

In the Matter of the Receivership of Erwin Hymer Group North America, Inc. ("EHGNA" or the "Company")

Frequently Asked Questions - Employees

Q What is my termination date as a result of the Receivership?

Please refer to the termination letter dated February 15, 2019 (the "Termination Letter"), a copy of which is available on the EHGNA receivership website at www.alvarezandmarsal.com/ehgna. An employee who was a valid employee of the Company on February 15, 2019 was deemed to be terminated immediately prior to the issuance of the Appointment Order on February 15, 2019 (the "Separation Date").

Q What am I entitled to be paid?

In accordance with the Termination Letter, all valid employees of EHGNA as of the Separation Date are entitled to receive accrued but unpaid base wages owed up to February 15, 2019 and accrued but unpaid vacation pay (in accordance with your employment contract provisions) up to the Separation Date, and approved unpaid employee expense reimbursements up to the Separation Date.

Q What was included in my final pay, paid out on March 1, 2019* (the "Final Pay")?

Your final pay included accrued but unpaid base wages owed up to February 15, 2019 (as per your base salary, time sheets and/or punch cards ("Regular Pay"), and accrued but unpaid vacation pay (in accordance with your employment contract provisions) up to February 15, 2019 ("Vacation Pay"), less statutory source deductions (including income tax, CPP and EI on both Regular Pay and Vacation Pay) and advances previously made to you by the Company.

Q When can I expect my employee expense reimbursements?

For all valid approved accrued and unpaid employee expenses, cheques will be mailed by March 8, 2019 for the majority of employees, with some limited exceptions.

Q What tax rate was applied to my Vacation Pay? Similarly, what is the BONTAX (Bonus Tax) on my paystub?

As Vacation Pay has been paid as a lump-sum, it is treated as a one-time bonus. Therefore, the Company's payroll system uses the bonus tax method to calculate taxes (taxed at the highest marginal rate applicable to you). Your final annual personal income taxes will be reviewed and determined by the Canada Revenue Agency, following the filing of your annual income tax return.

Q What is a Record of Employment ("ROE") and when is it issued?

The ROE is the form that employers complete for employees receiving insurable earnings, who stop working and experience an interruption of earnings. An interruption of earnings (as defined by the Government of Canada) occurs when an employee has had or is anticipated to have seven consecutive calendar days with no work and no insurable earnings from the employer. Regardless of whether the employee intends to file a claim for EI benefits, the employer is required to issue an ROE each time an employee experiences an interruption of earnings or when Service Canada requests one.

* Final pay, vacation pay, ROEs and T4s for the 2018 calendar year have been provided/sent for the majority of all employees, with certain minor exceptions. If you have not received, please contact us through the email address provided above.

Q How is the start date determined on my ROE?

As an ROE is issued when there is an interruption of earnings (as defined above), the start date will either be the later of: (1) when you began employment with the Company; and/or (2) when you returned from a prior interruption of earnings. On the ROE issued March 1, 2019, your end date will be the Separation Date.

Q Why does the amount in Box 15B differ from what I make annually?

The earnings amount in Box 15B is based only on your last 14 pay periods (average).

Q How were any pay advances deducted in my Final Pay and how were they reflected in my pay stub?

Payroll advances owed by employees to the Company have been netted against accrued and unpaid wages and vacation to the Separation date, in order to determine your final net pay. When the advance was initially made to you by the Company, the amount of the advance appeared under “805- Advance”, as a negative deduction on your pay stub. Since this was a negative deduction, it means the amount paid to you in that pay period was higher. On the Final Pay, the amount beside “805 Advance” appears as a positive deduction on your pay stub. This positive deduction means that the amount paid to you was lower, in order to offset the amount of the initial advance. The Company and Receiver confirm that the advance has not been deducted twice.

Q What if I believe there are errors or omissions in the information that has been provided?

Please contact us at the below email address and we will work to respond to your request as soon as possible. However, please note that to the extent there are differences in your records as compared to the books and records of the Company (primarily time sheets and punch cards), the Company will be relying on its books and records to finalize claim amounts.

Additional questions can be submitted to: EHemployees@erwinhymergroupna.com

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