

# **CABGOC Retirement Savings Plan (RSP)**

## **Summary Plan**

### **Objective and effective date**

The plan aims to provide CABGOC employees with an opportunity to invest a percentage of their base salary towards retirement benefit

### **Eligibility**

All Angolan payroll employees with permanent employment contracts are eligible to participate in the plan.

Participation in Plan is voluntary. However, once an Employee joins the Plan and becomes a Participant, the employee can no longer exit the plan until retirement age or termination of employment.

### **Contributions**

There are two types of contributions:

- Employee contributions

Employees may contribute a minimum of 3.3 percent to a maximum of 15 percent of their monthly base salary to the Retirement Plan, which is deducted from his/her paycheck. Upon registration, the default contribution is set at 3.3 percent, and employees can change their monthly contribution once per quarter, in the months of **January, April, July and October** respectively. All the requests' changes should be submitted in [e-benefit application](#) under Retirement Plan Administrator module until the 10<sup>th</sup> of each month mentioned above.

- Employer contributions

CABGOC will contribute on behalf of the employees a fixed amount equivalent to 6.7 percent of the employee's monthly base salary.

Employees may voluntarily cease contributions to the Retirement Plan. Subsequently, CABGOC will also cease its contributions to the employees' accounts. Employees who cease their contributions will not be eligible to resume contributing for at least six months from the date the contribution was stopped.

## **Investments Options and Inter-Portfolio Transfers**

Employees can decide how and where to invest their and company contributions by choosing from several investment portfolio options, each offering a degree of risk and potential return. The available portfolios are:

- **International Money Market Fund**

The fund invests in market securities such as certificates of deposit. It is also referred to as stable value investments and is a low-risk investment. Your money usually earns interest each day. The return on investment is usually less than other investment options.

- **Global Bond Fund**

This fund replaces the International Income Portfolio. It is a low to medium risk investment. The fund invests in investment grade bonds with an average maturity between three and 10 years. The return is usually better than money market funds but less than equity funds. Buying a bond is like giving a loan to a corporation, bank or government. The institution promises to pay you back principal and interest over a specified period. The fund invests in the U.S., Japanese and European bonds.

- **Global Equity Fund**

The fund invests in the stocks of companies in Europe, North America, Southeast Asia, Japan and Latin America. It is a high-risk fund that seeks growth through stock investment in global markets. The return is usually higher than money market and bond funds, but the fund experiences more fluctuations in value.

- **Chevron Stock Portfolio**

This fund invests in whole shares of Chevron stock only. This fund has the highest risk. Fund invests only in one stock, and returns are based solely on the performance of Chevron.

Employees may change their investment portfolios once every quarter to which their future Employee and Employer Contributions are directed.

A report will be provided to update employees about the investment on a quarterly basis. This report may be found by accessing the [Futurix account](#).

Transfers into the Chevron Stock Portfolio from other investment portfolios are not allowed but transfers from the Chevron Stock Portfolio into one of the other Portfolios are allowed once each quarter.

Once a quarter, employee can transfer all or part of their Participant's Account between Portfolios by completing the "Allocation instructions" in the [Futurix Portal](#).

## **Loans**

Participants of the plan may borrow funds from the Plan under the following conditions:

- Must have been in the plan for at least one year
- May withdraw only from his/her own contributions (employee contributions)
- No withdrawal will be permitted for an amount, which will reduce the balance in the participant's account to less than \$500.
- The minimum loan (partial withdrawal) amount is \$500.
- The loan payback period varies between 12, 24 or 36 months.
- There is a minimum period of one year waiting period between the complete repayment of the previous loan and the start of the next loan.

If a Participant ceases contribution to the Plan during the loan repayment period, the monthly repayments will continue.

## **Exit the Plan**

Employee cannot exit the plan until employment with Company ends, i.e. exit from the plan is only possible through retirement, resignation, termination, total disability or death.

Upon termination of employment the employee benefit will be paid in a single lump sum to their latest registered local bank account or according to instructions provided at the time of termination.

If the employee is dismissed or leaves the Company other than by death, disability, or retirement with less than two years of Plan Participation, the participant will be entitled to employee contributions only.

If an employee is dismissed or leaves the Company other than by death, disability, or retirement with more than two years but less than ten years of Participation, will be entitled to a termination benefit consisting of the Employee Contributions plus a percentage of that portion attributable to the Employer Contributions, based on the following vesting schedule:

<b>Completed Years Of Participation</b>	<b>Vesting Percentage</b>
less than 2	0%
2 but less than 5	25%
5 but less than 8	50%
8 but less than 10	75%
10 or More	100%

If a Participant is dismissed or leaves the Company under death, disability, or retirement or if Participant is dismissed or leaves the service of the Company and has completed ten years of plan participation, the Participant will become 100% vested in the entire Participant Account and will be entitled to payment of the entire Participant Account payable as a single sum payment.

Any outstanding indebtedness (such as personal loans by the Company or a housing loan) will be deducted from any Retirement Savings Plan accounts and any other termination benefits before it is distributed to the employee.

For more information, please contact your HR business partner or the Retirement & Savings Administrator.