

January 13, 2026

## Section 54 Labour Adjustment Agreement

BETWEEN:

Hastings Entertainment Inc.

(the “Employer”)

AND:

MoveUP

Canadian Office and Professional Employees Union, Local 378

(the “Union”)

### (Re Cessation of Horse Racing at Hastings Racecourse & Casino)

**WHEREAS** the Employer and the Union are parties to a Collective Agreement with a term of January 1, 2025 to December 31, 2027 (the “Collective Agreement”);

**And Whereas** the Employer announced on December 5, 2025 that thoroughbred horse racing at the Hastings Racecourse has permanently ceased due to the Province’s decision to end sharing casino revenue;

**And Whereas** a number of the Union’s members under the Collective Agreement are employed at Hastings Racecourse;

**And Whereas** bargaining unit members currently on seasonal lay-off will not be recalled in the spring of 2026 due to the cessation of the horse racing;

**And Whereas** bargaining unit members who are currently actively employed performing grounds maintenance or related work at Hastings Racecourse will also be laid off on a date to be determined in or about the spring of 2026;

**And Whereas** the Employer provided the Union Notice under s.54 of the *Labour Relations Code* of the permanent cessation of horse racing at Hastings Racecourse and its impact on bargaining unit members (the “Affected Employees”);

**And Whereas** the Parties met on December 18, 2025 and subsequent dates and engaged in good faith discussions to develop an Adjustment Plan pursuant to Section 54 of the *Labour*

*Relations Code* to provide support and resources needed for the Affected Employees to transition to new employment;

**Now Therefore** the Parties have developed and agreed to an Adjustment Plan as follows:

**(i) Severance and Termination Pay for Those on Seasonal Lay-Off**

1. In recognition that those currently on seasonal lay-off will not be recalled to active employment due to the cessation of the horse racing, the following provisions will apply to them:
  - a) Each employee will be paid any entitlement to severance pay under Article 14.04(d) of the Collective Agreement;
  - b) Those employees with ten (10) or more years of completed service as of December 31, 2025 will each receive an additional severance payment calculated in accordance with Article 14.04(d) of the Collective Agreement, as follows:
    - 10 completed years – one (1) week additional severance
    - 20 completed years – two (2) weeks additional severance
    - 30 completed years – three (3) weeks additional severance
    - 40 completed years – four (4) weeks additional severance
    - 50 completed years – five (5) weeks additional severance
  - c) In addition, each employee will receive eight (8) weeks group termination pay, calculated in accordance with the *Employment Standards Act*;
  - d) Those currently on seasonal lay-off receiving the above noted severance and termination pay will be deemed to have been terminated on December 5, 2025 for all purposes;
  - e) Employees receiving severance and/or termination pay will be considered terminated as above and shall have no right of recall under the Collective Agreement; and
  - f) The Employer will provide these employees, the Union and the Minister with Notice of Group Termination under the *Employment Standards Act*.

**(ii) Severance and Termination Pay for Those Working to Wind Down Site**

2. Those employees who are currently actively employed will continue to be scheduled as needed at the site, as the Employer winds down its operations at the site. When these employees are no longer required they will be permanently laid off and the following provisions will apply:

- a) Each employee will be paid any entitlement to severance pay under Article 14.04(d) of the Collective Agreement;
- b) Those employees with ten (10) or more years completed service as of the date of their permanent lay-off will each receive an additional severance payment calculated in accordance with Article 14.04(d) of the Collective Agreement, as follows:
  - 10 completed years – one (1) week additional severance
  - 20 completed years – two (2) weeks additional severance
  - 30 completed years – three (3) weeks additional severance
  - 40 completed years – four (4) weeks additional severance
  - 50 completed years – five (5) weeks additional severance
- c) In addition, each employee will receive eight (8) weeks group termination pay, calculated in accordance with the *Employment Standards Act*, regardless of whether the group termination provisions apply to them; and
- d) These employees will be deemed to be terminated on their last day of active employment and shall have no right of recall under the Collective Agreement.

**(iii) Other Provisions to Assist Affected Employees**

3. The Employer will provide all Affected Employees notice of any vacancies at the Employer's other gaming operations in the vicinity until September 1, 2026. Affected Employees may express interest in posted positions and, where they meet the requirements of the position, will be given priority consideration for interviews. Nothing in this provision guarantees placement or alters management's right to determine qualifications and selection. The non-hiring of any Affected Employees at the Employer's other gaming operations shall not be considered a breach of this Agreement.

4. Notice of any vacancies at the Employer's other gaming operations in the vicinity will be sent by email to Affected Employees who elect to receive same, at the email address they provide to the Employer, for such purposes.
5. The Employer will extend access to online counselling under its Employee and Family Assistance Program (EFAP) to the Affected Employees and their families until September 1, 2026.
6. The Employer will arrange for support to Affected Employees to assist them in transition to alternative employment by providing voluntary groups sessions respecting:
  - a. Resume preparation and updating; and
  - b. Interview skills training.

**(iv) General Provisions**

7. The Union acknowledges this Agreement represents an Adjustment Plan for the purposes of Section 54 of the *Labour Relations Code*, and the Employer has satisfied any obligations it may have to both the Union and the Affected Employees under Section 54 of the *Labour Relations Code* and Section 64 of the *Employment Standards Act* by virtue of agreeing to the terms set out herein. For clarity, the Union acknowledges that no other termination pay or severance pay is required under the Collective Agreement, the *Employment Standards Act*, or otherwise.
8. The Union also acknowledges and agrees this Agreement resolves all issues arising under the Collective Agreement, Section 64 of the *Employment Standards Act* or the *Labour Relations Code* regarding the cessation of horse racing at Hastings Racecourse, and the permanent lay-off of employees in relation to same.
9. This Agreement does not impact the continuing operation of the Casino and simulcast racebook at the site, and the continuing employment of Union members at same.
10. To the extent that any provision of this Adjustment Plan is inconsistent with any provision of the Collective Agreement, the terms of this Adjustment Plan shall govern.
11. Arbitrator Ken Saunders will be seized to resolve any disputes arising over the interpretation or implementation of this Agreement.



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**For the Union**

January 14, 2026

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**Date**



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**For the Employer**

January 13, 2026

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**Date**