



Thomas M. Conway
International President

February 13, 2020

Dear Brothers and Sisters,

I'm writing you about this week's bankruptcy hearing and the sale of PES to Hilco Redevelopment Partners.

This was not the outcome any of us wanted. Hilco does not intend to operate the facility as an oil refinery, and their ownership means the end of nearly all of the good, family-sustaining jobs we've fought so long and hard to keep.

Make no mistake, we fought like hell since last July when PES filed its second bankruptcy case in two years. We worked with potential buyers, including Industrial Realty Group (IRG), which for a time seemed poised to make a competitive bid. We talked to our contacts in the White House. We coordinated with our state and local officials and community allies. We did everything we could to keep this facility in the hands of someone committed to keeping the doors open.

The reality is, there were limits to what we could do because the bidders themselves had to step up. We couldn't fix their problems, and there was never going to be a way for us to secure the needed financing for them.

Any rumors you may have heard circulating on social media about an IRG bid and the restart of refining are unfortunately misleading. We remained in constant contact with former CEO Philip Rinaldi and IRG, supporting them and urging them to improve their proposal. We reached an agreement with IRG in the hope that they would produce a bid. However, in the end, they were never able to put forward a concrete plan. Hilco's was the only bid, and we were compelled to make an agreement with them.

If IRG, Rinaldi or anyone had made a viable proposal that included restarting refinery operations, we would have backed it. That was our clear and stated preference from the first day of this bankruptcy. But the fact remains that the creditors and other parties would not ask the court for an indefinite delay in the hope that another bid would suddenly and finally materialize.

So, we had to take a hard look and determine what we could do. At the forefront of all of our decisions was our responsibility to you, our members. We had to make sure you were able to walk away from this situation with something.

We were able to secure a contract for another year for our remaining members who will continue the caretaker work. We were also able to secure \$5 million to be distributed among the members so that each of you will have some severance payment.



I know that this is no replacement for a good job with reliable benefits, but our only option was to turn our fight toward ensuring that you were not left empty handed.

Generations of workers labored at the 150-year-old site of Philadelphia Energy Solutions, supporting their families and enriching their communities. I join you in mourning this monumental loss.

In solidarity,

A handwritten signature in black ink that reads "Tom". The letters are cursive and fluid, with a prominent loop on the 'T' and a long, sweeping tail on the 'm'.

Tom