BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD

IN THE MATTER OF THE NATURAL PRODUCTS MARKETING (BC) ACT AND ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

TRANSCRIPT EXTRACT BOOK OF MPL BRITISH COLUMBIA DISTRIBUTORS INC.

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TAB 1

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Paul Mastronardi (for MPL) Exam for BCFIRB by Cnsl N. Mitha

- 1 meeting? 2 He said some of the other agencies and growers. 3 Sorry, other agencies and growers. Can you tell 4 me which agencies and which growers? 5 No. You would have to ask Ravi Cheema. 6 Q Can you tell me when these meetings took place or 7 where? 8 A In the summer roughly I think of 2020 and October 9 2020. And there was discussions before that too. 10 That he always said there was discussions out 11 west about keeping MPL out. 12 Q All right. The question I'm asking you, though, 13 is more specific which is you said MPL had been 14 advised and I wanted to know by whom was MPL 15 advised. And you're telling me it's Ravi Cheema? 16 Α Yes. 17 Q Okay. And is it limited to Ravi Cheema or is 18 there anybody else? 19 A I've also have had discussions with Shirvan 20 Bakhtiyari. 21 Q And who is he? 22 A He's from Millennium. 23 Q And sorry, what is Millennium? Can you help me? 24 A Millennium is a producer in BC. 25 Q Of regulated crop? 26 A Greenhouse, yeah. 27 Q All right. And what did Mr. Shirvan say to you? 28 A He said something that -- yeah, the Windset boys 29 will try to keep me out. Q So he -- he just mentioned the Windset boys, 30 31 meaning Paul and John? 32 A John and Steve. I'm Paul. 33 Q Sorry, yes. Sorry. Thank you. My apologies. 34 So Mr. Bakhtiyari mentioned to you just the 35 Newell brothers? He didn't mention any other 36 commissioners? 37 A No. 38 Q All right. And Mr. Cheema did not mention any 39 commissioner by name to you? Just told you that
 - A Yes.

 Q Then the next question I have is he told you that these were your competitors. That's the next part in paragraph (b). First of all, you were advised by I guess Mr. Bakhtiyari and Mr. Ravi

there were discussions by growers and agencies

but never actually told you which commission

members; is that fair?

- those five and not any others?
- A Well, obviously John Newell.
- O Yes.
- A And then Mike Reed. Mike Reed's a direct competitor and at the same time he was causing Ravi some problems as well with transferring some of his allocations with Houweling and Country Fresh. So Mike was, you know, in -- again, you'd have to ask Ravi. So Ravi told me that he was trying to make their life hard. And so Mike Reed was definitely trying to injure Mastronardi's relationship with Ravi.
- Q All right.
- A And then the three storage crop gentlemen as they are connected to marketing companies which would have a vested interest in blocking other storage crop marketing licences if John Newell and Mike Reed were scratching their back and vice versa. And then Andre because he kept on delaying stuff, you know. I talked to Andre a couple times on the phone and he wasn't really -- you could tell that he wasn't really forthcoming and when I -numerous times when we asked for answers, he'd say he'd get back to me in four weeks. It turns out to be, you know, 12 weeks later or 13 weeks later. Sometimes he wouldn't respond to my emails. There was no sense of urgency coming from him whatsoever.
- CNSL N. MITHA: Mr. Chair, could you just remind me, what was the time that the afternoon break was going to be taken? I'm just trying to time my

THE CHAIRPERSON: 2:30.

CNSL N. MITHA: 2:30, thank you.

- Q I put the notice of civil claim, which is what it's called. This is the -- essentially the document that starts the claim in court against these -- by MPL against these various commissioners and Mr. Solymosi. Can you see that?
- A Yes.
- Q And you can see from the date on the top-left hand corner it was filed April 23, 2021?
- A Yes.
- Q All right. I'm going to turn to paragraph 23 of this notice of civil claim. And that's headed -- just above that is headed "The defendants'

TAB 2

Can you please clarify for the panel when this conversation took place, where, and more specifically what Mr. Newell said to you?

A Yeah. It took place at the PMA show in 2018 in October. There was a vendor appreciation get to

- A Yeah. It took place at the PMA show in 2018 in October. There was a vendor appreciation get to together at appeal sciences. And they rented a house for their cocktail party. And Steve and I were sitting at a table poolside having a discussion about it. And I informed him -- you know, I heard that they were for sale. And we were talking about whether or not Windset would sell. And also, you know, I told him that we were coming out in the west and we were going to get a licence, and that's when he said that him and John would make sure, you know, that we wouldn't get a licence.
- Q And at that time to your knowledge was Mr. Newell a commissioner?
- A John, yes.
 - Q I meant John Newell.
- 21 A Yes.

- Q What was Steve Newell's position in Windset to your knowledge at the time of this conversation in 2018?
- A I believe Steve is CEO.
- Q CEO?
- 26 A Yes.
 - O And John Newell?
 - A John is either COO or president.
 - Q To your knowledge were they the two shareholders in Windset?
 - A Yes.
 - Q Were there other shareholders in Windset to your knowledge?
 - A Not that I know.
 - Q Turning to a different topic again. You also referred to a conversation you had with Jeff Madu. Can you tell us when that conversation took place and what he said?
 - A Yeah. So that was at a customer charity golf tournament that was in I believe August of '21.
 - Q What did Mr. Madu say to you?
 - A Madu said that Jeff and Steve will make sure that we're not going to get our licence, so you better just drop it. Give up. There's no use.
- Q Sorry, who and Steve? You said Jeff.
 - A Sorry, John and Steve.
- 47 Q You referring to Newell?

- A Yes. Jeff -- sorry, John and Steven Newell, yes. Q Did he say anything more about how they intended
 - Q Did he say anything more about how they intended to do that?
 - A No.

- Q And who -- what's the relationship between Jeff Madu and the Newells?
- A Jeff Madu is married to Steve and John's sister. And he, as far as I know, the head salesman for Windset.
- Q I would like you to tell us a little bit more about your -- the history of your dealings with the Newell brothers. When did Mastronardi -- I'll just call the company MPL. When did MPL first start having dealings with the Newell brothers?
- A The Newell brothers reached out to us, it would have been in the early 2000 year. And they wanted to sell us some of their produce. They were saying that BC Hothouse wasn't doing a good job. And they wanted us to buy their products. So we started buying product from them. So they were shipping us a whole bunch of cherry tomatoes and other types of tomatoes at that time.

And then they came out and visited us, and they wanted us to do more for them. And over the next I think it was about two years, they asked us to write support letters to them -- to the Commission so they could get their own licence. And I think during this time something happened because there was I think a breach by them at BC Hothouse and the Commission, and they weren't actually following the rules and they got some type of carveout eventually.

And then after that, like I said, they asked me to write them support letters to be able to get their own commission. And then I believe that happened by the end of 2002. And then after that, once they got their licence, they started to move away from our relationship. And in our view basically was once they got their own agency and then they were on the board eventually, it was, you know, lock the door behind them and don't let anybody else in.

- Q Since the Newells or Windset got their own licence, has MPL continued doing business with them?
- A Yeah. We still buy produce from them. I think, if I remember right, you know, basically over the last -- I don't know, we went three or four years

CROSS-EXAMINATION FOR PROKAM BY CNSL C. HUNTER:

- Q So, Mr. Mastronardi, I'm Claire Hunter and I represent Prokam Enterprises, which is one of the other complaint participants in this process, and CFP Marketing, which is the applicant for an agency licence that was referred to in the document you were taken to this morning by Mr. Mitha.
- A Nice to meet you.
- Q Nice to meet you. I'm going to ask you a few questions. You were asked by Mr. Mitha yesterday about whether any agency applications had been approved by the Commission in the last ten years. Do you recall those questions?
- A Yes.
- Q Anticipated evidence of commissioners was put to you that there had been no applications rejected in the ten years prior to your 2020 application. Do you recall that?
- A Yes
- Q And you were asked whether you were aware of any evidence of applications being made or rejected in the past ten years, and you said you didn't have any evidence of that?
- A Correct.
- Q Now, this morning you were provided with some minutes of a meeting in which CFP's application in 2019 was discussed. Was that an issue that you were aware of previously -- previous to your evidence yesterday?
- A No.
- Q And in your evidence yesterday you commented in response to the question about whether any applications had been made, you had commented it would be surprising if there had been no application since the moratorium was imposed. Why would a moratorium be necessary if there were no applications. Do you recall that?
- A Yes.
- Q Now, I'm going to take you to the decision rejecting CFP's application in 2019, which was not put to you yesterday, but it's what was contemplated when the -- at the meeting, the minutes of which were put to you this morning. And so this in the common book volume 1, marked Exhibit 1 for identification, at page 4168.

TAB 3

Paul Mastronardi (for MPL) Exam for the Commission by Cnsl R. Hrabinsky

```
1
           product from Ms. Glyckherr. Do you have any
 2
           comment about that?
 3
        A How would I?
 4
        Q And among other things you have alleged or rather
 5
           MPL has alleged that the named commission members
 6
           and Mr. Solymosi acted in bad faith towards MPL;
 7
           correct?
 8
        A Correct.
 9
        Q And, Mr. Mastronardi, I think it is important to
10
           give you an opportunity to speak to MPL's
11
           intentions and my question for you is this:
12
           your evidence that in making these allegations, MPL
13
           has been acting in good faith?
14
          Yes.
15
        CNSL R. HRABINSKY:
                            Thank you, Mr. Chair.
                                                    I have
16
           nothing further.
17
        THE CHAIRPERSON:
                         Thank you, Mr. Hrabinsky.
18
           Ms. Basham?
19
        CNSL R. BASHAM: As I said, Mr. Donkers, I would like
20
           to have a break. I want to consider my position
21
           before I decide whether I need to do any redirect
22
           or should.
23
        THE CHAIRPERSON: Yes, let's come back at 12:35.
           11:35 now and we'll hear from you then.
24
25
        CNSL C. HUNTER: Mr. Donkers, before we break, I would
26
           like to raise one issue. I sent [indiscernible]
27
           early this morning in respect of document issues
28
           and I would like to address that after this witness
29
           completes. And the other thing is that I gave
30
           notice this morning to Mr. Mitha that it is
31
           possible that I will apply for adjournment of the
32
           hearing at the conclusion of the discussion of the
33
           documents issue. So I wanted to give notice before
34
           lunch that I have that intention for other counsel.
35
        THE CHAIRPERSON:
                         Thank you, Ms. Hunter. It's my
36
           understanding is we'll have that discussion after
37
           Mr. Mastronardi has been excused.
38
                        12:35 then?
        CNSL R. BASHAM:
39
        THE CHAIRPERSON: 12:35. Thank you.
40
        THE COURT REPORTER: Off the record until 12:35.
41
        THE CHAIRPERSON: Yes, thank you.
42
43
           (PROCEEDINGS ADJOURNED FOR THE NOON RECESS)
44
           (PROCEEDINGS RECONVENED)
45
46
        THE CHAIRPERSON:
                         All right.
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THE CLERK: We're back on the record, yes.

TAB 4

44

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46

47

right?

You're --

We're off the record. 2 CNSL R. BASHAM: Mr. Donkers, I just want to make sure 3 that you understand that I --4 THE CHAIRPERSON: I understand. Got it. 5 All right. Thank you. CNSL R. BASHAM: 6 THE CHAIRPERSON: 1:15. 7 THE RECORDING SECRETARY: Off the record 'til 1:15. 8 9 (WITNESS STOOD DOWN) 10 11 (PROCEEDINGS ADJOURNED FOR NOON RECESS) 12 (PROCEEDINGS RECONVENED) 13 14 THE CHAIRPERSON: All right, thank you. Let's go on 15 the record, please. 16 THE RECORDER: Okay, we're on the record. 17 THE CHAIRPERSON: Ms. Basham. 18 CNSL R. BASHAM: Sorry, I just wasted five seconds. 19 Are we starting, Mr. Donkers? 20 That's five seconds I'm not going to THE CHAIRPERSON: 21 give you back. I did call you. 22 23 MARCEL ANDRE SOLYMOSI, a 24 witness, recalled. 25 26 CROSS-EXAMINATION BY CNSL R. BASHAM: 27 2.8 Mr. Solymosi, I'm Rose-Mary Basham. I represent Q 29 MPL and I'll be cross-examining on a number of 30 matters that you've testified to and were put to 31 my client earlier. 32 I just want to start with your role as the 33 general manager of the Commission. Do you agree 34 with me that in that role, you are a very active 35 participant in matters that pertain to the 36 Commission? 37 I would agree. Α 38 Ms. Hunter's already taken you to the delegation 39 of authority in s. 11. I'm not going to take you 40 to that again, but you agree that other than 41 licencing issues, you have the delegated 42 authority to deal with [indiscernible] matters

that are contemplated in that statute, is that

Yeah, can you repeat? It's hard to hear you.

CNSL R. BASHAM: I've never had that problem. Let's

1 make it louder.

A Okay, thank you.

- I said that Ms. Hunter's already taken you to the delegation of authority section and there's no issue that a lot of the powers are delegated to you, except for matters related to licencing. Is that a fair statement?
- A The Commission is responsible for, you know, anything related to licencing or agencies that you -- the -- you know, you have production allocation, delivery allocation. I have certain delegated authorities to proceed if -- say if there's a licence function, a function with a policy attached to it, it's following the policy. So if there's policies in place, then I would follow the policy that's in place for that function.
- Q And you -- can you agree with me as a general proposition that you knew, throughout the time that you've been a general manager, that the commissioners rely on you to a great extent in helping them do their job?
- A Correct.
- Q For example, if an issue arises, you would be the person to collect the information, the evidence, the documents. You look at that all and then you bring it to the Commission and tell them about it. Is that a fair general statement?
- A That's a fair statement, correct.
- Q Do you also agree with me that building trust and integrity in an orderly marketing system is a very important mandate for the Commission?
- 33 A Absolutely.
 - Q And you want the agency producers to be accountable to each other, correct?
- 36 A We want everyone to be accountable to the system, correct.
 - Q You get feedback that you relate to -- from the industry that you relate to the Commission, along these lines. Growers go to the agencies, the agencies come to you, you then relate the information to the Commission, is that correct?
 - A That's one, I guess, path forward, correct.
- 44 Q And there are time is when you talk to the 45 growers directly? You don't even go through 46 agencies?
- 47 A If they call me and -- they can talk to me

Α

1 directly at the office, correct. 2 Q Fair to say that you have your fingers on the 3 pulse, so to speak, about what's going on in the 4 industry, from the point of view of the growers, 5 the agencies? Is that a fair statement? 6 I would -- I wouldn't say it's -- it's fair that Α 7 I have my finger on the pulse at any -everything. I -- I have my responsibilities and 8 9 there's -- my workload is related to work plans 10 that are put forward to the Commission, you know, 11 directives by FIRB, and initiatives taken to 12 ensure an orderly marketing framework is 13 happening as -- or performing as it should. 14 so there's a lot of -- a lot of things on the go 15 and a lot of -- a lot of things that I do that 16 are initiated from the Commission itself. 17 But in the context of making sure that trust and Q 18 integrity in an orderly marketing system is a 19 very important mandate, that is something you 20 would keep your fingers on the pulse, correct? 21 Α Correct. And so you attend to things like compliance with 22 0 23 infractions. You take part in that kind of 24 thing, fair? 25 Correct. Α 26 I mean we've heard a lot of evidence, which I'm 27 not going to ask you about, dealing with the 28 cease and desist order, and you were very much an 29 integral part of all that investigation and 30 decision-making. Is that a fair statement? 31 I'm an integral part of it, correct. Α 32 And you agree with me that the industry operates Q 33 on the basis of trust? 34 Α Correct. 35 And that would be Commission trusting agencies? Q 36 Α Correct. 37 Q Agencies trusting Commission, or the 38 commissioners? 39 Α Absolutely, correct. 40 Q Growers trusting agencies? 41 Α Correct. 42 Q And growers trusting the Commission? 43 Α Correct. 44 And part of your job as the general manager is to 45 make sure that the system of trust is maintained. Is that a fair statement? 46

That's a fair statement, correct.

44

45

46 47 Α

statement?

1 If the industry loses that trust, the whole Q 2 system breaks down, is that a fair statement? 3 Α Absolutely. Correct. 4 Okay. You are ordinarily present at all the 5 Commission meetings? 6 Α Correct. 7 And you know what document's being presented, 8 because you're the one that collects a lot of 9 them? 10 Correct. Α 11 You are the one that presents documents to the 12 Commission, as appropriate? 13 Α Correct. 14 Q So you also know who voted in what way? I -- correct. 15 Α 16 Okay. And you would know if any of the commissioners recused themselves in any 17 18 particular issue? 19 Α Those would be reported in minutes, and the 20 minutes are accurate, so that would be correct. 21 But you would know. All I was asking is whether Q 22 you would know. 23 Α I would --24 Q Not your staff. 25 Correct. Α 26 Would it be fair to say that the commissioners 27 depend on information provided by you in the 2.8 discharge of their duties? 29 That would be fair. Correct. Α And traditionally, since you've been involved 30 Q 31 anyway, the -- decisions have been made with the 32 general manager of -- who collects the evidence 33 and provides what he believes is necessary. Is 34 that a fair statement? 35 Α Well, collecting the evidence and providing it to 36 the Commission, and the Commission will determine 37 what further evidence they need before they make 38 a decision. 39 0 But at first instance, you, as the general 40 manager who -- put together the documents and 41 evidence that you think are necessary and bear on 42 an issue that has arisen. Is that a fair

That's a -- that's a fair statement.

bring forward all the doc -- all the documents and everything I have that is not -- well, depend

-- is not confidential from the Commission.

I would

Commission?

1 was the way to do it. 2 3 Is that -- that's your evidence, right? 4 true? 5 It appears so, yes. Α 6 Now, do you agree with me that vegetable 7 growers on the Commission -- the commissioners who are vegetable growers rely on the 8 9 commissioners who have potato [indiscernible] or 10 storage [indiscernible], on matters arising out 11 of storage crop infractions or issues --12 Α Yeah. 13 Q -- is that a fair statement? 14 It's a fair statement, because they would have 15 the knowledge of that sector and the greenhouse 16 producers would have a knowledge of greenhouse 17 sector. 18 Q So you've answered my next question; vice-versa 19 is true. Storage crop commissioners relied on 20 green growers, is that --21 Α Correct. 22 That's correct, right? Q 23 Α Yeah. 24 And so if there was a conflict in a matter 25 arising from vegetable growers o that the 26 Commission or commissioners are unable to vote 27 under this conflict of policy -- conflict of 28 interest policy, it would -- it'd fall on the 29 storage crop commissioners to do the vote? 30 Well, yeah, the -- if there's a -- a -- a Α 31 conflict or [indiscernible] -- I guess a 32 conflict, then it would resolve -- it would fall 33 on the other producers that are not recused from 34 that process. 35 Q And the reverse -- the converse is true. 36 issue arose in a grower's -- or sorry, there --37 the converse, where there's an issue involving a 38 storage crop, storage crop commissioners is 39 conflicted for some reason, then it falls on the 40 vegetable growers commissioners to make the vote. 41 Is that a fair statement? 42 Fair statement, correct. Α 43 And of course commissioners who are green -- or 44 excuse my language, my thinking over this. 45 vegetable growers commissioners and the storage 46 crop commissioners work hand in hand with the 47

- 1 A You also have the independent chair at this time, 2 so you have --3 Q No, I'm talking about before you had an
 - Q No, I'm talking about before you had an independent chair.
 - A We've always had an independent chair.
 - Q Well, you had an independent chair, but you had a number of commissioners who are vegetable rowers, you had a number of commissioners --
 - A Correct.
- 10 Q -- for storage crop, and those two groups rely on each other, correct?
- 12 A Correct.
 - Q And they work hand in hand?
 - Well, they're all members of the Commission, including so the Commission is composed of three greenhouse producers or four greenhouse producers, and you have four storage crop producers and an independent chair. And that scheme has been amended recently so that you have two independents appointed by the Commission, and along with the chair, and then you have three greenhouse and three storage crop. But that's that's recent, as of as of 2020/2021, which were progressing by itself. Just to give you a little context.
 - Q No, that's fine. Thank you. I just want to put certain evidence given by Mr. Newell in his cross-examination by Ms. Hunter in 2018. I just want you to tell me whether you agree with that evidence. It's at 2487 in the first common book. It's at line 35, so closer to the bottom of the page. This is Mr. Newell giving evidence. I'm not going to go through this with you in any great detail. You remember this hearing, because you were cross-examined then?
 - A I -- I remember the hearing, yes.
 - Q You probably have this memorized by now, but I don't, so -- anyway, let's go --
 - A I --
 - Q Let's go to line 35. This is Mr. Newell giving evidence, and that was a situation where Ms. Hunter was examining both you and Mr. Newell at the same time, in essence, and you [indiscernible] answer. It seems like how that was done. Am I correct?
- A Correct. We were both up there at the same time.
 Right.

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Α

Marcel Andre Solymosi Cross-exam by Cnsl R. Basham

So in answer to Ms. Hunter's question, do you Q 2 have any recollection at what point in the 3 discussions -- referring to an earlier question, 4 but where I really want to take you to is that --5 you said you didn't take any notes, but in the third line to the answer, line 36: 7 8 We have to rely on their knowledge... 9 10 -- referring to the crop -- storage crop people. 11 12 We've got our own opinions ... 13 14 -- you've seen that in -- in his notes. 15 16 ... and we, as an industry or industry 17 Commission, have to take advice from each 18 other. Is that true? Sure. 19 20 Mr. Newell: 21 22 And they're heavily invested, many of them 23 for 40-plus years. And that industry have 24 taught me an enormous amount as a greenhouse 25 commissioner, and I know there are other 26 greenhouse commissioners who are actually in 27 the same boat. They rely on us equally for 28 every ... 29 30 -- and carry on to the next page --31 32 ... any -- anything that happens in the 33 greenhouse business, and that they're not, 34 as an agency manager, but a commissioner for the greatest good of the industry. And I 35 36 want to be [indiscernible] to make sure that 37 this regulated industry stays strong. 38 39 You agree with that evidence? 40 I -- I agree. Α 41 So I'd just like to get a -- an idea of your 42 perspective of your role vis-a-vis the 43 Commission. Do you consider the Commission to be 44 your Commission? Is that your perspective?

Well, a -- a Commission is -- represents the industry, so it represents all stakeholders in

the industry, and that's --

- we follow the policy in place to bring it forward to the Commission.

 Well, the "we" is you, isn't it? You're the one that takes a look at the agency application, and then you bring it to the commissioners. Isn't
 - that the case?

 A I -- I have -- I've not looked at the agency applications that are brought -- have been brought forward to the Commission. It launches a process in place where we start the process of appointing a panel and -- and we follow the process -- the policy in the general order.
 - Q Do you participate in meetings in which the commissioners consider an agency application?
 - A Normally I would.

- Q And you give your input, from your perspective as a general manager? You do that?
- A On occasion, I provide a recommendation, and if asked, I could pro -- I would provide my input.
- Q You would provide your input. But surely --
- A I would provide --
 - Q -- this -- okay. Mr. Solymosi, I'm not going to dance around with you. You're not suggesting to me that you go to these Commission meetings and sit there with [indiscernible] unless being asked a question. You're not suggesting that, I hope.
 - A I bring the matters to the Commission. I bring the information to the Commission. They discuss you know, there's deliberations, there's discussions. That's they are the decision—makers.
 - Q I get that. But I'm suggesting to you you participate in that process. Can you not agree with that? You don't vote. I get it. But you participate in the discussions. Surely you'd agree with that?
 - A It's -- well, not to the extent that you're implying.
- Q I'm not implying anything. I'm simply asking a question. Do you or do you not --
 - A Well, I participate. I'm there.
- 42 Q Mr. Hira was very quick to correct some of the
 43 other witnesses. Let me finish my question,
 44 please. My question is pretty simple. Can you
 45 not agree with me that you, as the general
 46 manager, would participate in discussions? I'm
 47 not saying you're voting. But do you not even

Α

```
1
            agree with the simple proposition that you
 2
            participate in discussions?
 3
            I would participate.
       Α
 4
            Thank you.
       Q
 5
            Nothing stopping me from it.
       Α
 6
            All right.
                        Well, of course you have your views.
 7
            You understood it meant something to the
 8
            commissioners?
 9
       Α
            Pardon me?
10
            Your views, as you understood it, would be
11
            considered by the commissioners, correct?
12
       Α
            Correct.
13
            Okay. Let's just turn -- let's go somewhere
14
            else. Let's just go to a different topic.
15
            and conflicts of interest. That's a subject
            matter that's been dealt with in this hearing
16
17
            forever, so I'm going to have to ask you a few
18
            questions.
19
                 Is it a fair statement that you've known
20
            about the industry's concern with bias and
21
            conflicts of interest in the Commission,
22
            perceived or real?
23
       Α
            Perceived on who?
24
            Perceived or real. You've understood that there
25
            has been a lot of industry concern about bias and
26
            conflict of interest?
27
       Α
            Yeah, absolutely.
28
            Yes. And that's been going on for some years?
       Q
29
       Α
            Well, I started in 2015. We initiated a
30
            [indiscernible] supervisory review and got
31
            feedback through that process, and that's where,
32
            you know, feedback was --
33
       Q
            But you --
34
       Α
            It was centred around that.
35
            I get it. There was a FIRB Panel struck to
36
            consider this particularly, but even before then,
37
            the whole problem within the industry, or this
38
            lack of trust that could be -- your concern with
39
            bias or conflicts of interest at the top, those
40
            were matters that were known to you?
41
            As I -- yeah, since I became general manager,
42
            they became known to me, correct.
43
            So comments like "old boys' club," "corruption at
       Q
44
            the top," those are not new to you. You've known
45
            -- you've heard those type of comments for some
46
            years?
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I've seen -- I've heard the old -- "old boys'

Marcel Andre Solymosi Cross-exam by Cnsl R. Basham

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1
            club" --
 2
       Q
            [Indiscernible] --
 3
            "Corruption at the top," you know, that's not
 4
            something I've heard.
 5
       Q
            Not even since 2020?
 6
            2020? Well, I guess through the feedback from
       Α
 7
            the -- I guess with Dawn Glyckherr, there was
 8
            some feedback through that process, correct.
 9
       Q
            But -- so you heard about that kind of talk --
10
            Yeah, absolutely.
       Α
            -- in 2020, correct?
11
       Q
12
       Α
            Correct.
13
       Q
            I'm going to suggest to you that it was even
14
            before that, say 2019?
15
            Well, Dawn Glyckherr was brought on in 2019, so
       Α
16
            that's correct.
17
            Dawn Glyckherr?
       Q
18
       Α
            Dawn Glyckherr, yeah. Sorry, yeah.
19
            I'll get to her in a little while, but Dawn
20
            Glyckherr is a -- or was a contractor to -- who
21
            was hired by the Commission to conduct a
22
            strategic review, correct?
23
       Α
            Correct.
24
       Q
            And you recommended her highly to the Commission?
25
       Α
            Absolutely.
26
            I'll get to that, but I'm going to ask you later
27
            about just what kind of communications you had
28
            with her, about what she found, but I just want
29
            to make sure that the -- we have that down first,
30
            and I'll move on to something else in a moment.
31
                 Can you agree with me that the Commission
32
            has always recognized that the commissioners need
33
            to act impartially?
34
       Α
            Absolutely.
35
       Q
            They have to be seen to be impartial?
36
       Α
37
       Q
            And that's why there's a conflict of interest
38
            policy in place, correct?
            Correct.
39
       Α
40
            I'm not going to take you to it again, but Ms.
41
            Hunter went through that in some detail the last
42
            couple of days with you, and you've identified
43
            that [indiscernible] about what the definition of
44
            a conflict of interest is, the fact that it
45
            involves not just the person involved, but anyone
            close to them and so on. I don't need to go
46
47
            through all that with you.
```

Marcel Andre Solymosi Cross-exam by Cnsl R. Basham

1 Well, that's when he came on the Commission. Α 2 Q So what? I mean you say that Mr. Newell, being 3 on the Commission, was not required to sign one? 4 Α Pardon me? Pardon? 5 Are you saying that Mr. Newell was not required 0 6 to sign a form of undertaking, even if he might 7 have had a conflict, as the [indiscernible] conflict of interest policy? 8 9 Α Well, when -- when he was -- when he went to the 10 Commission, I would expect to see documentation 11 there where they sign off on this conflict of 12 interest undertaking. 13 Q Well, you keep saying you would expect. 14 haven't seen any, and you haven't seen any, 15 correct? 16 Well, Mr. Newell was there before my start at the Α 17 Commission. 18 Q But surely a form of undertaking would be a 19 matter of record in the Commission, would it not? 20 Α It would be. Correct. Okay. Well, I'll wait 'til Mr. Hrabinsky 21 0 22 provides the information. 23 In June of -- sorry, in September of 2019, 24 FIRB established a panel to undertake a 25 supervisory review to address the, in particular, 26 issues of bias and conflicts of interest. 27 that correct? In what -- can you repeat that, please? 28 Α 29 In September 2019, FIRB established a panel to Q 30 undertake a supervisory review. Just answer that 31 first, and I'll --32 Α Correct. 33 Q -- ask you --34 Α Correct. 35 A large part of that review was focused at biases 0 36 and conflict of interest issues, is that correct? 37 Α Correct. 38 And part of the reason was that as at the time 39 they struck that supervisory review, there were a 40 lot of appeals of decisions made by the 41 Commission? 42 That is correct. Α 43 I'm going to ask you to -- I'm going to jump Q 44 ahead a little bit and come back to some of the 45 other things later. I'll rephrase that.

Before the June 2019 FIRB Panel, you -- or

the Commission retained Glyckherr to do a

1 strategic review, correct? 2 Α Before June 19th? 3 Q Before June 2019, Glyckherr was [indiscernible]? 4 Α Correct. 5 She was retained on April 1st, I believe. Q 6 was the announcement, is that right? 7 Α Correct. 8 And she was looking at issues related to bias as 9 well? 10 A lot -- Ms. Glyckherr -- or Glyckherr had 11 conducted interviews, and that was the start of 12 the process of the strategic planning process. 13 Q But initially she was -- I'll get back to that a 14 little later, if necessary, but initially the 15 anticipation was that she would interview 35 16 people, but she ended up [indiscernible] of like 17 a hundred people? 18 Α Exactly. 19 Yeah. Because the more she interviewed, the more 20 she felt like she needed to do some more 21 interviews. Is that a fair statement? 22 Well, she interviewed the growers. You know, the 23 stakeholders want -- they wanted to talk, and it 24 was appreciated, and she wanted the -- the voice 25 -- voices to be -- everyone had an opportunity to 26 talk, so --27 Q And you were all in favour. 28 Α -- she expanded. 29 Q You were -- you supported that? 30 Α Oh, totally. 31 And a lot of that, those interviews, related to 32 biases and conflicts of interest. Fair? 33 Α I think concerns of trust, and those are 34 definitely concerns of trust. 35 When you say "concerns of trust," that is whether 36 the Commission acted fairly, correct? 37 Α I -- I guess that's a trust factor, so correct. 38 And whether there were biases and conflicts of interest in the Commission? 39 40 Α Correct. 41 Also, the Commission's oversight of agencies, 42 that was another issue? 43 Α Yeah, that was a process we started. 44 She went on for some time, but she never 45 completed a report. Do you know why? 46 So she conducted those interviews over the summer Α

months, and they came to a completion I believe

41

42

43

44

45

46 47

it was in July or August, and at that time she 2 didn't feel she had enough information to pull 3 together a strat plan that the Commission had 4 requested. 5 Did she report to you? 6 CNSL R. HIRA: Just a moment. He's still going 7 through his answer. 8 Just so -- counsel doesn't have to CNSL R. BASHAM: 9 keep interjecting. You stop, and I assume you finished. But if you're not -- you can tell me 10 11 if you're not finished your answer. All right? 12 Fair enough. 13 CNSL R. HIRA: You can't see the smile on my face, Ms. 14 Basham. 15 CNSL R. BASHAM: No, I can't. 16 So -- so she put forward a proposal of what it 17 would cost to -- I guess to continue with the 18 work, to bring -- bring the -- the process to a 19 final conclusion with a strat plan in hand. 20 Are you suggesting, sir, that she gave a preliminary report about how there was a lot of 21 22 concern about bias, conflicts of interest. Her 23 findings were not favourable to the Commission, 24 and the Commission was not happy with that. Is 25 that a fair summary? 26 She never did provide any -- any report. The --Α with discussions from her, it -- you know, issues 27 28 of trust is a -- is a governance level, and that 29 if you want to restore trust, you've got to start 30 with the governance, and -- and that was -- that 31 was basically -- moving forward, you know, 32 governance is -- is an issue that needs to be 33 addressed first to restore trust in the system. 34 It wasn't well received by the commissioners. 35 that a fair statement? 36 Α I provided the report of -- you know, FMO to the 37 Commission, based on what Dawn -- Mrs. -- Ms. 38 Glyckherr had recommended or put forward as a 39 proposal the -- what it would take to complete

> this extra money before they can get it. Q So didn't Ms. Glyckherr attend at a Commission

the work to provide a strat plan, and the

commissioners felt -- they were not happy with --

that day there were no deliverables at that point

that could be brought forward to the Commission,

deliverable, they were -- you know, had to spend

and that they had to -- in order to get that

Q

Α

she said that?

Not denying it.

46

47

1 Α She was -- well, she was presenting --Correct. 2 trying to pull forward discussions of the 3 commissioners to bring forward I quess the --4 develop a strat plan process. So --5 Did she tell you that her findings were basically 6 interviews, that governance structure was 7 suspect, at the best? Did she tell you that? 8 I heard that. Α 9 Q She told you that, right? 10 Α Correct. 11 Did she tell you that she foresaw the death of Q 12 the family farm? 13 Α Pardon -- pardon me? 14 Did she tell you that she foresaw the death of 15 the family farm? 16 Α Correct. 17 Q Did she say there was an old boys' club? 18 the people she interviewed had interesting points 19 of view, but the Commission -- or at the 20 Commission meeting, no one spoke up with those 21 points of view, they toed the line. Did she tell 22 you anything like that? 23 Α Correct. 24 Many Commission decisions are not made at the 25 Commission meeting, but at the coffeeshop in 26 Delta. Did she tell you that? 27 I heard that, correct. Α 28 From her? Did you hear --Q 29 Correct. Α 30 Q Did she tell you that there were mental health 31 issues and that many farmers were feeling ignored 32 during the interviews, and many were crying? 33 Α Correct. 34 In fact, there was quite a lot of racism. 35 the first settlers versus the Indo-Canadian 36 farmers. Did she tell you that? 37 Α I don't recall that specifically. 38 But it wouldn't surprise you that she said --39 Α But it wouldn't -- if she said -- yeah, I would 40 -- I would say that that's correct. 41 That this industry wanted to get rid of the 42 little guys and there's middle class. Did she say that? 43 44 Α I can't recall that. 45 You just don't recall? You're not denying that

"pirate"?

```
1
                 The Commission -- sorry, the industry -- oh,
       Q
 2
            sorry.
                    There's corruption at the top. Did she
 3
            tell you that?
 4
       Α
            I can't -- you know, I can't deny that.
 5
            So surely, just from the few things that you do
       0
 6
            acknowledge being told, the trust that was so
 7
            integral of the entire system was obviously not
 8
            there?
 9
            The which?
       Α
10
       0
            The trust --
11
       Α
            Trust.
12
            -- that you've testified was integral to this
13
            whole system was obviously not there, at least
14
            from the growers' point of view?
15
            Well, this is through the discussions that -- in
       Α
16
            Dawn's report, if that's such, then -- then the
17
            extent of the trust is not there, correct.
18
       Q
            Do you have any reason to doubt the veracity of
19
            what she told you, based on what she heard?
20
       Α
            Well, I -- I trust Dawn.
21
            You, in fact, [indiscernible]. You -- you're
       0
22
            really high on her. You thought she was a great
23
            moderator, that she had done a really good job,
24
            and when she was over -- exceeding budget, you
25
            wanted to keep her on and finish it up. Is that
26
            a fair statement?
27
            Absolutely, yes.
       Α
28
            You were getting opposition from some of the
       Q
29
            commissioners, but you personally thought she was
30
            good?
31
       Α
            Absolutely.
32
       Q
            She's a trustworthy contractor?
33
       Α
            Absolutely.
                         Trustworthy person.
34
       Q
            Upstanding?
35
       Α
            Absolutely.
36
       Q
                   Were you aware that commissioners called
            Okay.
37
            -- any commissioners her names?
38
            I -- I don't know if it's specifically
       Α
39
            commissioners, but I've heard of -- of that from
40
            Dawn.
41
       Q
            So Dawn told you that the commission -- some of
42
            the commissioners were calling her names as a
43
            result of what she was reporting, is that right?
44
            Well, I heard -- the name "pirate" is one, and --
       Α
45
            When Dawn told you that the commissioners were
46
            calling her names, one of which you know about is
```

Α

Marcel Andre Solymosi Cross-exam by Cnsl R. Basham

1 Well --Α 2 Q What --3 What's that? Α What do you mean by "through the coffeeshop"? 4 5 What do you mean by that? 6 Α Well, when -- when you mentioned just I quess 7 names, not commission -- not commission -- I --8 like what -- what you were saying before around 9 the old boys' club, things like that, those --10 those -- those kind of comments in a general 11 I don't remember that it was specific to form. 12 commissioners. 13 I don't know why we're talking at cross-purposes 14 here, Mr. Solymosi, but I'll rephrase my question 15 again. I asked you whether you had heard from 16 her that she was called names. You said yes, 17 that she --18 Α Yes. 19 -- had individual interviews with the 20 commissioners, not as a whole, and she reported 21 to you that she was being called names. 22 right? 23 Α Correct. 24 Q Who did she say of the commissioners that were 25 calling her names? 26 Α She didn't say any commissioners. Specify. 27 But she did say she was being called names? Q 28 Α Correct. 29 And you knew when she reported to you that she 30 was not well received by the commissioners that 31 she interviewed. Yes? 32 By all commissioner -- I can't say all, but --Α 33 Q At least some? 34 Α Could be. So --35 Q At least the ones [indiscernible]? 36 Α I guess if that -- yeah, correct. 37 Okay. She also told you that a significant 38 amount of work was required to restore the 39 confidence in the regulatory system. 40 Correct. Α 41 And -- okay. Let me carry on with this. 42 Ms. Delli Santi? 43 Ms. Delli Santi is the executive director of the Α 44 BC Greenhouse Growers Association. She is the highest level person representing the 45 Q

growers. Is that about right?

The Growers Association, correct.

```
CNSL R. BASHAM:
                        Second paragraph --
 2
                     -- from Dentons, yeah.
       CNSL R. HIRA:
 3
       CNSL R. BASHAM:
 4
            Second paragraph is -- Morgan Camley refers to --
 5
 6
                 We would also like to advise the Commission
 7
                 of certain concerning facts that have
 8
                 recently come to MPL BC's attention. MPL BC
 9
                 has been advised that there was a movement
10
                 to discredit its application by certain
11
                 entities, that they have a direct role in
12
                 deciding its agency application.
13
14
            First of all, did you hear anything about that in
15
            the industry?
16
            Where is this?
       Α
            Did you hear anything about certain entities
17
18
            opposing MPL's agency application --
19
       CNSL R. HIRA:
                     He's trying to read --
20
       CNSL R. BASHAM:
21
            -- on September 11th, 2020?
22
       CNSL R. HIRA: He's trying to read the second
23
            paragraph.
24
       CNSL R. BASHAM: All right, read it.
25
            This was September --
26
            8th -- 11, 2020. Were you aware of that?
27
            I was not aware, no.
       Α
28
            Did you look into it?
       Q
29
       Α
            No.
30
       Q
            Why not?
31
            Why not? I -- I think we replied to this letter
       Α
32
            to ask for some further information on it.
33
            No, my question is why didn't you look into what
34
            was being alleged?
35
                     Well, in fairness, you have a letter
       CNSL R. HIRA:
36
            from him dealing with that issue.
37
       CNSL R. BASHAM: No. Please, Mr. Hira, I'm asking him
38
            whether he made an investigation and he said no,
39
            and I'm asking him why not.
40
            Well, we had -- we had a letter -- I issued a
       Α
41
            letter in reply, and that was the position.
42
            No, I asked you whether you made any
43
            investigation into that allegation, and you said
44
            no. And I asked you --
45
       Α
            But --
            -- why not?
46
       Q
47
       Α
            Well, it wasn't substantiated here what -- what
```

- the -- I guess this in -- information had been communicated.

 Well, as the general manager, did it not conce
 - Q Well, as the general manager, did it not concern you whether there was a movement to discredit an applicant?
 - A I guess -- I guess not.
 - Q Why not? We're talking about trust, confidence, fair play. Why wouldn't it have made you concerned?
 - A 'Cause I -- like I -- I guess I didn't see it as a -- as a matter of -- I guess I didn't see it as a matter of -- targeted to MPL or -- like I guess that's what the answer would be.
 - Q No, I don't want the answer "would be." What were you thinking? I don't want a would be. What was your actual thinking at the time? You're the general manager. You've been told by an applicant that there was a movement to discredit its application by certain entities that may have a direct role in deciding the agency application. Did it not concern you who that might be and whether there's any merit to it?
 - A I would get --
- 25 Q Sorry?

- A At the time, I did not.
- Q Okay. This is in the midst of a FIRB review that was investigating exactly into matters of bias, governance, conflict of interest. Here's a new applicant and you're saying that that didn't concern you?
- A I guess the application -- if there's an application here, it would be -- we would have a process in place to manage the presumption of bias at the Commission level, and that's how it would -- it would be dealt with.
- Q No, sir, I don't want you to presume. I don't want you to assume. I want you to tell me what your state of mind was and what you actually did. I think you agree with me that you didn't do anything about it.
- CNSL R. HIRA: Well, just a moment. This ground has been tilled well by Commission counsel, and the questions here are frankly unfair, because you know that a week later he wrote to your client, saying please give me the particulars and there was no response. [Indiscernible] --

47

1 Q 2 Once the Panel is satisfied that it has a 3 complete application, the application will 4 be accepted. The applicant will be informed 5 of his acceptance and that they will need to 6 submit a non-confidential briefing document 7 to all interested parties a minimum of three 8 weeks prior to the hearing date. 9 10 That was the process that was being suggested, 11 and that was the timeline that was being 12 suggested, correct? 13 Α Correct. 14 Q Then paragraph 3: 15 16 If the application is complied with, all considerations and the non-confidential 17 18 briefing documents provided by November 19 23rd, a hearing date can be scheduled in the 20 week of December 14 to 18. 21 22 Correct? That's the timeline we're looking at? 23 Α That is correct. 24 And the hearing date of December 14 to 18, that's 25 when you were going to decide whether the 26 application would be granted, is that right? 27 Α That is correct. 28 Okay. So right up 'til -- right -- on November Q 29 4th, that was the suggested timeline, correct? 30 Α Correct. 31 Now, then on November 5, 4549 -- okay. Now, then 32 on 4555, on November 5, at 5:32 p.m., a day 33 later, you send an email to the Panel, and you 34 said Debbie spoke to Hugh and Brent, and you 35 spoke to Peter and Armand. Correct? You had two different --36 37 Correct. Α 38 -- calls; one by Debbie, one by you? Q 39 Α Correct. 40 And then you say there that Hugh and Brent 41 received the package but have not opened it. 42 that --43 Α Correct. 44 It's receiving it on November 16th, Armand had not yet received the package, and Debbie has 45

received it but not opened it, and then all of a

sudden, you say:

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1 All Panel members are instructed not to open 2 the package. 3 4 What happened between November 4 and Why? 5 November 5 for you to all of a sudden say don't 6 open the package? 7 I had discussions with our Chair, the Chair of 8 Commission, and outside people, counsel. 9 Q What was that again? The discussion was what? 10 There was a discussion with the Chair and outside 11 legal counsel. 12 So you had a meeting with counsel, is that what 13 you're saying? 14 We had a meeting with counsel, correct. Α 15 And so on November 5, you decided to turn around 16 180 degrees; don't open the package. We're not 17 going to follow everything that we discussed 18 before. Is that right? 19 Α Correct. 20 Okay. And then all of a sudden, you're now 21 working on making amendments to GO part 4 -- 14, 22 rather, and that you're now waiting for that to be done before you would consider the 23 24 application, is that right? 25 That is correct. Α 26 And that's notwithstanding FIRB saying to you you 27 have enough. You can make a consideration. 28 don't have to finalize the changes to the general 29 order before you make a decision, you can ask for 30 things as you go along. But you changed your 31 mind. You decided that you wanted finalization 32 of the changes before you would consider the 33 package, correct? 34 CNSL R. HIRA: Just a moment. I object to that 35 question. In terms of you changed your mind, I think a distinction needs to be drawn between the 36 37 general manager and the Commission. CNSL R. BASHAM: All right, let's do that. 38 You participate in all these discussions, right? 39 40 You made calls to the commissioners? Two of 41 them, at least? 42 I did, yeah. Α 43 You were acting in concert with Debbie, who spoke Q 44 to two others? 45 Α Correct.

You conveyed to Peter and Armand the decision not

to open the package, correct?

46

47

Α

there?

No.

1 asserting. 2 Α I questioned that by going directly to Casey 3 Houweling. 4 I'll repeat my question. You never once 5 questioned Mr. Reed himself about the basis for 6 his assertion, correct? 7 Α Correct. 8 I'm going o go on to a completely different 9 topic. I'm just going to ask you some 10 questions --11 CNSL R. BASHAM: I won't be long, Mr. Donkers. 12 Were you aware that Mr. Cheema was saying that 13 the Commission was a scam, that the industry was 14 saying that the Commission was a scam? 15 I'm aware he said that, correct. Α 16 Well, were you aware that that was the sentiment 17 of the industry, that the Commission was a scam? 18 Α A sentiment of the industry? 19 The growers. We've gone through this. Can you 20 agree with me that your understanding was that 21 the sentiment of a large number, if not everyone, 22 was that the in -- the Commission was a scam. It was all part of his --23 24 Α I don't agree with that. 25 Q What? 26 Α I don't agree with that. 27 You didn't hear that or you don't agree What? that it's a scam? Which is it? 28 29 I don't agree that there's a scam. Α 30 Q No, I didn't ask that question. I asked you 31 whether the perception of the industry was that 32 the Commission was a scam. 33 Α That's the perception of Mr. Ravi Cheema. Oh, but that was supported by a number of growers 34 35 who were saying old boys' club, the trust that 36 was eroded, you agree with all that, don't you? 37 I agree with hearing the comments around the old Α 38 boys' club and trust being eroded, correct. 39 Q Only a select few people run the show? 40 Members of the Commission are -- represent the 41 industry as -- as a Commission. All members of 42 the Commission speak as one voice. 43 And there are people like you who have been Q 44 around for over 10 years, right? The same guys

We've had many commissioners that have been

on the Commission for numerous years.

TAB 5

11 Michael Reed (a witness) Exam by Cnsl N. Mitha

47

Α

It's false.

I have, ves. Α 2 So the allegation essentially has colloquially 3 been referred to as a vote swapping agreement. 4 You understand that? 5 I do, yes. 6 Now, sir, there's been evidence to the effect 7 that on occasion, storage crop commissioners 8 relied on the knowledge and expertise of 9 greenhouse commissioners for greenhouse issues 10 and greenhouse commissioners relied on storage 11 crop commissioners for storage crop issues. 12 that accurate? 13 I would say, up until the time that we formed Α 14 outside committees, that is true. 15 And when were those outside committees formed? Q 16 They were developed in 2018. Α 17 Q So after 2018, you're saying the reliance on 18 greenhouse and storage crop commissioners on each 19 other wasn't a factor? 20 Correct. We could -- if we had specific Α 21 questions related to storage crops, as greenhouse 22 producers we generally could go to the storage 23 crop committees. And who was on these committees? 24 25 It was made up of a collection of storage crop 26 growers, and I believe that the agencies were 27 part of that as well, storage crop agencies. 28 So was there any formal or informal agreement 29 that storage crop commissioners would vote to 30 preserve the greenhouse crop commissioners 31 business in exchange for greenhouse crop 32 commissioners voting to preserve and enhance the 33 storage crop commissioners businesses or 34 interests? 35 Absolutely not. Α 36 Were you ever asked by any commissioner to vote 37 in a particular way? 38 I was not. Α 39 Q Did you ever ask any commissioner to vote in a 40 particular way? 41 Α No, I did not. 42 Just to finish, in response to this 43 paragraph (III) -- I think you've answered my 44 questions and you've probably answered the 45 question, but I'll give you an opportunity if you 46 want to say anything else about the allegation.

```
It's now called Longvine; correct?
           That's correct.
      Α
 3
      Q
            It changed its name on January 18th, 2022?
 4
      Α
           Yes.
5
           Are you a shareholder of HMM?
 6
      Α
           I am not. I was provided some shares at the sale
7
           of the California facility last year, but it was
8
            a quick turnover of the shares.
9
      Q
           Were you ever a shareholder of HMM in Canada?
10
      Α
           No, I was not.
11
      Q
           Have you ever been a director or officer of HMM?
12
      Α
           No, I have not.
13
      Q
           The directors of HMM have always been
14
           Chris Brocklesby and Keith [sic] Doran?
15
           Kevin Doran.
      Α
           That's right, Kevin Doran. So what was your
16
17
           position with HMM?
18
           I was the head of sales for the Canadian and the
19
           US operations.
20
      Q
           You were an employee?
21
      Α
           Correct.
22
      Q
           Would you agree with me that all decisions
23
           relating to HMM were made by Brocklesby and
24
           Doran?
25
      Α
           Yes, as far as -- yes.
26
           But you had no say in corporate decisions made by
27
           them; correct?
28
           That is correct.
      Α
29
           Country Fresh is the designated agency under the
      Q
30
           natural products statute; correct?
31
      Α
           That is correct.
32
      Q
           And their licence is for greenhouse tomatoes,
33
           peppers, and cucumbers?
34
      Α
           Yes.
35
            So for Country Fresh, the directors were
36
            Casey Houweling and Jonathan Mackey; correct?
37
      Α
           That is correct.
38
      Q
           They were also officers?
39
      Α
           Yes.
40
           They were the shareholders and owners of that
      Q
41
            company?
42
           That's correct.
      Α
43
           You had no directorship or office position in
      Q
44
           those companies?
45
      Α
           No.
46
      Q
           And you were never a shareholder?
47
      Α
           Correct.
```

- 1 Q And can you agree with me that all corporate decisions were made by Houweling and Mackey?
- A As far as the overall ownership of the agency, that's correct.
- Q Well, you had no say in corporate decisions made by that company; correct?
 A I had no say in the corporate decisions of that
 - A I had no say in the corporate decisions of that company.
 - Q Between January to March of 2021 that was the case, you had no say in any decisions made by Country Fresh or Houweling; is that right?
 - A We had a separate business service agreement with Houweling's, Casey Houweling, as it related to the sale of his products as well as all other growers that fell within the Country Fresh agency.
 - Q My question was whether you agree with me that you had no say in any corporate decisions made by either Country Fresh or Houweling between December '20 to March 2021.
- 21 A Yes.

9

10

11

12

13

14

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2324

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32

33 34

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39

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41

43

44

45

- Q So Country Fresh was free to enter into any business plan it chose without your participation? Is that a fair statement?
- 25 A No, it's not.
- 26 Q Why?
 - A Because we had a business service agreement that tied HMMSCI to the sales and marketing and logistics of those products.
 - Q Right. I believe that that's the document that you redacted almost completely and produced by your counsel. It was document number --
 - CNSL K. MCEWAN: I believe it was produced by the commission.
 - CNSL R. BASHAM: All right. I stand corrected.
 - It is in the Country Fresh licence records, but I'm not sure if that document is listed yet but -- I am going to put on the screen -- I don't believe this document is in any of our books, so is this the document you're referring to? This is the agreement?
- 42 A Yes, it is.
 - CNSL R. BASHAM: Now, it's almost completely redacted, but I'm going to mark this redacted version as the next exhibit, please.
- THE CHAIR: Thank you, Ms. Basham. I think we're at 35, please.

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sales was strictly with HMM; is that a fair statement? 3 Α Correct. 4 Q I'm going to suggest to you that HMM managed only 5 some of Country Fresh's operations, not all. 6 Then you would be incorrect in that assumption. Α 7 And I would suggest to you that was never a 8 condition of Country Fresh's licence -- agency 9 licence that HMM would have the exclusive 10 management function. Can you agree with that? 11 Α No, I cannot. 12 Is there a document anywhere that you can show to Q 13 me that says that as a condition of 14 Country Fresh's licence, HMM would be exclusive 15 manager? 16 If you had a redacted version of -- an unredacted Α 17 version of this contract, you would see that we 18 had the rights through this agreement. 19 No, I'm asking you whether it was a condition of Q 20 Country Fresh's agency licence that HMM would be 21 the exclusive manager. That was my question. 22 We, as part of our business plan with the Α 23 commission, submitted that we were the exclusive 24 sales and marketing for Country Fresh --25 Q I'm asking --26 Α -- as it related to this business agreement. 27 I'm asking you whether it was a condition of the 28 licence issued to Country Fresh that HMM would be 29 the exclusive marketing -- or manager for 30 Country Fresh's operations? 31 We had it on record with the commission when the 32 ownership changed with the sale of the US and 33 Canadian site. So to clarify that, it was no 34 longer Houweling's doing those sales, it was 35 HMMSCI. 36 Was that a condition for the licence? 37 I would assume that -- I can't answer that Α 38 question. 39 Q You have nothing from the commission that stated 40 that -- as a condition of Country Fresh's 41 licence, HMM would be the exclusive manager. 42 that a fair statement? 43 I would -- yes, I guess so. Α 44 Okay. You agree with me that Country Fresh has 45 been in business well before it started a

relationship with HMM?

That's correct.

Sir, you've redacted almost the entire agreement, so we have no way of testing that evidence. CNSL K. MCEWAN: Objection, Mr. Donkers. He redacted nothing. He did not produce this document. 5 commission did. And Ms. Basham -- I said that earlier and she has three times attributed 7 That's simply -redactions to him. 8 CNSL R. BASHAM: 9 Do you have an unredacted version, Mr. Reed? 10 Α Yes, I do. 11 Q Can you produce that? 12 Α Yes, I can, and so can my counsel. 13 Fine. I'd like to see a copy of that document. 14 I'd like you to tell me where in that document do you say you rely on for your assertion that you 15 16 had a right to have prior approval before 17 Country Fresh could make a business plan with 18 Cheema and his company. All right? I'd like you 19 tell me where it is when we see a document and I 20 suppose I'll ask you more questions about it. 21 Now, in -- can we agree on this? 22 Country Fresh took a completely different 23 position than you in the course of Cheema's 24 Is that a fair statement? application. 25 Α Yes. 26 And Country Fresh's position was while you Q 27 managed some of Country Fresh's operations, you 28 didn't manage all of them; correct? 29 Α That was their assumption, yes. 30 Was that true that you didn't manage all of Q 31 Country Fresh's operations? 32 Α This was the first time since I arrived at 33 Houweling's in 2017 that I didn't -- I wasn't 34 apprised of anything going forward to the 35 commission on an agency application or a 36 PA application. 37 Can you answer my question, please. My question 38 was, do you agree that Houweling or HMM did not 39 manage all of Country Fresh's operations? 40 This would be the first time that that happened Α 41 only because it was done without our knowledge. 42 Can you also agree that -- I'll rephrase the 43 question. You knew that Country Fresh's position 44 was that there was no provision in your business 45 arrangement with it that HMM would be the 46 exclusive marketer of Houweling's regulated 47 products. That was the position Country Fresh

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took; correct? 2 That's the position that Country Fresh took. Α 3 There was also -- Country Fresh's position was 4 also that there was no provision that HMM would 5 provide exclusive services for Country Fresh? 6 Α Again, that's their position versus what's in the 7 agreement. 8 Now, sir, given that Country Fresh went ahead Q 9 based on its interpretation of the agreement 10 between HMM and CFP, which you thought was in 11 breach of your agreement, did you take any steps 12 against CFP to assert your position? 13 Α I did not. 14 In fact, you accepted it, didn't you? 15 Α We -- after our conversations with Ravi and with 16 Casey, decided we would not put forward any 17 objection although we felt that Houweling's were 18 in breach of our contract. 19 Q I'm going to say to you, sir, that what really 20 happened there was you had no trouble with Cheema 21 and his company -- I'll just call it "Cheema" --22 getting product allocation with other people. 23 You had no trouble with that; your trouble was that -- was when you found out it was going to be MPL at the end? Isn't that what happened? 24 25 26 No. Α 27 You disagree with that? 28 Α I disagree with that. 29 Okay. You were quite happy -- are you aware of a 30 company called Mucci, M-u-c-c-i? 31 Yes, that's the company that Casey Houweling 32 sells his product through currently. 33 Well, at the time in 2020/2021, did HMM sell Q 34 products or manage anything to do with Mucci? 35 No, similar to Mastronardi, we traded product but Α 36 we did not have any direct relationship with 37 Mucci. Mucci was an Ontario company? 38 Q 39 Α 40 And to your knowledge, in the industry, Mucci was Q 41 MPL's largest competitor in Ontario? 42 Α That is also correct. 43 And in the time frame of 2020 to 2021, there was 44 no suggestion that Mucci was going to come out to 45 British Columbia? 46 Α No.

So I'm going to suggest to you that you were

did you at any time assert the position that they were in breach of that agreement? 2 3 We asserted our position that we weren't happy 4 with how it was put forward. 5 Did you say to the principals of Houweling and 6 Country Fresh that they were in breach of your 7 agreement with them through HMM? 8 I did not. Α 9 So I'm going to ask you to look at document -- a 10 document that's dated March 25th, 2021. This one would be Exhibit 24 at page 93. This is an email 11 12 you sent to Mr. Solymosi? 13 That's correct. Α 14 You asserted in there in paragraph 2 that this 15 whole plan was done without your knowledge and 16 that HMM contractually managed the day-to-day 17 functions, et cetera. Now, did you intend for 18 Mr. Solymosi to rely on the truth of that 19 allegation? 20 Yes, I'm assuming. And we also wanted it on 21 record that we were not involved in the 22 application. 23 Did you intend Mr. Solymosi to rely on the truth Q 24 of that assertion, sir? 25 Α Yes, because he also had a copy of our business 26 service agreement. 27 Did you give him a copy of it? 28 I presented it -- yes, I gave it to him as part Α 29 of our agency compliance. And that's why you 30 have a redacted copy. 31 All right. So this goes back and forth 32 and Solymosi asks questions of Ravi about it and 33 we've already talked about the response that the 34 Houweling group made. I'm going to ask you to 35 identify a document and see whether or not you 36 received it, but it's a document that's dated 37 April 27th, 2021, a letter from Casey Houweling 38 to the commission setting out its position with 39 respect to the agreement between HMM and CFP. 40 That document is BC DMCB7098 to 7100, and I'm 41 going to put it on the screen for you. I may 42 have got the number wrong. Sorry. It's 43 Exhibit -- it's at the supplemental record at

page 129. It's now on the screen.

You've seen this letter, sir?

No, I have not. Q You have not seen it?

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crop; correct? It was at the time, yes. And according to Mr. Newell's evidence that he 2 Α 3 4 gave in the 2017 time frame, 2018, there was a 5 mutual reliance by the greenhouse people and the 6 crop people on issues relating to their 7 respective interests? 8 I would agree with that. Α 9 Now, while greenhouse members would not vote on 10 issues concerning them, they have input into issues that are raised; is that right? 11 12 Yes, I would agree with that. Α 13 And they expressed their views? Q On specific questions, yes. 14 Α 15 Are you aware of any occasion throughout the time Q 16 that you were a member that the storage crop 17 people voted against views expressed by the 18 greenhouse vegetable people on the commission? 19 No, not that I'm aware of. Α 20 There's some issue about some questions about 21 misinformation. You were at the October 19th, 22 2020 workshop? 23 Yes, with Larry Doman, yes. Α 24 Somebody said words to the effect that they 25 didn't want any more competitors in the industry. 26 Do you remember that? 27 Α I don't remember specifically, but ... 28 But was that a topic that was generally discussed 29 that some people said, we don't want any more 30 competitors? It could have been, but I don't recall it. 31 Α 32 Was there some discussion about why somebody 33 thought Windset lost the Walmart business? 34 Α I'd heard that comment before, but I don't 35 remember specific to that meeting that it was 36 discussed. 37 Did Newell ever tell you why they lost the 38 business? 39 Α Not directly, no. 40 When you say, "not directly," was it indirectly? 41 I've heard rumour as to how they -- why they lost Α 42 the business. Was it because -- the rumours that you heard, was 43 44 that because Walmart simply wasn't happy with 45 them? 46 Α Didn't hear that.

What's the rumour that you heard?

TAB 6

1 Yes. Α 2 I understand you didn't vote to impose the 3 moratorium, but you were a commissioner at the 4 time; correct? 5 Α Yes. 6 And you understood that it would take another 7 vote by the commission to lift the moratorium; 8 correct? 9 Α Yes. 10 When did you first learn that Mastronardi or MPL 11 was interested in applying for an agency licence 12 in BC? 13 I don't recall the date, but it was probably a Α 14 year, year and a half ago, I would think. would have been close to when the panel was 15 16 supposed to be struck, which I think was 17 September 2020, if my memory serves me correctly. 18 My understanding is that MPL filed an agency 19 application in September 2020, but would you 20 agree with me that the commissioners were aware 21 that MPL was interested in filing for an agency 22 application prior to that? 2.3 I didn't know. I don't really know much what's Α 24 going on in the greenhouse side of things. 25 0 I'd like to take you to Exhibit 2. My colleague 26 is going to bring it up in share screen, so I'll 27 show it to you in a second. So these are the 28 meeting minutes of the commission meeting on March 7th, 2018, and I believe it shows you in 29 30 attendance in the middle of the list of 31 attendees; is that correct? 32 Α Yes. 33 I'm going to take you to page 6. I think you've 34 just gone past it. Scroll up a bit. It's 35 bullet 5.5. So there in the meeting minutes it 36 refers to: 37 38 Agency inquiries have been received from Red 39 Sun Farms and Sunset Farms located in 40 Ontario (Mastronardi). 41 42 Do you see that? 43 Α Yes. 44 So would you agree with me that after seeing 45 this, the commissioners were aware by at least 46 March of 2018 that MPL or Mastronardi had

expressed an interest in an agency licence in BC?

It says, they inquired, yes. Α So you'd agree with me, then? 2 Q 3 Well, I -- yeah, yes. Α 4 And I'd also like to take you to Exhibit 1, and 5 these are meeting minutes from a commission 6 meeting on March 10th, 2020; correct? 7 Α Yes. 8 And again, I believe you're listed second from Q 9 the bottom in attending; is that correct? 10 Yes. 11 THE CHAIR: Ms. Irwin, is there any way that that 12 could be made bigger if you're going to refer to 13 it, or larger, I should say. Thank you. CNSL E. IRVING. 14 And I'm just going to take you over to the third 15 bullet or note, which refers to "greenhouse 16 17 industry current matters of interest." And it 18 states that: 19 20 The commission was informed of a letter from 21 Mastronardi Produce Limited that was 22 addressed to the BCFIRB. The letter states 23 that it seeks to apply for an agency licence 24 in greenhouse production allocation in BC 25 and wishes to identify itself to BCFIRB as 26 an industry stakeholder in the ongoing 27 supervisory review process. Greenhouse commissioners were aware that Mastronardi 28

Do you see that?

A Yes.

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Q So would you agree with me, then, that by March 2020, the commission was aware that MPL was actively approaching growers and expressed an interest in applying for an agency licence?

has been approaching growers.

- A Yeah, I would think our kind of thinking would be they would need growers before they could apply for an agency application.
- Q But you were aware that they were approaching growers?
- A Yes.
- And you were aware that they were interested in applying for an agency licence?
- 45 A Yes.
- And you understood that as long as the moratorium was in place, MPL would not be able to apply for

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Yeah, that's correct.

and obtain an agency licence; correct? 2 Α That's -- yes. 3 And am I correct that one of the reasons the 4 moratorium was put in place was for the 5 commission to conduct a strategic review? 6 Α Yes. 7 And am I correct that Dawn Glykherr was retained 8 as part of that process? 9 Α 10 Now, I understand then -- Mr. Mitha took you to these meeting minutes, but I can take you to them 11 12 again if you like -- that on October 21st, 2020, 13 the committee had a meeting to discuss BCFIRB's 14 request that the commission consider lifting the 15 moratorium; is that correct? 16 Α Yes. 17 Q And at the time of that meeting, the commission 18 was already in possession of two agency 19 applications; correct? 20 Yes. Α 21 And one was from MPL? Q 22 Α Yes. 23 And as Mr. Mitha took you through, at the time of Q 24 that meeting, the commission agreed that it was 25 not sound policy to have the moratorium in place 26 indefinitely; correct? 27 Sorry. The camera might pick up your nod, 28 but the record won't. If you could just orally 29 give your answer, I'd appreciate it. 30 I did. I said, yes. Α 31 Apologies. I quess it's just the speakers. 32 at that meeting, the commission ultimately voted 33 not to lift the moratorium at that time; correct? 34 Α I think we instructed our legal counsel on 35 what -- how to proceed. 36 You didn't vote to lift the moratorium; correct? Q 37 Α Yes. Correct. 38 Q And were you part of that decision-making 39 process? 40 Α Yes. 41 And you were aware during the October 21st, 2020 42 meeting that any discussions the commissioners 43 had would be recorded in the minutes; correct? 44 Α Yes. 45 And am I correct that later that day BCFIRB 46 directed that the commission lift the moratorium?

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You've been a commissioner for I think you said, 2 nine to ten years; is that correct? 3 Α Yes. 4 Q And I believe that you worked in the storage crop 5 sector; correct? 6 Α Yes. 7 And am I correct that until recently, the 8 commission -- until recently -- let me start 9 again. Am I correct that until recently two 10 independent commissioners were appointed, there were equal numbers of greenhouse growers and 11 12 storage crop growers on the commission? 13 Α Yes. 14 And is it fair to say that there was a mutual 15 alliance of interest between the storage crop 16 members on issues that related to their interest? 17 Α Sorry. Can you repeat that. 18 Is it fair to say that on issues related to 19 storage crop, the storage crop members were 20 aligned in interest? 21 Α Not necessarily. 22 0 Now, I understand that when a storage crop issue 23 came before the commission, the general practice 24 was that the commissioners with interest in the 25 storage crop sector would recuse themselves --26 Yes. Α 27 -- and the commissioners -- and the commissioners 28 with an interest in the hot house sector would 29 then vote on the issue; correct? 30 Correct. Α 31 But am I also correct that before the vote took 32 place on a storage crop issue, the storage crop 33 commissioners would have an opportunity to 34 express their views or give their insight into 35 the issue? 36 Up until -- I would say, until Debbie took over Α 37 as chair and then that probably -- we don't even 38 do that anymore. Once it's an issue, there's 39 absolutely no discussion whatsoever since Debbie 40 has been on. 41 And when did Debbie take over? 42 I believe January of 2018 or -- I think January Α 43 of 2018, I believe. 44 So prior to that, the storage crop commissioners

would have an opportunity to give their views but

Yeah, we had a meeting with BCFIRB probably back

not post; is that your evidence?

- in 2015 or 2016 and we were directed -- because that was always an issue is we were always concerned about making decisions on other -- the other industry with little to no knowledge about 5 So it was directed from BCFIRB to have the people with the knowledge to answer questions, 7 and then once any decision or deliberations --8 those people recuse themselves and then the other 9 industry makes the decision. 10 Now, am I correct that Mr. Guichon left the 11 commission in March of 2021? 12 Α Yes. 13 Prior to Mr. Guichon leaving the commission, can Q 14 you recall a time when the hot house 15 commissioners voted on a storage crop issue 16 against the views expressed by storage crop 17 members? 18 I don't recall -- I don't know. Do you have a 19 decision that you want to take me to, or ...? 20 Q No, I'm asking for your recollection. 21 Α I can't recollect. 22 0 And prior to Mr. Guichon leaving the commission, 23 do you recall a time when you and the storage 24 crop commissioners voted on a hot house issue 25 against the views expressed by the hot house 26 commissioners? 27 Α No, I don't. 28 Now, would you agree with me that it's important 29 for industry members to have confidence in the 30 commission and its decision-making process? 31 Α 32 And it's important for industry members to have 33 trust in the commission? 34 Α 35 And this includes growers having trust in the 36 commission? 37 Α Yes. 38 Q As you previously said, I believe it was in 2019 39 the commission hired Dawn Glykherr to conduct a 40 strategic review of the commission; correct? And 41 as part of that, I understand that she 42 interviewed industry members, including growers,
- 45 A Yes, I believe she interviewed every grower in BC or close to it.

regarding concerns they had with the commission;

Q Did you ever talk to Ms. Glykherr about her

is that correct?

TAB 7

to take him on and not be able to market his product, then there would be an issue, right, and we and, of course, Lillian, that's why this says She did not feel confident in being able that. 5 to market that amount of product at that time 6 with that short of notice in that situation. 7 And had you been involved in discussions with 8 Ms. Posch about that concern? 9 We talk constantly. Α 10 Had the question -- had the question been taken 11 to the Okanagan Grown board about whether 12 Okanagan Grown would accept Prokam as a grower? 13 Α We did discuss it, but not in any length or any 14 meetings of -- she had talked to the other 15 directors, also, individually. 16 And ultimately, on January 30th, Mr. Solymosi 17 indicates, "I had sign-off from everyone on the 18 decision document." Do you see that? 19 Α Yeah. 20 And that was all commissioners who had 21 participated in the conference call; correct? 22 Α Yeah, yeah. Mr. Guichon, yourself, Mr. Gerrard, Mr. Schlacht, 23 24 Mr. Reynolds, Mr. Newell, Mr. Moerman, and 25 Mr. Reed? 26 Yeah. As far as I know, if they signed off on it 27 they signed off on it, right? 28 CNSL C. HUNTER: Thank you. Those are my questions. THE CHAIR: Thank you, Ms. Hunter. Ms. Basham. 29 30 CNSL R. BASHAM: Ms. Irving will deal with this

CROSS-EXAMINATION BY CNSL E. IRVING:

Thank you.

- Q Good morning, Mr. Lodder.
- A Good morning.

witness.

- Q My name is Emma Irving. I'm one of the lawyers for Mastronardi/MPL. I'm just going to ask you some more questions. So as we said under -- when Mr. Mitha was asking you questions, you're aware that the commission voted to impose a moratorium on greenhouse agency licenses in June of 2019; correct?
- 43 A Yes.

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- 44 Q And you voted to impose that moratorium; correct?
- 45 A Yes.
- And you understood that it would take another vote by the commission to lift the moratorium;

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correct? 2 Α Yes. 3 I'd like to take you to Exhibit 2. It will pop 4 up on the screen shortly. So these are meeting 5 minutes from a commission meeting on March 7, 6 2018, and you were in attendance; correct? Yes, it looks like it. 7 Α 8 I'd like to take you to bullet 5.5. Q 9 Α 10 And there under the heading "Agency Inquiries," 11 it says: 12 13 Agency inquiries have been received from Red 14 Sun Farms of Sunset Farms located in 15 Ontario. Mastronardi. 16 17 Do you see that? 18 Oh, yeah. Okay. I was reading the wrong bullet. 19 Sorry about that. Yeah, yeah. I see that. 20 So you agree with me that in March of 2018, the 21 commission was aware that Mastronardi will at 22 least be making agency inquiries; is that 23 correct? I guess, yeah. And I'd like to take you to document 16 which I 24 Α 25 26 believe is -- is it Exhibit 2 -- sorry Exhibit 1. 27 These are meeting minutes from a commission 28 meeting on March 10, 2020, and you're again noted 29 being in attendance; correct? 30 Yes. Α 31 0 And I'd like to take you over to the second page, 32 bullet 3. And there it states that: 33 34 The commission was informed of a letter from 35 Mastronardi Produce Limited that was 36 addressed to the BCFIRB. The letter states 37 that it seeks to apply for agency license 38 and greenhouse production allocation in BC 39 and wishes to identify itself to BCFIRB as 40 industry stakeholder in the ongoing 41 supervisory review process. Greenhouse 42 commissioners were aware that Mastronardi 43 had been approaching growers. 44 45 Do you see that? 46 Α Yeah.

So would you agree with me, then, that in March

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2020, the commission was aware that Mastronardi
           had actually stated an intention to apply for an
 3
           agency licence?
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           That's what it says, yeah.
      Α
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           Do you have any reason to disagree with my
 6
           statement that the commission was aware of that?
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      Α
           No, no, no.
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           And you understood that as long as the moratorium
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           was in place, MPL or Mastronardi would not be
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           able to apply or obtain an agency licence;
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           correct?
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                 The agency licence, no person.
      Α
           No.
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           And am I correct that one of the reasons the
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           moratorium was put in place was for the
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           commission to conduct a strategic review?
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      Α
           Strategic review and an agency review.
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      Q
           And Dawn Glyckherr was retained as part of that;
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           correct?
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      Α
           Yes.
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           And as we went to earlier this morning, I
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           understand that on October 21st, 2020, the
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           commission had a meeting to discuss BCFIRB's
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           request for the commission to consider lifting
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           the moratorium; correct?
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      Α
           Yes.
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           And at that time, the commission was in
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           possession of two agency applications; correct?
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           Yes, as far as I know.
      Α
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           One was from MPL?
      Q
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      Α
           Okay.
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      Q
           Do you agree with me?
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      Α
           Yeah, I guess, yeah.
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           And at the time of that meeting, the commission
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           agreed that it was not sound policy to have the
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           moratorium in place indefinitely; correct?
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      Α
           Correct.
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           But at the meeting, the commission ultimately
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           voted to not lift the moratorium yet; correct?
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      Α
                   It wanted to seek more legal advice,
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           et cetera, yeah.
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      Q
           And you voted on that motion; correct?
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      Α
           Yeah.
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           And you were aware at the time of that meeting
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           that any discussions the commissioners had at the
45
           meeting would be recorded in the minutes;
46
           correct?
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      Α
           Correct.
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Α Yeah, yeah. But before a vote takes place or took place on a 3 storage crop issue, my understanding is that the 4 storage crop commissioners would have an 5 opportunity to kind of express their views or 6 give their, you know, two cents on the issue 7 before it was voted on; is that correct? 8 Yes, and the industry as a whole, also. Α 9 So, sorry. I just want to make sure I understand 10 your answer. The storage crop commissioners 11 would give their views on the industry as a whole 12 as well as a particular storage crop issue? 13 Α The commissioners and the industry as a whole. 14 By that, you mean other members in the industry 15 could give their views? 16 Α Yeah. 17 Q And the vice versa again? 18 Α 19 Q So if it's a hothouse issue? 20 Back and forth, yeah. Α 21 The hothouse commissioners would give their views 22 before the vote took place? 23 Α Yeah. 24 And am I correct that Mr. Guichon left the 25 commission in March 2021? 26 Α I'm not sure of the exact date but yeah, 27 something like that. 28 Q Thereabouts? 29 Α Yeah. 30 0 And to the best of your recollection, prior to 31 Mr. Guichon leaving the commission, was there a 32 time when the hot house commissioners voted on a 33 storage crop issue in the matter that was 34 inconsistent with the views that had been 35 expressed by the storage crop commissioners? 36 You're going to have -- excuse me, you have to Α 37 repeat that question again. 38 Q To the best of your recollection, prior to 39 Mr. Guichon leaving the commission, was there a 40 time when the hot house commissioners were voting 41 on a storage crop issue and they voted in a 42 manner that was inconsistent with the views that 43 the storage crop commissioners had expressed 44 prior to the vote? 45 Α No. 46 Q And again, prior to Mr. Guichon leaving the 47 commission?

TAB 8

1		PETER GUICHON, a
2		witness, recalled.
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4		CHAIR: Mr. Mitha.
5	CNSL	N. MITHA: Thank you. Chair Donkers, I had set a
6		date about the lifting of the moratorium
7		incorrectly to Mr. Guichon and I just wanted to
8		clear up the date of the lifting of the
9		moratorium with him.
10	Q	Mr. Guichon, I suggested to you that the
11		moratorium was lifted in the spring of 2022 after
12		you stopped being a commissioner. In fact, that
13		was the spring of 2021 that you stopped being a
14		commissioner; correct?
15	A	That's correct.
16	Q	And so MPL's application was considered in 2021
17		after you stopped being a commissioner; right?
18	A	That's correct.
19	Q	So the moratorium, then, obviously, was lifted in
20	~	the spring of 2021, not 2022, correct?
21	A	That's right.
22		N. MITHA: I just wanted to clear that up. Thank
23		you.
24	THE (CHAIR: Thank you for that, Mr. Mitha.
25		Ms. Basham.
26	CNSL	R. BASHAM: Thank you.
27	01.02	The production of the producti
28	CROSS	S-EXAMINATION BY CNSL R. BASHAM:
29	Q	Mr. Guichon, I'm Rose-Mary Basham. I represent
30	*	MPL. You served on a commission with Mr. Newell
31		for a number of years. Is that a fair statement?
32	A	Yes.
33	Q	By the time you left the commission, you were the
34	×	most long-standing storage crop commissioner?
35	А	Of the current sitting members, you mean?
36	Q	Yeah. At the time you left, were you the longest
37	Q	standing
38	А	Yes, I was. Yes.
39	_	And was it also correct that Mr. Newell at the
40	Q	time was the most long-standing greenhouse
41		commissioner?
	7\	
42	A	Yes, probably.
43	Q	Okay. And you and Mr. Newell shared information
44		with each other about your respective sectors
45	_	during the time you were commissioners?
46	A	Not very much. You know, everybody was busy and
47		stuff and doing their own thing, but I didn't

- talk to him much about the greenhouse industry 2 and he didn't talk to me much about the root 3 crop. 4
 - Well, I'm going to suggest to you that you did. Q Whenever you had commission meetings to the extent that issues relating to storage crop came up, you shared that information and vice versa; correct?
 - Α Yeah. At commission meetings, yes, but I understood your question to be outside of that.
- 11 Well, surely, sir, you communicated with him from 12 time to time; correct? 13
 - Α At the commission meetings, yes.
- 14 Even outside the commission meetings, you met him 15 from time to time?
- I haven't talked to John for probably five or six 16 Α 17 years, until the last annual meeting. 18
 - I'm going to be fair and move on to something else. Is it fair to say in these commission meetings, storage crop commissioners rely on greenhouse commissioners to provide them with the requisite information pertaining to greenhouse issues when a greenhouse issue came up?
 - Α Only if we had to ask for information, but we wouldn't rely on actually what they said if there was a decision to be talked about.
 - Q What about their views?
 - Α Pardon?

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- 0 Didn't you ask them for their views? Didn't they express their views to you about what they thought about a matter pertaining to a greenhouse issue that you needed to decide on?
 - They would -- what was the question again? Α
 - I'm suggesting to you, sir, that in these commission meetings, if there was an issue pertaining to greenhouse matters, the greenhouse commissioners including Mr. Newell would provide you with their views and their take on matters?
- 40 On preliminary -- on commission matters if there Α 41 was no decision to be made, yes.
- 42 Q Vice versa, you would relate your views to the 43 greenhouse people on matters relating to storage 44 crop?
- 45 Α I wouldn't relay my views to them unless they 46 asked them.
- 47 But surely, sir, you're not suggesting that it Q

1 2 3 4 5 6 7	A Q	relating to Prokam but you were not recused in this part of the meeting. Is that a fair statement? Yeah, that's right. I'm going to ask you to take a look at the content of 7.4. That might refresh your memory, sir. It says:
8 9 10		There has been some inquiries, one quiet [phonetic]
11 12 13 14 15		Should be "quite."
		recently, into applying for a new greenhouse agency.
16 17		See that?
18 19 20 21 22 23 24 25	A Q	Yes. So there was a discussion about that and the discussion focused on first bullet moratorium on agencies after the Village Farms decision. See
	A Q	that? Yes. So the first thing you wanted to talk about that was focused on was a moratorium on agencies;
26	7\	correct?
27 28 29	A Q	Yes. And then when you look at the bottom part, the last paragraph in this section:
30 31 32		The general manager
33 34		That would be Solymosi:
34 35 36 37 38 39 40		has been instructed to request from each greenhouse agency the ownership composition of their agency and to research the position to place a moratorium on greenhouse agency applications.
41		Does that refresh your memory now?
42	A	Yeah, I remember some discussion about the
43 44 45 46	Q	ownership of agencies. No, there's more than that. He was instructed to research the decision to place a moratorium on greenhouse agency applications; is that right?
47	А	Yes, yeah. M'mm-hmm.

2 application before the commission; is that a fair 3 statement? 4 Α Yes, that's fair. 5 And the only evidence of any kind of inquiry we have is set out in the previous email that I 7 showed to you that those manner -- that didn't 8 receive it. The issue of a greenhouse inquiry 9 was raised in that email and Mr. Solymosi said, 10 I'm going to round everybody up, in essence, and 11 talk about this and have a meeting; correct? 12 CNSL W. STRANSKY: I'm sorry. Can that question be 13 broken down? I think I lost the thread. 14 CNSL R. BASHAM: All right. 15 I'm saying to you, sir, that preceding this 16 meeting, the only evidence of any kind of inquiry 17 you have is that on November 29, 2017. 18 Mr. Solymosi told Mr. Newell that Jason Whitcher 19 from Sunset, which is one of the MPL companies, 20 was asking about securing a BC product. And in 21 that context, Sunset was told needed to get an 22 agency. And then Mr. Solymosi says to Jos, I'm 23 going to reach out to everybody to get everybody 24 together to talk about this, in essence; correct? 25 CNSL W. STRANSKY: Sorry. Are you asking Mr. Guichon 26 if he's aware of other agency inquiries? 27 CNSL R. BASHAM: 28 I'm going to suggest to you, Mr. Guichon, it's 29 not for me to choose here. You were not aware of 30 any other greenhouse agency applications or 31 inquiries on December 14 except for what 32 Mr. Solymosi said about an inquiry made by 33 Jason Whitcher? Is that right? 34 CNSL W. STRANSKY: I'm sorry. The minutes don't 35 reflect that an inquiry was made by Mr. Whitcher. 36 It says, there's been some inquiries one quite 37 recently. 38 CNSL R. BASHAM: 39 Well, who was he referring to? Did he refer 40 to -- he said there was some inquiries, one quite 41 recently. Did he tell you who it was? 42 I can't -- I can't recall if he said who it was. Α 43 But do you remember that it was Sunset Grown, 44 something to do with Sunset, the MPL? 45 Α Well, if he brought it to the meeting, obviously 46 it was a greenhouse inquiring. 47 Q Right. And you know of no greenhouse inquiry in

And this discussion came about when there was no

THE WITNESS: Sorry.

CNSL R. BASHAM: 3 I think you were trying to say something but I 4 couldn't hear you? 5 Maybe you can start by starting again and 6 then I'll -- because I lost my train of what I 7 was going to say to you. 8 I'm going to suggest to you throughout the time Q 9 that you were a commissioner, there was not 10 once -- not once did the commissioners, the 11 storage crop commissioners vote on a matter 12 concerning the greenhouse crop that was 13 inconsistent with views expressed by the 14 greenhouse commissioners? 15 No, that's not true. I can remember many times Α 16 us not all agreeing on stuff. Everybody is an 17 independent thinker. You're asking me about the 18 storage crop group. We're independent thinkers 19 and we didn't agree all the time on -- even on 20 greenhouse issues. 21 But was there not -- that you actually voted in a 22 manner that was inconsistent with what the 23 greenhouse commissioners position was on the 24 greenhouse issue? 25 Α We never -- we never voted on block, if that what 26 you're asking? 27

No, I'm asking --

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- We have at times but not every time, no. Depending on -- you know, we look at -- we look at the market information that's presented to us by Mr. Solymosi and no, we -- I'm sure we didn't vote -- I know we didn't vote at times on maybe what they thought was right or what they viewed as different than us.
- Can you point to any particular example that you can say that you voted in a manner that was inconsistent with what the greenhouse commissioners stated view was in a manner relating to greenhouse industry or the greenhouse --
- 40 41 I can remember one for sure. It was setting a Α 42 commission charges between greenhouse group and 43 the storage crop group. They thought that they, 44 being some of the greenhouse members thought that 45 they should be paying us charges and the root 46 crop paying more, and no, we didn't agree. 47

Okay. Besides that, any other example you can Q

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As a producer; right?

just myself and my parents. I understand. Okay. Thank you. Now, the farms that you have, both Fresh4U and Creekside, sell 2 3 4 potatoes, bell peppers, and eggplants; right? 5 That is correct, yes. And tomatoes and bell peppers are regulated crops 6 7 in the BC industry; right? 8 Α Yes, it is. 9 Now, sir, you have had a chance to review the interview report that was prepared for you? 10 11 Α Yes. Briefly. 12 And you would agree that at the time you reviewed Q 13 it, it accurately summarized our discussion? 14 Α Yes, sir. 15 Sir, from your perspective, your view was that Q 16 there are a select few people that make decisions 17 and favour their own economic interests when 18 they're making those decisions at the commission 19 level? 20 Α Yes. 21 Q But you've indicated, as you did in your 22 interview report, you acknowledge that there are 23 also, as you put it, some good persons on the 24 commission who do not act in that manner? 25 Α Sure. When you stated that question, I was 26 thinking of people like Debbie Etsell, 27 Brent Royal, Armand VanderMeulen. 28 Okay. Sir, would it be fair to say that your 29 main concern with the commission is that you feel 30 commissioners act in the conflict of interest to 31 benefit themselves when they make decisions? 32 Α Yes. 33 And you feel that way because you consider that 34 many of them are owners of farms or agencies and 35 have economic interests when they make decisions? 36 Or they're working for an agency Α Yes. 37 themselves. 38 Sir, are you aware of any specific decision you 39 can point to where you say a particular 40 commission member voted in his own interest or 41 her own interest instead of the interest of the 42 industry? Is there any specific decision? 43 Α No. 44 So you were personally interviewed by 45 Ms. Dawn Glykherr; right? 46 Α Yes, I was. My wife and I.

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board.

At this meeting?

Yes. Α And I believe that you're aware of a meeting 3 with -- where Ms. Glykherr had and she spoke to 4 some members of the BC Growers Association? 5 M'mm-hmm. 6 Were you at that meeting, sir? 7 Yes, I was. Α 8 All right. Q And who else was at that meeting? 9 Α The other directors as well. 10 Q Of the BC Growers Association? 11 Α Yes, sir. 12 All right. And how many people were at that Q 13 meeting? 14 Α I don't remember. Probably one, two, three, 15 four, five, six, seven-ish. Six, seven. 16 Six or seven people? All right. And at that Q 17 meeting, she communicated that farmers felt they 18 were being treated very poorly and were 19 powerless? 20 Α Yes. 21 What else do you recall she communicated at that Q 22 meeting? 23 She communicated the frustrations of the farmers, Α 24 the issues they were having, they were seeing how 25 there was racism involved, there was one-sided 26 and that the commission was an old boys' club; 27 you scratch my back, I scratch your back sort of 28 deal. 29 Those are the things she communicated at that 30 meeting? 31 Α From what I remember, yes. 32 Did she refer to any specific decisions which commissioners had made or give any specific 33 34 examples where commissioners had made decisions 35 that gave rise to her conclusion? 36 Α No, not that I can remember. Like, she mentioned 37 a lot of stuff about, like, she interviewed many 38 farmers in that she dug into it. She had to 39 interview more farmers, farmers crying, farmers 40 upset, farmers happy that, you know, they're 41 finally being heard. They felt -- farmers felt 42 helpless and stuck. So she was communicating to you the view that 43 44 farmers had expressed to her? 45 Α That's right. Not just to me, to the whole

was upset about the fact that you had made an application to the commission without telling You're saying something a little bit different. And I want to understand what your 5 evidence is about that. 6 I think it's both. The application was done 7 through Casey Houweling, through Country Fresh. 8 Okay. So that was one thing he was upset about; 9 fair enough? 10 Α Yeah. 11 And you're saying he was also upset about the 12 fact that you were doing it -- you were 13 supporting MPL? 14 Yes. He was upset about that, yeah. Α 15 And what did he say to you about that? 16 He had mentioned, like, not much. He said that Α 17 in this light market that just -- it's more 18 competition. 19 Q Is that all he said about that? 20 Yeah. 21 CNSL N. MITHA: All right. Those are my questions. 22 Some of the other lawyers will have questions for 23 you, sir. 24 THE CHAIR: Can you confirm that it's Ms. Hunter next 25 followed by Ms. Basham? 26 CNSL N. MITHA: Yes, I think so, yes. 27 THE CHAIR: Ms. Hunter. 28 I actually did not believe I had any CNSL C. HUNTER: 29 time with Mr. Cheema, and I have no questions for 30 him. 31 THE CHAIR: Thank you very much. Ms. Basham. 32 CROSS-EXAMINATION BY CNSL R. BASHAM: 34 Hi, Mr. Cheema.

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- Hello. Α
- So I just have some questions for you about some of the things that you were asked by Mr. Mitha. First, start by saying, you've talked about conversations and communications with Mr. Reed about your application for product allocation. You were referring to the time frame of January to March of 2021; is that correct?
- Yeah. Around there, probably, yes. Α
- Right. And you said the conversation from Mr. Reed and you kind of jokingly said about Is it correct to say that Mr. Reed had no problem with you dealing -- transferring the

agency license if you were dealing with Mucci, he didn't have any trouble with that at all?

- A No. He had no trouble. He joked around about it. And he was okay with it. And that was one of the things I said to him when he was upset. I'm like, you were okay with Mucci, then why aren't you okay with these guys? Same thing. They're from out east. At the end of the day, in my head, I wasn't competing with none of my colleague growers. I'm taking business away from Mexico and growers from out east through Mastronardi.
- Q What did he say to that when you said, well, why are you upset?
- A I don't recall. I think at the end of the conversation, he got it.
- 17 Q You mentioned that he didn't want competition.
 18 Did he say to you that he didn't want Mastronardi
 19 because he was competition?
 20 A He had said that day we had a Zoom meeting next
 - A He had said that day we had a Zoom meeting next day with his board, and I was like, oh, boy, here we go. But the only thing Mike really said was, in a light market, we don't need more competition.
 - Q Was that in response to your question about you're okay with Mucci, so what's the problem with MPL?
 - A That was brought up, but it was brought up previously, but that day, that was his main concern, yeah.
 - Q When he said there was competition, was he referring to Mastronardi?
- 33 A Yes, he was, but what's the difference between 34 Mastronardi and Mucci? They're from east. 35 They're in competition anyways.
 - Q But Mucci was not expanding to British Columbia as far as you knew?
 - A As far as I knew, no. I had no idea.
 - Q Because the difference between Mucci and Mastronardi, as far as you knew, was that Mucci was an Ontario company, but their business was not in the West Coast?
- A At the time, they might have been working on it in the background. I had no idea about that.

 None of my business, to be frank. What drives me kind of nuts is Mucci and Sunset compete with each other, probably the biggest competitor with

each other, and even one of the Mucci owners had stated to me that, you know what, the best thing for the growers is having someone like Paul and us over out west. And I was thrown back because I was like, wow, that's your competition, but you're making this comment. And he said it a few times to me, and I was like, oh, that's pretty cool. And to me, it's always growers are first; farmers are first; money comes second.

- Okay. I'd like to go back and clarify the conversation between you and Mr. Reed. You had a meeting with him, Brocklesby, and Doran on about March 23rd, 2021?
 - A That's right, yeah.

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- That was in order to talk about the fact that you were applying for product allocation to someone other than Country Fresh; is that right?
 - A That is, and I think it was just to talk about what just happened about me working with Sunset.
 - Q Sorry. I missed that. What did you say?
 - A That in the fact that we wanted to talk about what happened, like, that I'm working with Sunset.
 - Q Is that -- I would expect that would kind of smooth things over with Mr. Reed. Is that part of the reason?
 - A Again, Mike, after the conversation we had the day before or a couple of days before, I think at the end of it, he understood what I was doing and how I was wanting to work with two agencies and my interests were not just for me but for all the growers. Like, if I was being selfish, I wouldn't look at them. The fact that the product I'm going to be growing for them is a product that I'm cut off from Mexico and out east.
 - Q Is it fair to say, then, that Reed registered this displeasure with you when he found out that you were talking about Mastronardi; is that a fair statement?
- 40 A He was choked, yes.
- 41 Q You were a director in the growers association; 42 is that right?
- 43 A That is correct, yes.
- 44 Q And Delli Santi is also a director there?
- 45 A Yes. She's our ED.
- 46 Q That's executive director, is it?
- 47 A That's correct.