



TEMPORARY AND VARIABLE INCENTIVE TO OIL PROCESSORS REGISTERED WITH SOGHU IF THEY DO BUSINESS WITH COLLECTORS REGISTERED WITH SOGHU THAT MEET ELIGIBILITY REQUIREMENTS. (each party must verify if their business partners comply with eligibility requirements)

Whereas the current global weakness in commodity prices decreases the relative value of recycled products and therefore makes them more problematic for processing. It has been recommended by the ad hoc committee on the issue of oil, to establish a temporary and variable incentive based on the price of crude oil (WTI) in US dollars to be paid to all processors registered with SOGHU on volumes of oil delivered to them by collectors once the return incentives for these volumes have been claimed to SOGHU.

- The amount of this temporary incentive will be determined every semester on the daily average price of crude oil (WTI) in US dollars as displayed on Bloomberg.com. **Effective January 1st 2019**, the biannual adjustment of the temporary incentive will be done (every 1st of January and 1st of July) as per the following scale:

WTI biannual average price (\$usd/b)	Temporary and variable incentive (cents/liter)
40 and under	5
Over 40 to 50	3
Over 50 to 60	1
Over 60	0

Eligibility

- For Processors to be eligible to the temporary and variable incentive, they must make sure that the Collector that delivers them SOGHU used oil has 100 % fully integrated the electronic data collection system in regards to the collection of SOGHU oils.

SOGHU will put up on their website a list of collectors who meet requirements for their clients to be eligible for the temporary incentives on oils.

Procedure for payment of these incentives :

SOGHU will issue a purchase order number that will be sent to the processors listed on the claim forms of collectors who meet all eligibility requirements for the temporary incentive for oils. With this purchase order number, corresponding to the quantity of oil delivered by the collector, the processor will send an invoice to SOGHU to receive payment.

SOGHU reserves the right to terminate the aforementioned incentive following a 30 days notice.