About your Company stock fund

The ConocoPhillips Stock Fund invests solely in ConocoPhillips common stock. It is available to you through the ConocoPhillips Savings Plan. When your money is invested in the ConocoPhillips Stock Fund, you hold individual shares of ConocoPhillips stock.

The ConocoPhillips Stock Fund allows you to share in ConocoPhillips’ financial success. As with any stock fund, however, there is no way to predict its performance.

A company stock fund can be riskier than a diversified stock mutual fund because its performance depends upon the price of a single stock, which can fluctuate dramatically up or down. A diversified stock mutual fund, by contrast, may own dozens or hundreds of stocks. The performance of a single stock can have a comparatively small effect on a mutual fund’s total return.

Vanguard believes that it is wise to own a diversified mix of assets when investing for retirement. If you invest in the ConocoPhillips Stock Fund, you should own a percentage that’s consistent with your tolerance for risk.

Because the ConocoPhillips Stock Fund concentrates on a single stock, it is considered riskier than a diversified stock fund. Diversification does not ensure a profit or protect against a loss.

Valuing the ConocoPhillips Stock Fund
Like many other company stock funds, the ConocoPhillips Stock Fund uses share accounting. To determine the market value of your ConocoPhillips Stock Fund account, multiply the total number of shares in your account by the closing stock price of ConocoPhillips stock (i.e., the stock price at 3 p.m., Central time, on the New York Stock Exchange). Log on to your account at www.vanguard.com/retirementplans to find your number of shares and the stock’s closing price.

Exchanges of ConocoPhillips stock
If you contact Vanguard by 1 p.m., Central time, to request an exchange into or out of the ConocoPhillips Stock Fund, you will receive the current day’s trade date and participant transaction price (PTP). Participant activity will be executed at the PTP calculated on the trade date of the transaction. Each participant will receive shares of stock for the incoming cash and receive proceeds on the sale of shares based on the PTP.
The PTP is based on the following data:

- The weighted average price of the actual security trades executed on that day.
- The market impact of the difference between the estimated dollar amounts of transactions used to determine shares traded and the actual amount updated to the record-keeping system.
- Trading commissions paid which increase the cash amount paid on purchases and reduce proceeds received on sales.
- The commission costs incurred in connection with the purchase and sale of the underlying ConocoPhillips stock held by the ConocoPhillips Stock Fund. Commission costs incurred for a particular business day’s overall trading are factored into the PTP for that business day.

Keep in mind that the ConocoPhillips Stock Fund’s PTP is calculated only once a day (at the close of business). All shareholders requesting exchanges by 1 p.m., Central time, on any business day will receive the same PTP. All exchanges received after 1 p.m., Central time, will be processed on the following business day and will receive the following day’s trade date and PTP.

Written exchange requests sent to Vanguard by U.S. mail or overnight mail must be received in good order for you to receive the current day’s trade date and price. “In good order” means that complete information for an exchange has been received by Vanguard and that the exchange conforms to the provisions of the Savings Plan.

If you choose to roll over your shares to an IRA or another employer’s plan, in-kind distributions can be delivered through The Depository Trust Company in approximately seven business days.

Note: If the stock market closes early for any reason, the cutoff time for exchanges will be adjusted accordingly.

Trading halted

If trading of ConocoPhillips stock is halted for any reason or if trading on the market is halted, the ConocoPhillips Stock Fund’s activity may also be halted until trading resumes.

Withdrawals and termination distributions of ConocoPhillips stock

If a withdrawal or termination cash distribution request is received by Vanguard by 1 p.m., Central time, the transaction will be based on that day’s PTP. Requests made after 1 p.m., Central time, will be processed at the PTP for the following business day.

Distributions or withdrawals from the Savings Plan can be all in cash, all in shares of stock (with cash for any partial share), or a combination of both.

Stock certificates are no longer issued. Instead, shares are registered through the Direct Registration System, an electronic system for registering stock with a corporation’s transfer agent. The shares associated with your transaction will be registered in your name and held at the transfer agent.

You will receive periodic statements from the transfer agent with the number and value of the shares you own, including any transactions you have completed. To sell your shares, you may contact a broker at any time. Please contact the transfer agent referenced on your statement with questions. If you have not received a statement, please contact Vanguard to obtain the transfer agent’s contact information.

Only whole shares of stock will be registered. Any fractional share balance will be distributed to you by check. Your shares will be transferred to the transfer agent approximately seven to ten business days after Vanguard processes your request. The check for fractional shares will be mailed to you the next business day after your distribution is processed.
**Remember:** Many employer plans accept only cash rollovers and will not accept a rollover in company stock. Also, check with your tax advisor to determine whether an in-kind withdrawal or a stock rollover is more tax advantageous to you.

**When the Company declares a dividend**

ConocoPhillips can pay your dividends in either cash or stock.

Your dividends will be reinvested in the ConocoPhillips Stock Fund (for both the ConocoPhillips Stock Fund and the ConocoPhillips Leveraged Stock Fund) unless you elect to receive them in cash as a dividend pass through. Reinvesting the dividends allows them to grow tax-deferred for your retirement and creates additional shares in your ConocoPhillips Stock Fund account.

The number of shares you receive when a dividend is paid will be based on the number of shares held in your account on the fund’s record date (the day used to determine who is eligible to receive the fund’s next distribution of dividends). The fund record date is the day before the stock ex-dividend date. The stock ex-dividend date is the day when the price of the stock begins to trade without the value of the dividend included in its price. These new shares are credited to your account on the stock payable date.

If you would like to receive your dividends in cash, call Vanguard Participant Services at **800-523-1188**. Keep in mind that all cash distributions—including dividend payments—will be subject to ordinary income taxes. (Please contact Vanguard for more information about the tax consequences of this election.)

To begin receiving your dividends in cash, you must make your dividend pass-through election at least three business days before the dividend payment date. The dividends you receive on the payment date will be based on the number of shares held in your account on the fund’s record date (the day before the ex-dividend date) that are eligible for cash distribution. You will receive a check as soon as possible after the dividend payment date.

Your election will continue until you change it.

**Administrative policies**

**Fund expenses.** The ConocoPhillips Stock Fund assesses a fee to cover administrative costs. Please refer to the annual fee disclosure notice for the most recent fee information associated with this fund. The fee is deducted from your account quarterly.

**Fund holdings.** The fund holds only shares of ConocoPhillips common stock.

**Plan record keeper.** Vanguard.

**Plan trustee.** Vanguard Fiduciary Trust Company.

**For more information on the ConocoPhillips Stock Fund:**

- Refer to your ConocoPhillips Savings Plan Employee Benefit Handbook.
- Log on to your account at [www.vanguard.com/retirementplans](http://www.vanguard.com/retirementplans).
- Call a Vanguard Participant Services associate at **800-523-1188** weekdays from 7:30 a.m. to 8 p.m., Central time.