

Email sent to all SOGHU oil collectors and processors on April 06, 2021



**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 in October 2020, the amount of the temporary and variable incentive to oil processors registered with SOGHU is determined on the average quarterly closing price of crude oil (WTI) in US dollars. The adjustment of the temporary and variable incentive will be done as per the following scale:

Quarterly average price of (\$/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 January to March 2021, the average closing price of the WTI sets itself between \$50 and \$60 USD. Consequently, the temporary and variable incentive to oil processors registered with SOGHU will be at **\$0.01/L for volumes delivered to processors effective May 01, 2021**, and until further notice.

Thus, the next quarterly evaluation will be on **July 01, 2021**. SOGHU 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](mailto:jean.duchesneau@soghu.ca).

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

Jean Duchesneau, General Manager