannot be counted more than once under Title I.

Special Rules Applicable to Breaks in Service

You'll be credited with hours of service to determine if a break in service has occurred in the year the absence begins if you're absent from work for any of the following reasons (excluding paid sick time or leave of absence):

> Pregnancy;

> The birth of a child;

> The placement of a child with you in connection with adoption; or

> Caring for a child for a period beginning immediately following birth or adoption.

If a break in service doesn't occur in the year your absence begins, you'll be credited with hours of service in the following year, if necessary, to prevent a break in service. Within 60 days after returning to work, you must submit a written statement to the Plan Benefits Administrator, stating which of the above reasons apply and the number of days you were absent.

"Plan Administrators," page 39

layoff or **laid off:** This status applies when the employee is so classified within the Company's payroll and personnel system after the employee's employment with any member of the employer ends:

> After a notice of layoff; and

> On a date determined by the employer.

limited Social Security make-up: A temporary payment for which you may be eligible if you're laid off in or after the calendar year in which you reach age 50, don't continue employment with a successor employer, and begin your retirement benefits before plan age 62.

"If Employment Ends Due to Layoff, Sale of Assets or Stock, or Transfer," page 26

Upon your commencement date, the monthly amount of this benefit is the same amount as the reduction for Social Security benefits under the FAE Formula, reduced by the early retirement discount. Your eligibility for — and any payments of — a limited Social Security make-up end at the earliest of:

1. The month before the month you reach age 62 as defined in Title I; and
2. The first of the month in which you die.

Your limited Social Security make-up will commence automatically at the same time as your regular benefit. If eligible, you will receive the benefit in the form of temporary monthly payments if you elect any form of annuity for your regular benefit, and in the form of a lump-sum payment if you elect the lump-sum option for your regular benefit. (Special rules apply to the calculation of lump-sum payment of a limited Social Security make-up.)

You aren't eligible for this benefit if:

> You receive an offer of employment with a successor employer at a base rate of pay at least 80% of your prior base rate of pay; or

> You continue employment with a successor employer regardless of the rate of pay.

mandatory commencement date: Generally, April 1 of the year after the year in which you attain age 70½, even if you're still working.

normal retirement date: The first day of the month nearest your 65th birthday. If your birthday is exactly in the middle of the month, your normal retirement date will be the first day of that month. "Normal retirement date" may also be referred to as "plan age 65."

EXAMPLES:

If your birth date is ...	Your normal retirement date is ...
Oct. 4, 1943	Oct. 1, 2008
Oct. 23, 1943	Nov. 1, 2008
Dec. 16, 1943 (middle of the month)	Dec. 1, 2008

normal retirement income (NRI): The unreduced monthly retirement benefit in straight life annuity form that you can receive upon your normal retirement date.

Pension Benefit Guaranty Corporation or **PBGC:** Pension Benefit Guaranty Corporation, a federal corporation established under ERISA to insure "defined benefit" pension plan benefits if the plan terminates with insufficient assets to cover the benefits earned under the plan. The sponsor of a "defined benefit" pension plan must pay an annual insurance premium to the PBGC.

plan year: Jan. 1 through Dec. 31 of each calendar year.

present value: The current cash value of your vested deferred benefit, or the portion of your benefit attributable to your contributions, as calculated under Title I.

"Benefit Attributable to Your Contributions," page 25

primary Social Security (PSS): The monthly amount payable to you as of your normal retirement date under the Social Security law in effect on the first day of the year in which you terminate, as determined by Title I's assumptions. If your employment ends before your normal retirement date; your primary Social Security is determined as if:

> You continued to receive your final pay rate as of Jan. 1 of the year your employment ends until your normal retirement date; and

> You had received raises at the rate of 6% per year from the later of your age 22 or 1951 so that you achieved your final rate of pay on Jan. 1 of the year in which your employment ends.

(continued)

Using Your Actual Earnings History

You may request that your actual Social Security earnings history for years before your termination date be used to calculate your primary Social Security. If using those earnings would result in a lower primary Social Security amount, they'll be used by Title I.

Effective Jan. 1, 2009, if you wish to do this, you must supply your actual Social Security earnings history to HR Connections – Benefits Center by no later than 90 days from the earlier of:

> The date of notice to you indicating HR Connections – Benefits Center's receipt of your retirement application; or

> The date of the terminated vested notice to you after your termination of employment.

"Contact Information," page 4

prior plan: The Retirement Income Plan of Phillips Petroleum Company and Subsidiary and Affiliated Companies that was in effect from Jan. 1, 1938 to Dec. 31, 1975. The prior plan was amended under ERISA on Jan. 1, 1976, when it became the superseded plan.

refund value: Your accumulated contributions and interest credited under Title I, including those covered by insurance contracts after transfer from the superseded plan. For more information about how your refund value is calculated, please contact HR Connections – Benefits Center.

retire or **retirement:** Termination from the Company on or after your earliest early retirement date.

sale of assets: The sale of the employer's interest in some or all of the employer's assets to a company, person or legal entity which is not a member of the employer.

sale of stock: The sale or transfer of all or a portion of the equity interest of a member of the employer which results in the member ceasing to be a member of the employer.

separated (or separation) from service: An employee's termination of employment with the employer and any successor employer.

successor employer: Any entity or group which continues the employment of former employees as a direct result of a:

> Sale of assets;

> Sale of stock;

> Agreement to perform services previously performed by the former employees (outsourcing); or

> Transfer of employment to a member of the affiliated group not a member of the employer.

superseded plan: The Retirement Income Plan of Phillips Petroleum Company and Subsidiary and Affiliated Companies that was in effect from Jan. 1, 1976 through its termination on Aug. 31, 1986. A portion of the superseded plan containing the active employees as of Aug. 31, 1986 was "spun-off" to become the current Plan.

vested: Being entitled to a non-forfeitable benefit from Title I.

vesting service: All the years in which you complete at least 1,000 hours of service. Years in which you were eligible but did not make at least one contribution to a subsidiary plan don't count as vesting service. If you became an employee of the employer due to the purchase of ANR Pipeline Company by GPM Gas Corporation, your service at ANR will be treated as though it were employer service for vesting purposes.

year: The 12-month period beginning on the day you start work. Subsequent years are counted from the first of the month in which the anniversary of your first day of work occurs. If you leave the Company, have a break in service, and are rehired, your date of rehire becomes the basis for determining the term "year."