

MAP-21 SUPPLEMENT TO ANNUAL FUNDING NOTICE

OF RETIREMENT PLAN OF CITGO PETROLEUM CORPORATION AND PARTICIPATING
SUBSIDIARY COMPANIES (PLAN) FOR
PLAN YEAR BEGINNING JANUARY 1, 2013 AND ENDING DECEMBER 31, 2013 (PLAN YEAR)

This is a temporary supplement to your annual funding notice. It is required by a new federal law named Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 changed how pension plans calculate their liabilities. The purpose of this supplement is to show you the effect of these changes. Prior to MAP-21, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that MAP-21 interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, your employer may contribute less money to the plan at a time when market interest rates are at or near historical lows.

The “MAP-21 Information Table” shows how the MAP-21 interest rates affect the Plan’s: (1) Funding Target Attainment Percentage, (2) Funding Shortfall, and (3) Minimum Required Contribution. The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. The funding shortfall of a plan is the amount by which liabilities exceed net plan assets. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan in a given year. The following table shows this information determined with and without the MAP-21 rates to illustrate the effect of MAP-21. The information is provided for the Plan Year and for each of the two preceding plan years, if applicable.

MAP-21 INFORMATION TABLE						
	2013		2012		2011	
	With MAP-21 Interest Rates	Without MAP-21 Interest Rates	With MAP-21 Interest Rates	Without MAP-21 Interest Rates	With MAP-21 Interest Rates	Without MAP-21 Interest Rates
Funding Target Attainment Percentage	93.68%	80.00%	96.53%	81.75%	N/A	81.87%
Funding Shortfall	17,290,031	64,171,145	8,446,291	52,484,548	N/A	45,674,689
Minimum Required Contribution	14,089,218	23,307,373	10,852,034	19,594,338	N/A	16,172,823

ANNUAL FUNDING NOTICE

For
Retirement Plan of CITGO Petroleum Corporation and Participating Subsidiary Companies

Introduction

This notice includes important funding information about your pension plan ("the Plan"). This notice also provides a summary of federal rules governing the termination of single-employer defined benefit pension plans and of benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal agency. This notice is for the plan year beginning January 1, 2013 and ending December 31, 2013 ("Plan Year").

Funding Target Attainment Percentage

The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. This percentage for a plan year is obtained by dividing the Plan's Net Plan Assets by Plan Liabilities on the Valuation Date. In general, the higher the percentage, the better funded the plan. The Plan's funding target attainment percentage for the Plan Year and 2 preceding plan years is shown in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period. The Plan has entered "not applicable" in the chart below to identify the information it does not have.

	2013	2012	2011
1. Valuation Date	January 1, 2013	January 1, 2012	January 1, 2011
2. Plan Assets			
a. Total Plan Assets	\$268,232,406	\$241,396,553	\$211,272,532
b. Funding Standard Carryover Balance	0	0	0
c. Prefunding Balance	11,540,919	6,272,842	4,894,436
d. Net Plan Assets (a) – (b) – (c) = (d)	256,691,487	235,123,711	206,378,096
3. Plan Liabilities	273,981,518	243,570,002	252,052,785
4. At-Risk Liabilities	Not applicable	Not applicable	Not applicable
5. Funded Percentage Before Credit Balance Subtraction (2a)/(3)	97.90%	99.10%	83.82%
6. Funding Target Attainment Percentage (2d)/(3)	93.68%	96.53%	81.87%

As explained below, credit balances may be applied in future years toward the contributions required by law. Because credit balances can be used in this way, the funding standard carryover balance and prefunding balance are subtracted from plan assets in determining the funding target attainment percentage. But these credit balances do not affect the amount of assets available to pay plan benefits at the valuation date.

Credit Balances

Credit balances were subtracted from the Plan's assets before calculating the funding target attainment percentage in the chart shown in the Funding Target Attainment Percentage section of this notice. While pension plans are permitted to maintain credit balances (called "funding standard carryover balance" or "prefunding balance") for funding purposes, such credits may not be taken into account when calculating a plan's funding target attainment percentage. A plan might have a credit balance, for example, if in a prior year an employer made contributions at a level in excess of the minimum level required by law. Generally, the excess payments are counted as "credits" and may be applied in future years toward the minimum level of contributions a plan sponsor is required by law to make to the plan in those years.

Fair Market Value of Assets

Asset values in the charts above are actuarial values, which are permitted to differ from fair market values. For this Plan, the actuarial value differed from fair market value for 2011, 2012 and 2013. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values for funding purposes. While actuarial values fluctuate less than market values, they are estimates. As of December 31, 2013, the fair market value of the Plan's assets was \$308,783,397. On this same date, the Plan's liabilities were \$341,995,819.

Participant Information

The total number of participants in the Plan as of the Plan's Valuation Date was 3,311. Of this number, 1,573 were active participants, 1,348 were retired or separated from service and receiving benefits, and 390 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for promised benefits. The funding policy of the Plan is to contribute no less than the minimum required by law and no more than the maximum deductible amount.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is to manage the assets in order to fund the Plan's required benefit payments and expenses. An asset allocation study will be performed periodically to review whether the Plan's asset allocation remains appropriate for achieving the Plan's long term objectives.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Interest-bearing cash	_____
2. U.S. Government securities	_____
3. Corporate debt instruments (other than employer securities):	
Preferred	_____
All other	_____
4. Corporate stocks (other than employer securities):	
Preferred	_____
Common	_____
5. Partnership/joint venture interests	_____
6. Real estate (other than employer real property)	_____
7. Loans (other than to participants)	_____
8. Participant loans	_____
9. Value of interest in common/collective trusts	_____
10. Value of interest in pooled separate accounts	_____
11. Value of interest in master trust investment accounts	100%
12. Value of interest in 103-12 investment entities	_____
13. Value of interest in registered investment companies (e.g., mutual funds)	_____
14. Value of funds held in insurance co. general account (unallocated contracts)	_____
15. Employer-related investments:	
Employer Securities	_____
Employer real property	_____
16. Buildings and other property used in plan operation	_____
17. Other	_____

As of December 31, 2013, the target asset allocation for the master trust investment account in which the Plan's assets are invested is 60% equity and 40% fixed income.

For information about the plan's investment in any of the following types of investments as described in the chart above – common/collective trusts, pooled separate accounts, master trust investments accounts, or 103-12 investment entities – contact Secretary, Benefit Plans Committee at 888-443-5707 or benefits@citgo.com, c/o CITGO Petroleum Corporation, 1293 Eldridge Parkway, Houston, TX 77077.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator.

Summary of Rules Governing Termination of Single-Employer Plans

Employers can end a pension plan through a process called “plan termination.” There are two ways an employer can terminate its pension plan. The employer can end the plan in a “standard termination” but only after showing the PBGC that the plan has enough money to pay all benefits owed to participants. The plan must either purchase an annuity from an insurance company (which will provide you with lifetime benefits when you retire) or, if your plan allows, issue one lump-sum payment that covers your entire benefit. Before purchasing your annuity, your plan administrator must give you advance notice that identifies the insurance company (or companies) that your employer may select to provide the annuity. The PBGC’s guarantee ends when your employer purchases your annuity or gives you the lump-sum payment.

If the plan is not fully-funded, the employer may apply for a distress termination if the employer is in financial distress. To do so, however, the employer must prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

If a single-employer pension plan terminates without enough money to pay all benefits, the PBGC will take over the plan and pay pension benefits through its insurance program. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The PBGC pays pension benefits up to certain maximum limits. The maximum guaranteed benefit is \$4,943.18 per month, or \$59,318.16 per year, payable in the form of a straight life annuity, for a 65-year-old person in a plan that terminates in 2014. The maximum benefit may be reduced for an individual who is younger than age 65. The maximum benefit will also be reduced when a benefit is provided to a survivor of a plan participant.

The PBGC guarantees “basic benefits” earned before a plan is terminated, which includes:

- pension benefits at normal retirement age;
- most early retirement benefits;
- annuity benefits for survivors of plan participants; and
- disability benefits for a disability that occurred before the date the plan terminated.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right when a plan terminates, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements at the time the plan terminates.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay, are not guaranteed.
- The PBGC generally does not pay lump sums exceeding \$5,000.

Even if certain benefits are not guaranteed, participants and beneficiaries still may receive some of those benefits from the PBGC depending on how much money the terminated plan has and how much the PBGC collects from the employer.

Where to Get More Information

For more information about this notice, you may contact Secretary, Benefit Plans Committee at 888-443-5707 or benefits@citgo.com, c/o CITGO Petroleum Corporation, 1293 Eldridge Parkway, Houston, TX 77077. For identification purposes, the official plan number is 002 and the plan sponsor's employer identification number or "EIN" is 73-1173881. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).