

Email sent to all oil processors and oil collectors on September 29, 2020



TO ALL SOGHU REGISTERED OIL PROCESSORS

**NOTICE REGARDING THE UPDATE OF THE TEMPORARY AND VARIABLE INCENTIVE
TO OIL PROCESSORS REGISTERED WITH SOGHU**

As we had previously stated in our email from April, the amount of the temporary and variable incentive to oil processors registered with SOGHU is determined on the average of daily closing price of crude oil (WTI) in US dollars. The adjustment of the temporary and variable incentive is done as per the following scale:

monthly average price of WTI (\$/b)	Temporary Incentive to the processor (cents/liter)
Below \$ 40 USD	\$ 0.05
Between \$ 40 & \$ 50 USD	\$ 0.03
Between \$ 50 & \$ 60 USD	\$ 0.01
Above \$ 60 USD	\$ 0.00

In the course of the month of July and August 2020, the average closing price of the WTI sets itself between \$40 and \$50 USD. Consequently, the temporary and variable incentive to oil processors registered with SOGHU will be at **\$0.03/L for volumes delivered to processors effective September 1, 2020**, and until further notice.

As mentioned, SOGHU will re-evaluate this program monthly and reserves the right to, update any and all of its terms and/or terminate the temporary and variable incentive to oil processors registered with SOGHU for any reason it deems relevant.

If you have any questions regarding the temporary and variable incentive to oil processors, please contact Jean Duchesneau via email at jean.duchesneau@soghu.ca.

SOGHU wishes you all the best for the future. Stay safe

Jean Duchesneau, General Manager