

**FROZEN LIFE INSURANCE PROVISIONS
OF THE CITGO PETROLEUM CORPORATION
MEDICAL, DENTAL, VISION, & LIFE INSURANCE
PROGRAM FOR CORPUS CHRISTI AND UNO-VEN**

Summary Plan Description

The Summary Plan Description, including announcement letters issued subsequent to the publication date, and the Optional Life Insurance contract between the Company and the Insurer are the governing Plan Documents. In the event of a discrepancy between this Summary Plan Description and the actual insurance contract, the insurance contract will control.

OPTIONAL LIFE INSURANCE

HIGHLIGHTS

Eligibility	Not available to new participants
Enrollment	You must currently be enrolled in Frozen Life Insurance in order to continue coverage
Cost/Funding	<p>You pay the entire cost of this benefit on an after-tax basis</p> <p>Your cost depends upon your age, your income, and the coverage level you selected</p>
Benefits	<p>There are various plans under Frozen Life Insurance that provide coverage in the event of your death:</p> <ul style="list-style-type: none">• Frozen Basic Life<ul style="list-style-type: none">– Corpus Christi Hourly Retirees - \$2,000 (no cost).– Corpus Christi Hourly LTD participants – 1 times your Annual Base Pay; same amount of coverage as on your last day of active employment until retirement or age 65, whichever is earlier.– UNO-VEN Retirees - \$2,000 or \$5,000– UNO-VEN LTD participants – 1 times your Annual Base pay or \$2,000.

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PURPOSE

You may purchase life insurance coverage under the Optional Life Insurance Plan (“Plan”) in order to provide your beneficiary(ies) with increased financial security if you die while employed by the Company, and in some cases, while you are retired.

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

ELIGIBILITY

Who is Eligible

You are eligible to participate in the Frozen Life Insurance Plan if you meet **all** of the following requirements:

- You are a Regular Full-Time Employee compensated on a salaried basis; and
- You elected Frozen Life Insurance before the date the coverage was frozen.

Who is Not Eligible

You are not eligible for the Frozen Life Insurance Plan if you are not currently enrolled in the Plan. The Plan is “frozen”. No new participants may elect the Frozen Life Insurance Plan after the date the coverage was frozen.

Retired Employees

You will be eligible to maintain Frozen Life Insurance at reduced amounts of coverage when you retire if you are enrolled in and continue Post-Retirement Life Insurance or Prior Plan Life Insurance on your retirement date.

To be eligible to continue Post-Retirement Life Insurance or Prior Plan Life Insurance into retirement, you must meet one of the following definitions of retirement:

- (1) Your age plus your years of employment total 70 or more at the time you cease employment; or
- (2) You are eligible to retire under the provisions of a Company-sponsored pension or retirement plan (i.e., the CITGO Petroleum Corporation Salaried Employees’ Pension Plan).

ENROLLMENT

Coverage Options

In order to have coverage under the Frozen Life Insurance Plan, you must have enrolled in one of the Plan options before the date the coverage was frozen. There are no new enrollments into the Plan.

Frozen Life Insurance consists of:

Plan	Date Plan Frozen
UNO-VEN Basic Life	May 1, 1997
UNO-VEN Supplemental Life	May 1, 1997
Corpus Christi Basic Life <ul style="list-style-type: none">• Hourly Retirees• Hourly LTD Participants	January 1, 2003 July 1, 2002
Corpus Christi Supplemental Life <ul style="list-style-type: none">• Hourly Retirees• Hourly LTD Participants• Salaried Retirees	January 1, 2003 July 1, 2002 January 1, 2003

Changing Coverage

If you are participating in the Frozen Life Insurance Plan, your changes in coverage are limited. **You may decrease Pre-Retirement or Post-Retirement Life Insurance or cancel all of the Frozen Life Insurance coverages, but you can never increase coverage.** Your election of coverage under Frozen Life Insurance is effective for the Plan Year and cannot be changed until:

- the Annual Election Period. Changes at Annual Election will be effective for the following Plan Year (January 1 – December 31); or
- you have an eligible Status Change. Any change to your Plan coverage must take place within 31 days of the Status Change.

Transfers from Hourly to Salaried

If you are an hourly employee and are transferred to salaried status and were enrolled in the Hourly life insurance plans, you will automatically be enrolled in the salaried Frozen Life Insurance Plan based upon your enrollment choice in the Hourly life insurance plans. For example, if you had elected 2x post-retirement and 1x pre-retirement in the Hourly life insurance plans, you will automatically be enrolled in the salaried Frozen Life Insurance Plan upon transferring to salaried status (see *Description of Benefits* on page 5, for descriptions of coverage options). You will, however, have the option to change

ENROLLMENT

coverage to the Optional Term Life Insurance Plan (as described in a separate SPD) and change, stop or reduce coverage under this Plan.

DESCRIPTION OF BENEFITS

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Frozen Life Insurance coverage provides life insurance protection to you during your active employment, and in some cases into your retirement. The Frozen Life Insurance Plan consists of:

Plan	Date Plan Frozen	Coverage amount
Base Life Insurance	January 1, 1992	1x, 2x, or 3x Annual Base Pay
Post-Retirement Life Insurance	January 1, 1992	1x or 2x Annual Base Pay
Prior Plan Life Insurance (includes an Accidental Death and Dismemberment benefit)	December 31, 1983	2x Annual Base Pay as it was on December 31, 1983

These options have been “frozen”, which means no new participants may elect the frozen options, and for those individuals already participating in these options, changes in coverage are limited. The maximum benefit for Frozen Life Insurance when combined with Basic Life Insurance and Optional Term Life Insurance is \$2,200,000. The provisions of those plans are explained in separate SPDs.

Maximum Coverage Amount

The maximum amount of coverage you may elect under any combination of Company- sponsored life insurance plans cannot exceed three times your Annual Base Pay. Pre-Retirement Life Insurance, Post-Retirement Life Insurance, and the Frozen Prior Plan Life Insurance are all included in this maximum. Occupational Accidental Death Insurance, Dependent Life Insurance and Personal Accident Insurance do not apply toward this maximum. The provisions of these other insurances are explained in separate SPDs.

Benefit Exclusions or Limitations

There are no exclusions or limits other than the \$2,200,000 total coverage.

Accelerated Benefits Option (ABO)

The Optional Life Insurance Plan offers an Accelerated Benefits Option (ABO) for active employees. The ABO allows benefits to be paid while you are still living.

Requirements

To be eligible for the ABO, you must meet **all** of the following:

- Your life span is drastically limited;

DESCRIPTION OF BENEFITS

- You are not expected to recover; and
- You are expected to die within 12 months.

These requirements must be certified by a physician and accepted by the Insurer.

Accelerated Benefits will be paid if the previous requirements have been met and if:

- **You are an active employee not on long term disability;**
- You are less than 63 years old when you apply for the ABO;
- You apply for Accelerated Benefits while your coverage under the Plan is in effect; and
- You or your legal representative requests payment of Accelerated Benefits while Plan coverage is in effect.

Accelerated Benefits are payable only once, and only if you are living.

Payment of Accelerated Benefits will reduce the Optional Life coverage and the amount available for you to convert to an individual policy (see page 16). Information on how to apply for Accelerated Benefits may be obtained from the Benefits HelpLine at 1-888-443-5707.

The ABO will be payable when the Insurer receives proof that the requirements are met. Proof must be given to the Benefits HelpLine to forward to the Insurer. Any delay in submitting proof will not cause a claim to be denied so long as the proof is given as soon as reasonably possible. At the time that the proof is given, the Insurer may have you examined by a physician of their choice, at their expense. If there is a conflicting opinion between your physician and the Insurer's physician, the Insurer reserves the right to have a third physician of their choice make the determination.

Amount of the Accelerated Benefit Option

The amount of the Accelerated Benefit's payable is the lesser of:

- 50% of the Optional Life Insurance coverage, determined as of the date the Insurer accepts the physician's certification that you meet the requirements; or
- \$250,000.

If the coverage will reduce within 6 months of the date the Insurer accepts the physician's certification, the Accelerated Benefits payable will be up to 50% of the reduced amount.

Exclusions of the Accelerated Benefit Option

The ABO will not be payable if:

1. You are retired or on long term disability;
2. You have assigned your interest in the coverage (page 10);

DESCRIPTION OF BENEFITS

3. The Benefits Department has been notified that all or a portion of your coverage is to be paid to your former spouse as part of a divorce agreement;
4. You meet the ABO requirements as a result of:
 - Attempted suicide;
 - Injuring yourself on purpose;
 - Alcohol or drug abuse;
 - A war, or a warlike action in time of peace;
 - Any event occurring while you are in a violation of criminal law, or
5. The amount of your benefit is less than \$10,000.

NAMING YOUR BENEFICIARY

If you elect Optional Life Insurance, you must designate a beneficiary, for your insurance benefits, as soon as possible. The person or persons you name in writing as your beneficiary will be the person(s) who receive your Plan benefits. All covered accidental losses under the Accidental Death and Dismemberment provisions of the Frozen Prior Plan will be payable to you unless the benefit is due to your death, in which case the benefits are payable to your beneficiary.

You may designate as many Primary and Contingent Beneficiaries as you wish. Beneficiary designation forms may be obtained from the Benefits HelpLine.

Benefits HelpLine
1-888-443-5707

Your Primary Beneficiary is the person(s) to whom you wish benefits to be paid in the event of your death. Your Contingent Beneficiary receives death benefits if all Primary Beneficiaries die before, or at the same time as you. Your beneficiary may be an individual, trust, corporation or other similar entity. To see that benefits under this Plan are paid in accordance with your wishes, you are encouraged to review your beneficiary designations from time to time to make sure they are current and correct. Just call the Benefits HelpLine to obtain current beneficiary information.

If you name more than one beneficiary, proceeds will be shared equally, unless you specify otherwise. Unless you designate otherwise, Contingent Beneficiaries may only receive benefits if there are no living Primary Beneficiaries.

If Your Beneficiary Dies Before You

If any designated beneficiary dies before, or at the same time as you, and you do not designate another, such designated beneficiary's share will be payable equally to the beneficiaries who survive. In the event that there is no living, designated beneficiary at the time of your death, or in the event of the absence of a valid beneficiary designation form on file in the Benefits Department, benefits – subject to applicable state laws - will be paid equally to the person or persons who fall into the first class of relatives in the following order:

- (1) Your surviving spouse;
- (2) Your surviving children;
- (3) Your surviving parents;
- (4) Your surviving brothers and sisters; or
- (5) Your estate.

Changing Your Beneficiary

You may change beneficiaries without their consent, at any time by completing a beneficiary designation form. You can obtain the form from the Benefits HelpLine at 1-888-443-5707. You cannot change your beneficiary if you've made an irrevocable assignment of your interest under this Plan (see page 10).

When the Benefits Department (see *Additional Information* on page 25) receives a valid form changing the beneficiary, the change will take effect as of the date you signed the form. The change of beneficiary will take effect even if you are not alive when it is received by the Benefits Department. A change will not apply to any payment made prior to the date the form was received by the Benefits Department.

Additional information can be obtained from the Benefits HelpLine. You should consult with a lawyer or tax professional to better understand the legal and tax consequences of your beneficiary designation.

ASSIGNMENT OF INTEREST

ASSIGNMENT OF INTEREST

You are eligible to assign the Plan's life insurance benefits. Once you have assigned your interest under this Plan, the assignment is irrevocable. When you assign your interest, you are actually giving someone else all of your rights under the Plan, including the right to name the beneficiary who will receive any Plan benefits. While it may be advantageous to assign your Plan benefits for tax reasons, you should consult your tax advisor before you assign your interest. You may contact the Benefits HelpLine at 1-888-443-5707 for additional information.

EVENTS AFFECTING COVERAGE

Absences

During any Company-approved absence with full or part pay, your contributions will continue to be deducted from your paycheck, and your Optional Life Insurance coverage will remain in force. You are eligible to continue coverage under the Plan as long as you continue to be an eligible employee and are receiving a check from the Company; or as long as you continue to be an eligible employee and your status falls into one of the categories listed below:

- Approved Leave of Absence
- Absence Due to Disability
- Absence Due to Family Medical Leave (FMLA)
- Absence Due to Military Leave

Generally, the amount of coverage in effect on your last day of active employment with the Company will remain in effect if you continue to make the required contributions within the 30-day grace period. The 30-day grace period begins when the payment is due until the end of the following month. You must notify the Benefits Helpline at 1-888-443-5707 if you wish to waive coverage. If you do not return to active employment, your coverage ceases on the last day of the month in which the leave or disability ends.

Payment of Contributions While on Leave

If payments are not made within the 30-day grace period, coverage may be terminated once final written notice has been given. If you are on FMLA or military leave, you will be notified in writing at least 15 days before the date the coverage will terminate.

The Company reserves the right to recover any contributions not paid by you for continuation of coverage upon your return to work from the leave. If you do not return to active employment, the Company may recover amounts due from any pay due and owing to you.

Waiver of Contributions While on Leave

You may be eligible for a waiver of contributions for your Optional Life Insurance coverage for up to six months. To be eligible for a waiver, you must be:

- absent due to short-term disability; and
 - receiving no pay; or
 - receiving pay that is not sufficient to cover all of your insurance deductions; or
- on an approved unpaid leave of absence.

EVENTS AFFECTING COVERAGE

While the waiver is in effect, your coverage will remain unchanged at no cost to you for up to six months. You will be notified if you are eligible for the waiver of contributions while on leave.

Waiver of Contributions While Disabled

If, before age 60, you become totally and permanently disabled while actively employed, you may submit a written request for a waiver of contributions on the prescribed form which can be obtained from the Benefits HelpLine at 1-888-433-5707.

The administrator of the disability benefits will determine whether you meet the requirements of total and permanent disability based on medical evidence. The provisions of the disability benefits are in a separate SPD.

If you are approved for total and permanent disability, the waiver of contributions will become effective on the first day of the calendar month after the approval, but not before you have been disabled for at least six months. While the waiver is in effect, your coverage will remain unchanged at no cost to you for the continuation of your coverage until your normal retirement date. Your normal retirement date is the first day of the month coinciding with or next following the month in which you reach age 65. The Accidental Death and Dismemberment portion of the Frozen Prior Plan, however, will terminate at the end of the month in which you cease employment.

Reinstatement of Coverage

Absence Due to Leave of Absence or Disability - If coverage is terminated due to non-payment of required contributions during your leave or absence due to disability and you return to active employment, you will be eligible to enroll in the Optional Life Insurance Plan at any time, but you will be subject to any Statement of Health requirements. You will not be able to re-enroll, however, in the Frozen Prior Plan.

Absence Due to Long-Term Disability, Family Medical Leave (FMLA) or Military Leave - If coverage is terminated during your leave for any reason and you return to active employment, you will be entitled to reinstate the Pre-Retirement Life or Post-Retirement Life Insurance coverage in the same amount you had prior to your leave. You will not be subject to any Statement of Health requirements. You will not be eligible to reinstate your Frozen Prior Plan Insurance. Any death deemed by the United States Department of Veterans Affairs to have been connected to service in the armed forces while on military leave will not be covered under the Plan.

Coverage will be effective on the date you return to active employment. You will only be eligible for the amount of benefits that you would have had if you had not been absent on a leave. If the Plan has changed during your leave, you will be entitled to the coverage that is applicable.

EVENTS AFFECTING COVERAGE

Changes in Pay

Changes in insurance coverage and amount of contributions will be made automatically at the time a change in your Annual Base Pay becomes effective. No action is required by you. Your coverage amount in the Frozen Prior Plan will not change as your Annual Base Pay is adjusted.

Increases in Age

Since your monthly cost for Pre-Retirement and Post-Retirement Life Insurance is based on your age at the time you elect the coverage, your contribution will not be adjusted for increases in your age.

Non-Duplication of Coverage

If you should transfer from one class of employment covered by a Company-sponsored life insurance plan to another covered by a different Company-sponsored plan you will be immediately eligible for coverage under the plan covering your new employment classification. Generally, your coverage under a Company-sponsored plan will cease at the end of the month of transfer to a different classification of employment. In this event, under the terms of the plans, you may be temporarily eligible for coverage under both plans. If during this period, benefits become payable, you will receive payment from the coverage which provides the highest level of benefits. However, in no event will you receive benefits from more than one plan with similar coverage's.

Termination of Coverage

Unless you are eligible to continue coverage as explained under *Absences*, page 11, Optional Life Insurance coverage will terminate at the end of the month in which the earliest of the following occurs:

- You cease to be an employee meeting the eligibility requirements;
- You terminate employment for reasons other than retirement or you are determined to be totally and permanently disabled (in the case of Post-Retirement Life Insurance or Frozen Prior Plan coverage);
- You become eligible for other group life insurance coverage under another Company-sponsored plan or a plan to which the Company contributes (i.e., the salaried optional life insurance plan);
- You elect to waive coverage during Annual Election or during the Plan Year;
- The Plan terminates; or
- Contributions fail to be made in a timely manner.

EVENTS AFFECTING COVERAGE

Coverage can be terminated for failure to pay any required contribution once final written notice has been given. **If you are a covered retiree, and your coverage is cancelled due to non-payment, you will not be eligible to re-enroll at a later date.**

You will be eligible to convert your coverage to an individual policy as explained in the section *Conversion of Coverage*, page 16.

Retirement

When you retire, you may elect to continue your Post-Retirement Life Insurance or Frozen Prior Plan Life Insurance coverage if you meet the Plan eligibility requirements for retirement (see *Retired Employees* on page 2). If you elect coverage during your retirement, your Post-Retirement Life Insurance or Frozen Prior Plan Life Insurance will be continued at a reduced level of coverage.

Coverage under Pre-Retirement Life Insurance and the Accidental Death and Dismemberment portion of the Frozen Prior Plan will terminate upon your retirement.

Retirement Reduction of Coverage Schedules

Your coverage will be continued at a reduced percentage, as shown below, if you leave employment after you become eligible for retirement coverage and:

- you leave employment before age 65; or
- you leave employment on the first day of the month coincident with or immediately after you reach age 65 (your Normal Retirement Date).

Your insurance will reduce on each anniversary of your retirement by 10% until the insurance is 40% of your original coverage amount.

Retire Before or On Normal Retirement Date	
Years of Retirement	Original Amount of Coverage
Date of retirement	90%
1 st anniversary of retirement	80%
2 nd anniversary of retirement	70%
3 rd anniversary of retirement	60%
4 th anniversary of retirement	50%
5 th anniversary of retirement and thereafter	40%

EVENTS AFFECTING COVERAGE

Your coverage will be reduced immediately in accordance with your age at the time of your retirement, as shown below, if you leave employment after you become eligible for retirement coverage and after your Normal Retirement Date. Your insurance will further reduce on each anniversary of your retirement by 10% until the insurance is 40% of your original coverage amount.

Retire After Normal Retirement Date	
Age at Retirement	Original Amount of Coverage
65	90%
66	80%
67	70%
68	60%
69	50%
70 and over	40%

CONVERSION OF COVERAGE

Optional Life Insurance remains in effect 31 days after the termination of coverage for any reason at no cost to you. During the 31 day period, you may convert your life insurance to individual policies through the Insurer without evidence of insurability - which requires a Statement of Health. There is no conversion privilege for the Accidental Death and Dismemberment portion of the Frozen Prior Plan Life Insurance. Contact the Benefits HelpLine at 1-888-443-5707 to obtain the applicable conversion forms that must be filed with the Insurer within 31 days of termination of coverage.

If the Plan is Amended or Terminated

You may convert your coverage under this Plan to an individual policy if the Company terminates this Plan, or if the Company amends the Plan so that you are no longer eligible for coverage under this Plan. In these cases, you must have been covered under the Plan for at least five years in order to be eligible for conversion of coverage and the amount cannot be more than the amount of your coverage when benefits end or \$10,000, whichever is less.

Death Benefit During the Conversion Period

If you die during the 31-day conversion period, a death benefit equal to the amount of coverage previously in force will be payable whether or not you had applied for an individual policy.

Cost of Converted Coverage

If you decide to convert to an individual policy, you will have to pay a premium for this insurance, according to the rates established by the Insurer. The first premium must be paid before the individual policy is effective. Rates for such individual policies will depend on the type of insurance you select, your age and your class of risk at the time of conversion. The Company cannot provide the rates for the converted policy. Please contact the Insurer (see *Additional Information*, page 25) for this information.

IMPUTED INCOME

If you have coverage under the Optional Life Insurance Plan, you may have additional taxable income each year called imputed income. If your life insurance coverage exceeds \$50,000, the annual cost for the life insurance coverage in excess of \$50,000 will be considered additional taxable income.

Imputed income on group life insurance is determined by using the Uniform Premiums Table issued by the IRS (reproduced below). The Company automatically calculates any imputed income amounts. No action is required on your part.

Imputed income is taxable for Federal, State and FICA tax purposes and is reflected as additional taxable income on your pay stub and your annual Form W-2 – Wage and Tax Statement. You may also have imputed income on other life insurance you carry on your spouse (i.e., Dependent Life Insurance).

To determine your imputed income on your life insurance coverage in excess of the excludable \$50,000, refer to the Uniform Premiums Table below.

IRS Uniform Premiums Table	
Your Age	Monthly Cost Per \$1,000 of Coverage
Under 25 years	\$ 0.05
25 to 29 years	0.06
30 to 34 years	0.08
35 to 39 years	0.09
40 to 44 years	0.10
45 to 49 years	0.15
50 to 54 years	0.23
55 to 59 years	0.43
60 to 64 years	0.66
65 to 69 years	1.27
70 years and above	2.06
Note: Your age at the end of the year applies to the calculation of your imputed income for the whole year.	

For imputed income resulting from the Optional Life Insurance Plan, the amount of monthly imputed income is equal to the cost of each month's coverage (as determined from the Uniform Premiums Table) over \$50,000 minus the amount paid for each month's coverage on an after-tax basis.

CLAIMS PROCEDURES

When and How to File a Claim

A claim for benefits should be filed in the event of your death if you have Optional Life Insurance. See *Claim Procedures for Accidental Death or Dismemberment Benefits* on page 20 for additional information on filing a claim for the Accidental Death and Dismemberment benefit in the Frozen Prior Plan.

The Benefits HelpLine must be contacted at 1-888-443-5707 by your beneficiary to obtain the necessary claim forms. Any release forms required must be signed before any benefits will be paid. The Benefits HelpLine can answer questions about the insurance benefits and assist your beneficiary in filing claims.

Claims should be sent to the Benefits Department (see *Additional Information* on page 25) for processing and forwarding to the Insurer. A certified death certificate is required and must accompany any claim submitted to the Benefits Department. The Insurer will, within 90 days of receipt of a claim, do one of the following:

- Pay all benefits payable;
- Deny the claim in whole or in part;
- Request additional information; or
- Notify your or your beneficiary that there are special circumstances requiring an extension of time of up to 90 additional days.

Payment of Benefits

In the event of your death, insurance amounts will be paid to your beneficiary if the Insurer approves the claim for benefits. For more information on beneficiaries, see the section entitled *Naming Your Beneficiary*, page 8.

You may be eligible to collect benefits while you are still living (see *Accelerated Benefits Option (ABO)*, page 5).

Immediate Payment

Upon request, an immediate payment option is available for emergency situations, such as when funds are needed for funeral expenses. An advance of the life insurance benefit can be issued for the lesser of 50% of the total benefit or \$10,000. Assignment of all or part of the Immediate Payment, payable to the funeral home, is also accepted. Documentation satisfactory to the Insurer will be required at the time of the request.

Claim Denial

If your beneficiary does not receive a payment of benefits, a denial of benefits, or a request for additional information from the Insurer within 90 days, it may be assumed that the claim has been denied and a claim review may be requested.

If the claim is denied because the Insurer did not receive sufficient information, the claims decision will describe the additional information needed and explain why it is needed.

When a claim is denied, the Insurer will explain why the claim has been denied and state the Plan provisions on which the denial is based. The notification will also include a description of the Plan review procedures and time limits, including a statement of your beneficiaries' right to bring a civil action if their claim is denied after an appeal. Your beneficiaries or their duly authorized representative may appeal the denial and request a final claim review.

Claim Appeal

Within a period of 60 days after the initial denial is received, the denial may be appealed, in writing, to the Insurer. The request must state the reasons why your beneficiary believes the claim was improperly denied and submit any written comments, documents, records or other information he or she deems appropriate. The Insurer will re-evaluate all the information, conduct a full and fair review of the claim and provide notification within 60 days after receipt of the written appeal (or within 120 days if special circumstances require an extension of time for processing). If an extension of time is required for the review, your beneficiary will be notified before the extension period begins. If an appeal is not made within the 60-day period, the denial will be considered final, conclusive and binding.

Final Claim Review

If the claim denial cannot be satisfactorily resolved with the Insurer, your beneficiary may appeal the case within 60 days of the Insurer's final denial of the claim, to the Plan Administrator for review. If your beneficiary does not appeal the denial within 60 days to the Plan Administrator, the denial will be considered final, conclusive and binding.

The written request to the Plan Administrator must state the reasons why your beneficiary believes the claim was improperly denied and submit any written comments, documents, records or other information he or she deems appropriate.

The Plan Administrator will review the facts of the case with the Insurer and will have the discretionary authority to make a final and conclusive determination of the claim. This determination will be issued, in writing, within 60 days after receipt of your beneficiary's written appeal (or within 120 days if special circumstances require an

extension of time for processing). If an extension of time is required for the review, your beneficiary will be notified before the extension period begins.

Legal Actions

Your beneficiary may not pursue the claim in federal or state court until first exhausting the claims procedures under the Plan. You or your beneficiary may not sue after two (2) years from the date of loss upon which the lawsuit is based.

Claim Procedure for Accidental Death or Dismemberment Benefits

A covered accidental loss under the Accidental Death and Dismemberment benefit of the Frozen Prior Plan will be payable to you unless the benefit is due to your loss of life. In the event of a covered loss, Insurer must receive written notice of a claim within 90 days of the accident. Notify the Benefits HelpLine at 1-888-443-5707 within the 90 days so they can forward the information to the Insurer. When the Insurer receives notice of a claim, they will furnish forms for filing proof of the claim. If the Insurer does not furnish forms within 15 days after you give them notice, you must furnish your own form of proof in writing. Proof must describe the event and the nature and the extent of the cause for which a claim is made. The Benefits HelpLine can answer questions about the insurance benefits and assist you or your beneficiary in filing claims.

If notice or proof is not given on time, the delay will not cause a claim to be denied or reduced as long as the notice or proof is given as soon as possible.

Proof of claims should be sent to the Benefits Department (see *Additional Information* on page 25) for processing and forwarding to the Insurer. A certified death certificate is required for loss of life and must accompany any claim submitted to the Benefits Department.

The Insurer will review your claim and notify you if its decision to approve or deny. Such notification will be provided to you within a reasonable period, not to exceed 90 days from the date the Insurer receives your claim, unless they notify you within that period that there are special circumstances requiring an extension of time of up to 90 additional days.

If the Insurer approves your claim, the benefit will be payable to you, or in the case of loss of life, to your beneficiary. For more information on beneficiaries, see the section entitled *Naming Your Beneficiary* on page 8.

Please follow the life insurance claim procedures in the sections titled *Claim Denial*, *Claim Appeal*, and *Final Claim Review* (see page 19) which also apply to claims for an Accidental Death or Dismemberment benefit which is denied in whole or in part.

No lawsuit may be started to obtain benefits until 60 days after proof is given. No lawsuit may be started more than three years after the time proof must be given. While a

CLAIMS PROCEDURES

claim is pending, the Insurer, at their expense, has the right to have you examined by physicians of their choice when and as often as they reasonably choose.

ADMINISTRATION

The Plan Administrator, on behalf of the Plan, has contracted with Metropolitan Life Insurance Company to provide coverage as the Insurer under the Plan.

The provisions of this Plan are subject to the terms and conditions of the life insurance contract between the Company and the Insurer. The Insurer makes all payment of benefits under the terms of the Plan.

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

The Plan Administrator may delegate to other persons the responsibilities for performing the ministerial duties in accordance with the terms of the Plan and may rely on information, data, statistics or analysis provided by these persons. The Company's determination will be conclusive regarding rates of pay, periods of absence with or without full or part pay, and termination of employment.

The Plan is voluntary on the part of the Company. The Company reserves the right to amend, modify, or terminate the Plan at any time, with or without advance notice, prospectively as well as retroactively, subject to applicable law.

Agent for Service of Legal Process

If you feel you have cause for legal action, you may present petition for service of legal process to the Secretary of the Benefit Plans Committee at the address listed for the Plan Administrator (see *Additional Information* on page 25). Service of legal process may also be made upon the Plan Administrator or any trustee of the Plan.

CITGO Employees' Benefit Trust

Assets of the Plan consist of actuarially determined contributions. Employee contributions to the Plan are held in the CITGO Employees' Benefit Trust to pay premiums. Premiums for life insurance benefits payable under the Plan are paid from the assets of the Trust to the Insurer. The current trustee is Bank of Oklahoma, N.A.. Trustees are subject to change.

In the event of the termination of the Program, assets of the Program will be used to pay Program benefits, premiums, and administrative expenses. Any remaining assets will be used for the payment of similar benefits or distribution in accordance with the CITGO Employees' Benefit Trust Agreement and applicable law.

COST/FUNDING

You pay for coverage under the Frozen Life Insurance Plan through monthly payroll deductions. The rate you pay depends upon the option, your age and the coverage level(s) you elect.

Your contribution will be equally divided and deducted on an after-tax basis from your normal semi-monthly payroll checks. If you are on a leave of absence without pay or otherwise not receiving payroll compensation from the Company, please see the section titled *Absences* on page 11.

Cost of Your Coverage

Retirees

If you are retired and elect to continue coverage in Post-Retirement Life Insurance or Prior Plan Life Insurance you will be billed monthly for your contribution amount. You may set up the contribution to be electronically transferred from your checking or savings account.

Future of the Plan

The Plan is a voluntary plan. It is the Company's intention to continue to provide these benefits to participants of this Plan. However, the Company reserves the right to amend, modify, or terminate this Plan, in whole or in part, at any time and for any reason. Such actions will be effective as of any date designated by the Company.

Cost of Your Coverage

Basic Life

Corpus Hourly Retiree \$2,000 – no cost to employee

Pre-Retirement Life and Post-Retirement Life Insurance

The current monthly cost of your insurance coverage for Pre-Retirement Life Insurance and Post-Retirement Life Insurance is determined by your age when you enrolled. The monthly premium rate you pay per \$1,000 of coverage will be locked in at the amount determined by your age at the time your coverage began. If you elect to increase the amount of coverage after your initial enrollment period, the rate per \$1,000 for the additional amount you selected will be based upon your age at the time you elect the additional coverage. You maintain your original rate per \$1,000 for the amount of coverage you originally selected.

Your monthly cost will only change when your Annual Base Pay changes or when you elect to change the amount of your coverage.

Example: Age Related Rates and Increase

When Sam enrolled at age 30 for 1x Pre-Retirement Life Insurance coverage, his Annual Base Pay was \$18,200 (rounded up to \$19,000 of life insurance), and the rate was \$.39 per \$1,000. He paid \$7.41 a month ($$.39 \times 19 = \7.41).

At age 32, Sam elected an additional 1x Pre-Retirement Life Insurance coverage and his Annual Base Pay was \$20,100. That year, Sam paid \$16.80 a month [$($.39 \times 21 = \$8.19) + ($.41 \times 21 = \$8.61)$].

Now at age 45, his Annual Base Pay is \$31,800. His rate is still \$.26 per \$1,000 for the first coverage he elected and \$.29 per \$1,000 for the second coverage, but his monthly cost is now \$25.60 [$($.39 \times 32 = \$12.48) + ($.41 \times 32 = \$13.12)$].

Any change from Pre-Retirement Life or Frozen Prior Plan to Post-Retirement Life coverage will be considered an increase in coverage whether or not the total amount of coverage increases. For example, if you request a change from 3x your Annual Base Pay in Pre-Retirement coverage to 1x your Annual Base Pay in Post-Retirement coverage, you would need evidence of insurability for the Post-Retirement coverage and the Post-Retirement premium rate would be determined by your age at the time of change even though the total amount of your coverage decreased from 3x to 1x your Annual Base Pay.

Frozen Prior Plan Life Insurance

The cost of the Frozen Prior Plan Life Insurance coverage is 60 cents (\$.60) a month for every \$1,000 of life insurance. There is no extra charge for the Accidental Death and Dismemberment coverage that is included in the Frozen Prior Plan coverage. The coverage amount will not change as your Annual Base Pay is adjusted.

Retirees

If you are retired and elect to continue coverage in Post-Retirement Life Insurance or Frozen Prior Plan Life Insurance you will be billed monthly for your contribution amount. You may set up the contribution to be electronically transferred from your checking or savings account

Future of the Plan

The Plan is a voluntary plan. It is the Company's intention to continue to provide these benefits to participants of this Plan. However, the Company reserves the right to amend, modify, or terminate this Plan, in whole or in part, at any time and for any reason. Such actions will be effective as of any date designated by the Company.

ADDITIONAL INFORMATION

ADDITIONAL INFORMATION

As a participant or beneficiary under this Plan you have certain rights and protections as more fully described within the Statement of ERISA Rights on page 26. Other important information about the Plan is provided below:

Name of Plan:	The Medical, Dental, Vision, and Life Insurance Program for Hourly Employees of CITGO Petroleum Corporation
Type of Plan:	Insured Welfare Plan
Plan Sponsor:	CITGO Petroleum Corporation P.O. Box 3758 Tulsa, Oklahoma 74102
Plan Sponsor's Employer Identification No.:	73-1173881
Plan Administrator	Benefit Plans Committee - Secretary CITGO Petroleum Corporation One Warren Place 6100 South Yale Tulsa, Oklahoma 74136 OR Benefit Plans Committee 1293 Eldridge Parkway Houston, Texas 77077
Plan Number:	518
Plan's Effective Date:	See Appendix I
Plan Year:	January 1 – December 31
Funding Method:	Funded by employee after-tax contributions held in the CITGO Petroleum Corporation Employees' Benefit Trust to pay premiums under a fully insured arrangement with the Insurer.
Trustee:	Bank of Oklahoma, N.A. Trust Division Bank of Oklahoma Tower P. O. Box 880 Tulsa, OK 74101-0880
Insurer:	Metropolitan Life Insurance Company One Madison Avenue

ADDITIONAL INFORMATION

New York, New York 10010

Benefits HelpLine: 1-888-443-5707
Email Benefits@citgo.com

Benefits Department: The Benefits Department can be contacted as follows:

CITGO Petroleum Corporation
Attn: Benefits Department
P.O. Box 3758
Tulsa, OK 74102-3758

Telephone: 1-888-443-5707

Statement of ERISA Rights

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

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

Receive Information About Your Plan and Benefits

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

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "Fiduciaries" of the Plan, have a duty to do so prudently and in

ADDITIONAL INFORMATION

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 otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order of medical child support order, you may file suit in Federal court. If it should happen that Plan Fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

DEFINITIONS

This Plan description has been written in a simplified manner that is intended to help explain this Plan as clearly as possible. The following definitions apply to the Plan:

“Annual Base Pay” means salary or wages, excluding overtime, extra pay, shift differential, bonuses and living or other allowances (your base hourly rate of pay multiplied by 2,080 hours), all as determined by the Company.

“Annual Election Period” is a period during which you may make changes to your benefits under the Plan.

“Authorized Company Representative” includes the appropriate members of the CITGO Benefits Planning and Administration Department in Tulsa, Oklahoma and Houston, Texas as well as your Human Resources or Personnel representative.

“Benefits HelpLine” is a resource you may contact for assistance with any benefits related issues. The Benefits HelpLine is available toll free at 1-888-443-5707 or by email to Benefits@citgo.com.

“Company” means CITGO Petroleum Corporation and any of its subsidiaries or affiliated companies.

“Contingent Beneficiary” is the person(s) to whom a benefit will be paid in the event of your death if all Primary Beneficiaries die before or at the same time as you. You may designate both Primary Beneficiaries and Contingent Beneficiaries on the appropriate forms.

“Insurer” means the Plan is insured under a contract with an insurance company. The insurance company may be changed from time to time.

“Primary Beneficiary” is the person(s) to whom a benefit will be paid in the event of your death. You may designate both Primary Beneficiaries and Contingent Beneficiaries on the appropriate form.

“Regular Full-Time Employee” means an employee who is regularly scheduled to work at least 20 hours a week and six months a year.

“Regular Part-Time Employee” means an employee who completes 1,000 hours of service either during the twelve-month period starting with the date on which he or she commenced employment or during a calendar year.

“Statement of Health” is a form you may be required to submit to provide evidence of insurability if you did not enroll in various Company life insurance plans within 31 days of first becoming eligible or you elect to increase the amount of your coverage. On this form, you will provide certain medical information to the Insurer. The form must be

DEFINITIONS

reviewed by the Insurer to determine eligibility for coverage. A medical examination at your expense may also be required to consider the application for coverage.

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

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

APPENDIX I

The following schedule shows the effective dates of the Plan for the bargaining units in place on the dates indicated. The Frozen Prior Plan Life Insurance benefit is the coverage in effect immediately prior to the date the Optional Life Insurance Plan first became available to you as set forth below. The Annual Base Pay used to determine the Frozen Prior Plan benefit is your Annual Base Pay on the date prior to the date specified below, if applicable.

BARGAINING UNITS		
DIVISION	NAME OF UNION	ORIGINAL EFFECTIVE DATE
<i>Lubricants & Specialty Products</i>		
<i>Lake Charles Lube Plant</i>		
Machinists & Mechanics	IAM Lodge 1317	April 1, 1984
Maintenance Craftsmen, Utilitymen, Operators, Laboratory and Safety-Fire Inspectors	OCAW Local 4-500	April 1, 1984
<i>Cicero Compounding Plant</i>		
<i>Cicero, IL</i>		
Boiler Firemen	IUOE Local 399	April 1, 1984
Production & Maintenance Employees	OCAW Local 7-507	April 1, 1984
Lab/Clerical Employees	OCAW Local 7-507	April 1, 1984
<i>Refined Products Division</i>		
<i>Lake Charles Operations</i>		
Refinery – Machinist & Mechanics	IAM Lodge 1317	April 1, 1984
Refinery- Maintenance Craftsmen, Utilitymen, Operators and Laboratory	LCMTC	April 1, 1984
Clerks (Lake Charles Operations)	OPEIU Local 87	April 1, 1984
Securitymen (Complex-wide) Safety-Fire Inspectors (Refinery)	UPGWA Local 700	April 1, 1984
<i>Transportation Operations</i>		
<i>Fleets and Terminals</i>		
Linden, NJ - Terminal Employees	OCAW Local 8-337	August 1, 1984