

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2015 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>09/28/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☒ the final return/report; ☐ an amended return/report; ☒ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>TESORO CORPORATION RETAIL SAVINGS PLAN</u>	1b Three-digit plan number (PN) ▶ <u>005</u>
	1c Effective date of plan <u>01/01/2001</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>TESORO CORPORATION</u> <u>19100 RIDGEWOOD PARKWAY</u> <u>SAN ANTONIO, TX 78259</u>	2b Employer Identification Number (EIN) <u>95-0862768</u> 2c Plan Sponsor's telephone number <u>210-626-6000</u> 2d Business code (see instructions) <u>324110</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>07/15/2016</u>	<u>LAUREN J BUTLER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2015)
v. 150123

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 926
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 5
a(2) Total number of active participants at the end of the plan year	6a(2) 0
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 0
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 0
f Total. Add lines 6d and 6e	6f 0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2H 2J 2K 2T	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 09/28/2015

A Name of plan TESORO CORPORATION RETAIL SAVINGS PLAN	B Three-digit plan number (PN) ▶ 005	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 TESORO CORPORATION	D Employer Identification Number (EIN) 95-0862768	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: TESORO CORP SAVINGS PLAN MASTER TRS

b Name of sponsor of entity listed in (a): TESORO CORPORATION

c EIN-PN 95-0862768-100	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 09/28/2015		
A Name of plan TESORO CORPORATION RETAIL SAVINGS PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 TESORO CORPORATION	D Employer Identification Number (EIN) 95-0862768	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1113	0
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	193083	0
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	4083936	0
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	4278132	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4278132	0
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	21	
(B) Participants	2a(1)(B)	44	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		65
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	2648	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2648
(2) Dividends: (A) Preferred stock		2b(2)(A)	
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds		2b(4)(A)	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate		2b(5)(A)	
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		203302
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		206015

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2178291	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		2178291
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2178291

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1972276
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		2305856

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG

(2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X			
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
TESORO CORPORATION THRIFT PLAN	95-0862768	002

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 09/28/2015

A Name of plan <u>TESORO CORPORATION RETAIL SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TESORO CORPORATION</u>	D Employer Identification Number (EIN) <u>95-0862768</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No



TESORO CORPORATION RETAIL SAVINGS PLAN

FOR THE PERIOD ENDED SEPTEMBER 28, 2015

TESORO CORPORATION RETAIL SAVINGS PLAN

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Report of Independent Auditors

To the Employee Benefits Committee of
Tesoro Corporation Retail Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Tesoro Corporation Retail Savings Plan, which comprise the statement of net assets available for benefits as of September 28, 2015, and the related statement of changes in net assets available for benefits for the period from January 1, 2015 to September 28, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained a certification as of and for the period from January 1, 2015 to September 28, 2015, stating that the investment information provided to the plan administrator is complete and accurate.



Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Opinion on the December 31, 2014 Financial Statements

We previously audited the financial statements of Tesoro Corporation Retail Savings Plan as of December 31, 2014, and we expressed an unmodified opinion on those statements in our report dated June 24, 2015.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the 2015 financial statements, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ernst & Young LLP

June 17, 2016

TESORO CORPORATION RETAIL SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	September 28, 2015		December 31, 2014	
ASSETS				
Investment in the Tesoro Corporation Savings Plan Master Trust (Note 3)	\$	—	\$	4,082,535
Total Investments		—		4,082,535
Receivables:				
Employer contributions		—		1,113
Notes receivable from participants		—		193,083
Total Receivables		—		194,196
Net Assets Available for Benefits	\$	—	\$	4,276,731

See the accompanying notes to the financial statements.

TESORO CORPORATION RETAIL SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE PERIOD FROM JANUARY 1, 2015 TO SEPTEMBER 28, 2015

ADDITIONS

Net income from investments in the Tesoro Corporation Savings Plan Master Trust	\$	208,581
Interest income on notes receivable from participants		2,648
Contributions:		
Employer		21
Participants		44
Total contributions		65
Total Additions		211,294

DEDUCTIONS

Benefit Payments	2,178,291
Administrative expenses	3,878
Transfer to Tesoro Corporation Thrift Plan upon Merger (Note 1)	2,305,856
Total Deductions	4,488,025

Net decrease in net assets available for benefits	(4,276,731)
Net assets available for benefits:	
Beginning of period	4,276,731
End of period	\$ —

See the accompanying notes to the financial statements.

NOTE 1 - DESCRIPTION OF THE PLAN

The accompanying financial statements are that of the Tesoro Corporation Retail Savings Plan (the "Plan" or the "Retail Plan"), a defined contribution plan of Tesoro Corporation ("Tesoro", or the "Company") and the following description provides only general information of the Plan. Participants should refer to the formal plan documents for more complete information. The Plan is subject to, and must comply with, the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). With the conversion of Tesoro's retail business to multi-site operator ("MSO") stations completed in December 2014, the majority of retail store employees were terminated prior to December 31, 2014. All retail store employees have been terminated as of May 2015, and all participants in the Retail Plan are 100% vested in their account balances.

The Plan, adopted as of January 1, 2001, was a voluntary defined contribution plan open to all retail store employees of Tesoro Refining & Marketing Company LLC, Tesoro West Coast Company, LLC, Tesoro Hawaii, LLC and Tesoro Northstore Company through the assistant manager level who had completed one year of service and had worked at least 1,000 hours during their first year of service or any calendar year thereafter. Tesoro Hawaii, LLC employees participated in the Plan until Tesoro Hawaii, LLC was sold on September 25, 2013.

The purpose of the Plan was to encourage Company employees to save and invest a portion of their eligible compensation, as defined, to have an additional source of income upon their retirement or disability, or for their family in the event of death. Benefits provided by the Plan were in addition to benefits that participants were entitled to receive under any other programs of the Company and under the Federal Social Security Act. The investments in the Tesoro Corporation Savings Plan Master Trust ("Master Trust") were held by Fidelity Management Trust Company ("Fidelity" or the "Trustee"). Fidelity was responsible for holding, investing and accounting for the assets of the Plan and maintaining separate accounts for all participants of the Plan. The Plan was administered by the Employee Benefits Committee, which consisted of individuals appointed by the Board of Directors of the Company.

PLAN MERGER. On September 28, 2015, the Plan merged with the Tesoro Corporation Thrift Plan (the "Thrift Plan"). The trust agreement between Fidelity and Tesoro was amended, eliminating the Master Trust. All assets under the Plan at September 28, 2015 were transferred to the Thrift Plan and contained in the amended trust, referred to as the Tesoro Corporation Thrift Plan Trust.

PARTICIPANT CONTRIBUTIONS. Eligible employees who had chosen to participate could contribute up to 50% of their eligible pay on a pre-tax basis. Individual accounts were maintained for the Plan's participants. Each participant's account was credited with the participant's contribution, the Company's contributions and the Plan's earnings and charged with withdrawals and an allocation of the Plan's losses. Allocations were based on participant earnings or account balances, as defined.

Plan participants could have also elected a Roth 401(k) contribution option, allowing them to make contributions on an after-tax basis. When combined, total pre-tax and Roth contributions could not have exceeded 50% of a participant's eligible pay. The maximum annual contributions to the Plan could not have exceeded the annual IRS dollar limit (\$18,000 in 2015). Participants who had attained age 50 before the close of the Retail Savings Plan year would have been eligible to make additional pre-tax and/or Roth catch-up contributions subject to the limitations of the IRS dollar limit (\$6,000 in 2015).

EMPLOYER CONTRIBUTIONS. The Plan provided a 50% match on the employee's first 6% of pre-tax or Roth contributions for each pay period, including "catch-up contributions." Contributions on bonus pay and certain types of overtime were not matched by the Company. Matching contributions made to the Plan from participants who had more than a year of service were designated safe-harbor contributions. The Company's matching contributions were invested in one or more of the investment options, or the Tesoro Stock Fund, at the option of the participant. Employees could also use their own contributions to invest in the Tesoro Stock Fund.

Under the Plan, the Company contributed a 3% non-elective contribution (“NEC”) of the participant’s eligible earnings paid during the period. If a participant did not make a deferral election, the default contribution would have been to the participant’s age appropriate lifecycle fund. This 3% NEC was made in one payment after the end of the plan year. The 2014 NEC contributions of \$1,113 is reflected as an Employer Contribution Receivable on the Statements of Net Assets Available for Benefits and were contributed by the Company for 2015. There were no NEC contributions in 2015.

VESTING. Employees were fully vested at all times in their participant and Company (NEC and matching) contributions as well as discretionary non-elective deferrals. Upon termination of employment, an employee would have been entitled to the total of his or her participant contributions to the Plan and the Company contributions made to the employee’s account.

FORFEITURES. Upon termination of service, a participant’s nonvested portion of the Company’s matching contribution may be used to reduce future employer contributions or to pay reasonable administrative expenses. At December 31, 2014, the forfeited account balance was \$59,046, consisting of uncashed stale-dated checks. There was no balance as of September 28, 2015. The administrative expenses paid through the forfeited nonvested account were \$691 for the period from January 1, 2015 to September 28, 2015.

REVENUE SHARING. Under the Plan, certain funds offered revenue sharing. For the period January 1, 2015 to September 28, 2015, revenue sharing credits in the amount of \$316 were used to pay administrative expenses of the Plan.

INVESTMENT OPTIONS. Participants could have elected to invest in numerous investment options offered under the Plan. Participants may have changed the percentage they contributed and the investment direction of their contributions. The investment menu was comprised of target date funds, actively managed funds, index funds and the Tesoro Stock Fund.

LOANS. Generally, participants could borrow the lesser of \$50,000 or one half of their vested account balance from the Plans with a minimum loan of \$1,000. Such loans were secured by the participant’s vested account balance and bore interest at the prime rate plus 1%. All loans outstanding were transferred to the Thrift Plan upon the merger on September 28, 2015. The Plan allowed for new loans with original terms of six months to five years. Upon termination of employment, the loan repayment could continue at the election of the participant. If payments were in default, the unpaid loan balance would be treated as a distribution to the participant.

PAYMENT OF BENEFITS. Upon termination of employment, involuntary layoff, retirement, disability or death, the participant or the participant’s beneficiary (distributee) would have been provided the opportunity to request a distribution from the Plan. Any hardship withdrawals from amounts constituting the before-tax employee contribution would have resulted in a six-month suspension of further contributions.

ADMINISTRATIVE EXPENSES. The Plan allowed for the payment of administrative expenses by either the Plan or the Company. Forfeited nonvested accounts and revenue sharing credits were used to pay administrative fees. Any additional fees were paid by the Company, except for those related to participant loans or withdrawals.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING. The financial statements of the Plan have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

USE OF ESTIMATES. The preparation of financial statements in conformity with U.S. GAAP required the Plan’s management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedules. Actual results could differ from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION. Investments held by the Master Trust were stated at fair value. Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (an exit price).

Purchases and sales of securities were recorded on a trade-date basis. Interest income was recorded on an accrual basis. Dividends were recorded on the ex-dividend date.

PAYMENTS OF BENEFITS. As of September 28, 2015 and December 31, 2014, there were no participant initiated withdrawals from the Plan that had not been distributed. Benefit payments were recorded when paid.

NOTES RECEIVABLE FROM PARTICIPANTS. Notes receivable from participants represented participant loans that were recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants was recorded when it was earned. Related fees were recorded as administrative expenses when incurred. No allowance for credit losses was recorded as of December 31, 2014. If a participant ceased to make loan repayments, and the Plan administrator deemed the participant loan to be a distribution, the participant loan balance was reduced, and a benefit payment was recorded.

SUBSEQUENT EVENTS. We have evaluated subsequent events through June 17, 2016, the date the financial statements were available to be issued. Any material subsequent events that occurred during this time have been properly recognized or disclosed in our financial statements.

NEW ACCOUNTING PRONOUNCEMENTS

EMPLOYEE BENEFIT PLAN SIMPLIFICATION. The Financial Accounting Standards Board issued an Accounting Standards Update ("ASU") in July 2015 (ASU No. 2015-12) that simplifies certain aspects of employee benefit plan accounting while satisfying the needs of users of financial statements, including plan participants and the Department of Labor. The guidance no longer requires fair value disclosures about investments to be disaggregated by class; rather, it permits disaggregation of investments measured using fair value only by general type, either on the face of the financial statements or in the notes to the financial statements. In addition, the ASU also eliminates the requirements to disclose the net appreciation or depreciation in fair value of investments by general type, and individual investments with a value equal to or greater than 5% of net assets available for benefits. This ASU is effective for interim and annual periods beginning after December 15, 2015, and early adoption is permitted. The Plan adopted this standard effective January 1, 2015 and applied the changes retrospectively to the prior periods presented. As a result, the statement of net assets available no longer shows the adjustment from fair value to contract value for fully benefit-responsive investment contracts separately and is instead netted with the investment in the Tesoro Corporation Savings Plan Master Trust line item.

NOTE 3 - INTEREST IN THE TESORO CORPORATION SAVINGS PLAN MASTER TRUST

The Plan's assets were held in the Master Trust through September 28, 2015. After the merger of the Retail Plan with the Thrift Plan, the Master Trust was dissolved. The purpose of the Master Trust was the collective investment of assets of the participating plans, Thrift Plan and Retail Plan. Each participating plans' interest in the Master Trust was based on account balances of the participants and their elected investment fund options. The Master Trust assets were allocated among the participating plans by assigning to each plan those transactions (primarily contributions, benefit payments, and plan-specific expenses) that can be specifically identified, and by allocating investment income and administrative expenses to the individual plans on a daily basis based on each participant's account balance within each investment fund option.

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements, including investments held and notes receivable from participants at September 28, 2015, and net income from investments in the Master Trust and interest income on notes receivable from participants for the

period from January 1, 2015 to September 28, 2015, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by Fidelity, the trustee of the Plan.

PERCENTAGE INTERESTS IN NET ASSETS OF THE MASTER TRUST

Plan	December 31, 2014
Thrift Plan	99.59%
Retail Plan	0.41%
	100.00%

PERCENTAGE INTEREST IN EACH OF THE INVESTMENT FUND OPTIONS WITHIN THE MASTER TRUST

Investment Type / Fund Name	December 31, 2014	Thrift Plan	Retail Plan
Common Stock			
Tesoro Stock Fund	\$ 209,636,743	99.52%	0.48%
Mutual Funds			
Bonds			
Vanguard Total Bond Market Index Institutional	60,046,357	99.87%	0.13%
PIMCO Total Return Institutional	32,378,219	99.90%	0.10%
American Century Infl-Adj Bond Institutional	7,167,079	100.00%	—%
Equities			
Spartan 500 Index Institutional	112,861,937	99.99%	0.01%
Fidelity Contrafund K	102,471,499	99.87%	0.13%
Fidelity Puritan K	71,020,389	99.87%	0.13%
Spartan Extended Market Index Advantage	50,418,841	100.00%	—%
Spartan International Index Institutional	47,999,508	100.00%	—%
Westwood SMidCap Institutional	37,297,047	100.00%	—%
William Blair SMid Cap Growth I	17,576,967	100.00%	—%
Fidelity Strategic Real Return Fund	1,006,294	100.00%	—%
Lifecycle Funds			
Fidelity Freedom Index 2025	21,166,137	98.52%	1.48%
Fidelity Freedom Index 2020	20,221,552	96.84%	3.16%
Fidelity Freedom Index 2030	16,921,556	97.48%	2.52%
Fidelity Freedom Index 2035	16,074,861	98.32%	1.68%
Fidelity Freedom Index 2045	14,481,495	98.63%	1.37%
Fidelity Freedom Index 2050	12,847,714	97.74%	2.26%
Fidelity Freedom Index 2040	11,649,208	97.98%	2.02%
Fidelity Freedom Index 2015	9,212,233	98.25%	1.75%
Fidelity Freedom Index Income	1,484,370	99.16%	0.84%
Fidelity Freedom Index 2010	1,132,004	95.64%	4.36%
Fidelity Freedom Index 2005	213,612	87.02%	12.98%
Fidelity Freedom Indx 2055	90,648	99.90%	0.10%
Fidelity Freedom Indx 2060	43,050	100.00%	—%
Common/collective Trust Funds			
Fidelity Managed Income Portfolio II	54,334,304	99.82%	0.18%
Artisan International Growth Trust Fund	35,648,695	99.97%	0.03%
Robeco Large Cap Value Equity Fund	25,406,797	99.98%	0.02%
Total net assets available for benefits for participating plans	990,809,116		

INVESTMENT INCOME OF THE MASTER TRUST FOR THE PERIOD FROM JANUARY 1, 2015 TO SEPTEMBER 28, 2015

Net appreciation in fair value of investments:	26,238,033
Interest and dividend income	6,570,612
Total Master Trust investment income	\$ 32,808,645

NOTE 4 - FAIR VALUE MEASUREMENTS

Financial assets and financial liabilities are classified according to the fair value hierarchy. Financial assets and liabilities classified as level 1 instruments are valued based on quoted prices in active markets for identical assets and liabilities. Level 2 instruments are valued based on quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability. Level 3 instruments are valued based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the level of the input that is significant to the fair value measure in its entirety.

Tesoro Corporation common stock fund value is based upon the underlying Tesoro Corporation common stock closing price reported on the active market on which the individual security is traded and are categorized as level 1. Shares of mutual funds were valued using quoted market prices from national securities exchanges, which represented shares held by the Plan at year-end and were valued as level 1 fair value assets. The Plan's common/collective trust funds were measured at fair value, using NAV as a practical expedient.

There were no assets to measure at fair value at September 28, 2015, due to the Plan's merger into Tesoro Corporation Thrift Plan. The assets as of December 31, 2014, are presented in the Master Trust, and as such, contain both the Thrift and Retail Plan information.

MASTER TRUST PLAN ASSETS AT FAIR VALUE

	Assets at Fair Value as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Tesoro Stock Fund	\$ 209,636,743	\$ —	\$ —	\$ 209,636,743
Equity Mutual Funds:	665,782,577	—	—	665,782,577
Master Trust Plan Assets Measured at Fair Value	\$ 875,419,320	\$ —	\$ —	\$ 875,419,320
Common/collective Trust Funds Measured at Net Asset Value ⁽¹⁾				115,389,796
Master Trust Plan Assets				\$ 990,809,116

(1) **Common Collective Trust Funds**

Common Collective Trust Name	Investment Objective	Types of Investments	Restrictions
Fidelity Managed Income Portfolio II	Deliver safety and stability by preserving principal and accumulating earnings	Benefit-Responsive Investment Contracts issued by insurance companies and other financial institutions, fixed income securities, and money market funds	No restrictions; however, the Plan is required to provide a one year redemption notice to liquidate its entire share in the funds
Artisan International Growth Fund	Seek long-term capital growth	Publicly traded corporate equities, including common and preferred stocks, warrants, and depository receipts, of non-U.S. companies across a broad capitalization range	No restrictions; however, the Trustee reserves the right to require five business days advance written notice from the Plan for withdrawal
Boston Partners Large Cap Value Equity Fund (previously, "Robeco Large Cap Value Equity Fund")	Outperform its benchmark index, the Russell 1000 Value Index	Equity securities of U.S. and non-U.S. issuers, including, without limitation, American Depository Receipts on non-U.S. issuers, that are denominated in U.S. dollars and trade in U.S. markets, including, without limitation, on U.S. exchanges or in the over-the-counter market	No restrictions; however, the Trustee reserves the right to require five business days advance written notice from the Plan for withdrawal

NOTE 5 - EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain investments of the Plan were shares of mutual funds managed by Fidelity, the Trustee, as defined by the Plans. Therefore, these transactions qualified as exempt party-in-interest transactions. As of December 31, 2014, the Plan held shares of common stock of the Company in the Tesoro Corporation Savings Plan Master Trust. The amount held in the Plan were 13,281 shares with a cost basis of \$360,485. Because of the merger of the Plan into the Tesoro Corporation Thrift Plan on September 28, 2015, there were no shares in the Plan as of September 28, 2015.

NOTE 6 - FEDERAL INCOME TAX STATUS

The Plan received a determination letter from the IRS on August 20, 2014 stating that the Plan was qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust was exempt from taxation. The Plan had been amended since the most recent determination letter. Once qualified, the Plan was required to operate in conformity with the Code to maintain its qualification. The Plan's administrator believed the Plan was being operated in compliance with the applicable requirements of the Code and therefore believed the Plan, as amended, was qualified and the related trust was tax-exempt.

U.S. GAAP required management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position were recognized when the position was more likely than not, based on the technical merits, to be sustained upon examination by the IRS. Management had analyzed the tax positions taken by the Plan and had concluded that as of September 28, 2015 and December 31, 2014, there were no uncertain positions taken or expected to be taken. The Plan recognized no interest or penalties related to uncertain tax positions. The Plan was subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believed it is no longer subject to income tax examinations for years prior to 2012.

NOTE 7 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

	September 28, 2015	December 31, 2014
Net assets available for benefits reported in the financial statements	\$ —	\$ 4,276,731
Plus adjustments from contract value to fair value for fully benefit-responsive investment contracts	—	1,401
Net assets available for plan benefits reported in the Form 5500	\$ —	\$ 4,278,132

RECONCILIATION OF THE PLAN'S NET CHANGE IN NET ASSETS TO FORM 5500

	For the Period from January 1, 2015 to September 28, 2015
Net decrease in net assets available for benefits reported in the financial statements	\$ (4,276,731)
Change in adjustments from contract value to fair value for fully benefit-responsive investment contracts	(1,401)
Transfer to Tesoro Corporation Thrift Plan upon merger	2,305,856
Total net loss reported in the Form 5500	\$ (1,972,276)

**TESORO CORPORATION THRIFT PLAN
TESORO CORPORATION RETAIL SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 8 - RISKS AND UNCERTAINTIES

The Plan provided for investments in various securities through the Plan's investment funds offered to participants, including but not limited to, various mutual funds and equity of the Company, among others. Investment securities, in general, were exposed to various risks such as interest rate, credit, liquidity and overall market volatility risk. Due to the level of risk associated with certain investment securities, it was reasonably possible that changes in the values of investment securities would occur in the near term and such changes could have materially affected the amounts reported in the statements of net assets available for benefits and participant account balances.