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 EXCERPTS OF THE COMMISSIONERS

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BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING BRIEF

Video Conference February 11, 2022

ALLEGATIONS	OF BAD FAILI	H AND UNLAV	VFUL ACTIVITY

PROCEEDINGS AT HEARING

COPY

imposed in the summer of 2017.
CNSL N. MITHA: Well, perhaps those

- CNSL N. MITHA: Well, perhaps those questions can be asked and if somebody objects to the -- you know, you not having a foundation, then you can go back to laying the foundation but discussing economic theory in a vacuum seems to me goes pretty far beyond the terms of reference.
- CNSL R. HRABINSKY: Mr. Chair, if I may too, I'm hearing my friend speak of what the Commission's objectives were, et cetera and I have approached this entire supervisory review on the basis that the terms of reference focus specifically on the -- Mr. Solymosi as general manager and the Commission members have been named as defendants. I have not been participating on behalf of the Commission to explain or justify steps that the Commission took generally. So I do not think it's appropriate for my learned friend to be questioning this witness on the basis that this is an examination of the Commission's policies or -- or rules.
- CNSL C. HUNTER: All right. Why don't I move to another area.
- Mr. Solymosi, the rules with respect to delivery allocation are set out in the general orders, correct?
- A Correct.
- Q And the Commission does not regulate planted acreage and does not prevent growers from overplanting to produce marketable product in excess of delivery allocation, correct?
- A Correct.
- There's no restriction at all on overplanting?
- A The -- that's where the principles of the general orders would come into play where you're expected to plant within a reasonable amount to ensure you can fill your delivery allocation and service the market that the -- has been approved and serviced by that agency over time.
- You gave evidence yesterday that from your perspective the purpose of price is to maximize return to growers. Do you recall that?
- A Purpose of price is to ensure that we regulate B.C. product marketed by B.C. agencies to get the best return for B.C. producers.
- Q Yes, but -- and the Commission's motto is "Growers working for Growers", correct?

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference February 7, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 6)

Board:

Peter Donkers Nazeer Mitha Wanda Gorsuch

Sara Theisson Erica Champion

Claire E. Hunter, QC Ryan Androsoff Kelly Firth, A/S

Rose-Mary Basham, QC

Ravi Hira, QC Ashleigh K. Hall

J. Kenneth McEwan William Stransky

Robert McDonell

Robert Hrabinsky

Chairperson BCFIRB Hearing Counsel BCFIRB Hearing Counsel Liaison Panel secretary Panel secretary

Prokam Enterprises, Ltd.

MPL British Columbia Distributor Inc.

A. Solymosi

VMC Commissioners

BCfresh Vegetables Inc.

BC Vegetable Marketing

Commission

COPY

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Including Mr. Dhillon?

have experienced good or bad, but, like -- it's basically to get some attention to have some 3 discussion. 4 All right. And you say, for example: Q 5 6 The present commission consistently bogs the 7 system with red tape policies and 8 The delicate balance between restrictions. 9 governance and the right to earn a living 10 marketing directly to large retailers such 11 as Loblaws Canada has now tipped so much 12 that commerce is being paralyzed. 13 14 Right? 15 Right. Α 16 That's a criticism of the commission; right? Q 17 I see what you're saying. Α 18 Q That's a fair statement; right? 19 Α True. 20 And at some point again -- I'm just looking for 21 this specific paragraph, there's even an 22 allegation that what they're doing -- here it is 23 -- on page 895 under heading item number 6, the 24 second paragraph at the bottom, it says: 25 26 Why are proposals so hard to access? Why is 27 approval required from the commission for 28 every step of the process. The policies are 29 monopolizing the industry and are considered 30 by many borderline prejudicial human rights 31 violations. 32 33 Α Yeah. 34 It's pretty serious criticism of the commission's 35 rules; right? 36 I think the intent there was grower -- grower Α 37 versus grower equality, along those lines. 38 Q All right. But when you accuse the commission of 39 engaging in borderline prejudicial human rights 40 violations, that's a pretty strong statement; 41 right? 42 Α Yeah, that was -- I was tasked to make a strong 43 letter. 44 And that's what you were told to do by the board 45 including Mr. Dhillon? The board and -- yes, everybody on the board. 46 Α

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Α Yes. 2 All right. In any event, this letter is sent; 3 right? 4 Α Yes. 5 Now, sir, at some point you learn this concept of 6 the commission having a minimum price for 7 potatoes being sold; right? 8 Α Yes. 9 Q And you understood that IVCA and Prokam had to 10 comply with that minimum price; right? 11 Α Yes. 12 I'm going to take you to page 978, sir, and Q 13 there's an email exchange I want to take you 14 through. And initially there's an email on September 5th, 2017, at 8:47 A.M. from Janice and 15 16 she writes, September 5: 17 18 Bob, on this POD to TF Surrey you have added 19 36 cases of red creamers, 50 pound cartons. 20 Could you provide a price as it was not part 21 of the original order and I don't want to go 22 by the minimum price as you have special 23 pricing with TF. Janice Solotski. 24 25 Do you see that? 26 I do, yes. Α 27 And you respond the same day and this time you 28 copy Bob Dhillon and Brian Meyer on your response 29 email; right? 30 Α Yes. 31 0 And you say: 32 33 Hi, Janice. TF Surrey is a BC customer who 34 minimum pricing applies. Please use the 35 minimum pricing for this customer always as 36 we have to abide by the price set by the 37 commission. 38 39 So fair enough by this point in time you 40 understood that if the commission set a minimum 41 price you couldn't sell below that minimum price; 42 right? 43 Well, when I got this particular email it was Α

very odd I found. If I recall correctly this

done at the agency and it was an order that I

upsold so I think I would have sent in the PO

says September 5th so order entry would have been

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what they needed to do, right. They're in talks with the commission all the time. 3 Let's look at 850, please, sir. Now, do you see 4 "warning notice" there? We'll move the page up 5 for you a bit. And you see it's issued to 6 Prokam, right, and IVCA? 7 Α Yes. 8 But not just IVCA; correct? See that? Q 9 Α No, it was to both. 10 Yeah, it was to both, sir. 11 Α It was to both of us but the obligation falls on 12 your agency. The obligation falls on the agency. 13 Well, sir, the second one "intentionally planting Q 14 in excess of Prokam's delivery allocation will be 15 monitored." You see that? Did the agency do the 16 planting or did you do the planting? 17 Α I did the planting; they told me what to plant. 18 Yeah. 19 Α So -- yeah. 20 And, sir, I'm going to take you in your texts to 21 page 3408. And, sir, I can tell you this text --22 we're going to move up the page a bit for you. 23 Do you see June 14, 2017, at 8:19 A.M.? 24 Α Yeah. 25 And I can tell you just -- rather than go back to 26 the document -- the email stamp on the document 27 we were just at is 7:56 A.M. on June 14th, okay, 28 so that's why the letter was emailed to you. See 29 that? 30 Okay. Α 31 And so I take it that within half an hour of 32 having it you'd read it. You see that? I didn't -- yeah. Whether I read it or -- like, 33 Α 34 I just text Brian there, right. 35 Well, you read it, sir. The text tells us that. Q 36 I told him after you read the letter from the Α 37 commission call me so --38 Q That's "you're famous"; right? 39 Α Yeah. So, you know, whether I read the letter or 40 not I'm not sure but ... 41 Sir, that's your answer is that you may not have Q read the letter? You just wrote that text 42 43 without reading it? Is that what you're really 44 telling Mr. Donkers? 45 Α I'm saying that I told him to read the letter

from the commission and to call me.

And you're famous?

- 1 A If you read the -- I don't know what I meant by 2 that but I got -- I just got it. "I'm so happy 3 I'm on page 3. Phone me after." Whatever that 4 means.
- Sir, I'm on your text. Why is it so difficult for you to simply accept you read the letter?

 A Because I'm trying to answer as honestly I can
 - A Because I'm trying to answer as honestly I can and it's a while ago so I'm trying to do the best from my recollection.
- 10 Q And, sir, you kind of wink, you kind of took it 11 pretty lightly. You thought it was funny to get 12 that letter I take it?
 - A No, I didn't think it was funny at all. I told -- I text the agency and I told him, I go "read it" and "call me."
 - Q I'm going to take you to page 3410, sir. And at page 3410 you'll see that Mr. Meyer is saying "Bob, we also need that grower agreement signed." Do you see that?
- 20 A Yes.

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- 21 Q And you'll recall Mr. Hira took you briefly to your growers agreement signed with IVCA?
- 23 A Yes.
- Q And I take it we're talking about the same agreement?
- 26 A Between me and the agency, yes.
- 27 Q And so they're having to chase you into June to get it signed; is that fair?
- 29 A I don't think so. They were maybe behind the ball.
 - Q I see. So you're telling me -- you're committed that this is their -- just their responsibility. You don't even have a responsibility to sign it and get it back to them?
- 35 A Well, the way I see it here he's asking that I need to sign it, right, so I'm sure I did. There was no problem with me -- whether -- you know, to sign it. I had no issue with that. They were my agency.
- 40 Q I'm going to take you ahead, sir, if I might, to 3414. And towards the bottom of this page you'll see you say "Something come from the commission today?" Do you see that, question mark?
- 44 A Yes.
- 45 Q And just ask if you cast back what are you 46 expecting to come from the commission, if you can 47 recall?

I can't say for sure. Α 2 And you will see Mr. Meyer says "no, like what?" 3 Right? He's asking you? 4 Α Yeah. 5 And then over -- and this is on June 19. 6 go over to page 3416. 7 M'mm-hmm. Α 8 Whether it's connected or not Mr. Meyer says to 0 9 you: 10 11 We have to send in tonnage reports each week 12 for them to do percentage reports on 13 delivery allocation. 14 15 I believe that's supposed to be allocation. 16 17 The first one is to be in by 5:00 P.M. 18 tomorrow. 19 20 Do you see that? 21 Yeah. Α 22 Do you see your response? Q 23 Α Yeah. 24 And I'm going to put it on the record. You say 25 "fuck them." You see that? 26 Α Yeah. 27 Meaning the commission? 28 The report -- I don't know who was doing the Α 29 report. I see [indiscernible]. 30 Well, sir, who would be monitoring delivery Q 31 allocation percentage? 32 Α Yeah. I would say it's commission but me and 33 Brian --34 Q Yes. 35 Me and Brian talked like that all the time. 36 not like we're fighting here. We're just, you 37 know ... 38 Q You're responding to the suggestion that you 39 had delivery allocation reports to be filed with 40 the commission, that's what you're responding to; 41 right? 42 They got rid of that after a week anyways. Α Yeah. 43 I didn't ask you that, sir. I'm asking you about 44 the attitude you took towards your regulator and 45 we'll put it more politely. No; right? 46 Α I would have to read the whole text. Afterwards he says "yeah, I will." I don't know what means. 47

- No, sir, I think you're quite pithy response is 1 2 sufficient for me to ask these questions. 3 that? 4
 - Α Yeah.

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- You had no intention of disclosing what you were producing and putting into the marketplace?
 - No. I think it's getting taken out of context. Α It's just like how he said earlier, you know, about the noisy people, right. He's referring to the commission also, right, so he's -- you know, so he's taking the same attitude, right. So if the agency is telling me one thing, you know, maybe my language is wrong but it's obvious what he's telling me, right.
 - I'm not -- I'm not here about you using bad Q words, sir; I'm here about the meaning. the greatest of respect your commitment not to take responsibility for anything is something that will come up in argument. You had this direct communication about sending in tonnage reports so the delivery allocation could be monitored and your response was no.
 - Α Not necessarily. I did give it to him.
 - And then you say:

I see lawyer AM. Can you send me that?

- 28 Α And I gave him the -- they have the 29 reports, right. If I'm producing they have my 30 tonnage reports each week, so if he's telling me it's supposed to be there at 5:00 o'clock well, 31 32 do so. They have all the information. 33
 - Well, you say "they"; he says "we." Q Yeah. says "we have to send in tonnage reports each week" and then there's your response. Are you responding as IVCA or as Prokam or who?
 - Just me. Α
 - Q Yeah. And that causes you to want to see your lawyer and be sent whatever he's referring to; right?
 - Α No, not really. He had all the information that he needed for that report. They have it on their database.
- 44 0 Well, sir, I'm not going to go into it in detail 45 but we see what difficulties IVCA is having with 46 purchase orders and other information in August. 47 You recall Mr. Hira taking you through that in

some detail? 2 I recall that. And even after I said that he 3 said "yeah, I will," so I don't know what he said 4 after that. But it's just the way me and Brian 5 talked around texts, right. 6 Is it -- is it -- is it fair to call a producer 7 who responds to regulatory requirements like that 8 a roque producer in your view? 9 No, I'm not a rogue producer. Like I said, he Α 10 had the information. He could have given -- it 11 was just a comment, you know. He wants to send a 12 tonnage report all power to him. He can do that 13 at any time. He has that all in his database. 14 But let's --Maybe it wasn't the right answer, I admit, you 15 Α 16 know, maybe I shouldn't have said that, but that 17 doesn't change the fact that he has all the 18 information to make those reports. 19 Q And then, sir, we go down the text a little 20 further and you carry on. Mr. Meyer says, "yeah, 21 I will," I take it meaning send you the 22 information. 23 24 Who was it sent to? Why did Terry know 25 about it but not me he. Has access to all 26 emails. Why doesn't vice? 27 28 See that? 29 Α Yeah. 30 That "why doesn't" you as vice president of IVCA; Q 31 correct? 32 Α Yeah. But I'm also making a point because, you know, it wasn't sent to me and it just, you know, 33 34 I always did that is because if vice or director 35 had any meaning there, you know, I would have got 36 this also. 37 Yeah, sir, I've heard you say that, but I just 38 want to make sure the record's clear. 39 saying I'm the vice president of IVCA. 40 Yeah. Α 41 Right? 42 Α Meaning it had no value or else they would tell 43 me about it also. 44

And I'm going to ask you to go, please, to 3422.

Terry

And the email from Andre to date.

And you will see you say to Mr. Meyer:

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said there was a couple. 2 Do you see that? 3 Α Yeah. 4 And we're still, sir, just so we don't get lost Q 5 on the context, we're on June 22nd. 6 Α Okay. 7 And Andre would be Mr. Solymosi; right? Q 8 Α Okay yeah. 9 Q And you're asking for the information that's 10 coming from Mr. Solymosi; right? 11 Α Yeah. 12 Yeah. And so, sir, I mean, you're actively Q 13 watching what's happening here with the 14 commission and the issues that had arisen; fair? 15 I did my due diligence. You know, I wanted Α No. to -- you know, I tried to, when I had time, 16 17 inquire and make sure, you know, everything was 18 hopefully getting done at that agency level. 19 You followed up and asked for the letters that Q 20 had come across to be sent to you or resent to 21 you; correct? 22 No, I didn't get them sent to me or they didn't Α 23 even send them to me. All I know that he said 24 that there was a couple of notes. I don't know 25 if there was any [indiscernible] beyond that. 26 Sorry, sir, I'll leave it on the record the Q 27 emails that transmitted the letters that show 28 that a couple of letters were sent to you. Are 29 you challenging that now? 30 I'm not challenging it. I just don't recall it. Α 31 You asked for the May 14 letter to be sent to you 32 again so you could go to a lawyer, the May 18th 33 letter, I apologize; right? We saw that in your 34 texts? 35 Yeah. Α 36 Q Right? 37 Α Yeah. 38 0 And when this issue arose with we need to start 39 making reports so we can track delivery 40 allocation, you wanted information, you wanted to 41 see a lawyer; correct? 42 No, not about that. He had that -- he had all of Α 43 that information. He could have given it to the 44 commission at any given time. 45 Q I see, sir. And so you were seeing a lawyer,

sir, and I'm not going to ask you about legal

advice, I want to make that clear, but you were

seeing a lawyer because you recognized that Prokam's interest were in the centre of this? 3 CNSL C. HUNTER: I object to the question in respect 4 of what the subject matter on which legal advice 5 was sought. 6 CNSL K. MCEWAN: Well, let me try and reframe it to 7 save us a few minutes. I don't understand that 8 to be objectionable why he went as opposed to 9 anything that was said. 10 Q Sir, you saw these letters, the issue of delivery 11 allocation percentage as affecting Prokam's 12 interests; right? 13 Α Referring to a letter that I told to send to the 14 lawyer? 15 Yes. Q 16 Yeah, if something concerns me I send it to my Α 17 lawyers, and I did that one. And as far as this 18 chain goes, this is just day-to-day so ... Terry 19 said there was --20 Q This is just day-to-day, sir? 21 Α Terry said there was a couple of emails and --22 yeah, day-to-day that the agency would take care 23 of it. I don't know what they're referring to 24 It could have been a couple of emails. here. 25 Who knows what they were regarding. 26 Well, let's be clear, we're looking at your 27 texts; right? 28 Α Yeah. 29 And "the email from Andre today, Terry 0 30 said there was a couple." That's your words, 31 sir. It's not they; it's you; correct? 32 Α Yeah. 33 Can I take you, please, sir, to page 891. Do you Q 34 have a letter of July 10th, 2017? 35 Α Yes. 36 On IVCA letterhead? Q 37 Α Yes. 38 Q A response to the commission? 39 Α Yes. 40 Q Signed by you? 41 Α Yes. 42 And signed by you as vice president of Island 43 Vegetable Cooperative Association. Do you see 44 that? 45 Α Yes. 46 Q Yeah. So you're holding yourself out to your

regulator again as one of the responsible

officers for IVCA; right? 2 Well, if you want to go on the fact that -- what Α 3 that position as vice chair, whatever that means, 4 I would say so. I guess so. 5 And, sir, the letter, if I can take you to 895, 6 responds not only on behalf of IVCA but also to 7 the warnings issued to Prokam; correct? 8 I'm not -- I guess, yeah, they're just addressing Α 9 all the issues. 10 I'm going to take you to 942 if I might, sir. And I do want to just ask you a few questions 11 12 about this email chain. You'll recall Mr. Hira 13 took you to this email? 14 Α 15 And this is where IVCA expresses concerns about 16 cooperation from Prokam on pricing, purchase 17 order entries, returned phone calls and emails; 18 right? 19 Α Yeah. 20 And your response, sir, and we saw the letter you 21 just signed: 22 23 As vice president of ICVA [sic] --24 25 This is your email in response. 26 27 -- no such changes should be made in such a 28 busy time. If there's a change to be made 29 directors can vote. 30 31 See that? 32 Α Yeah. 33 And you asserted your authority as vice president 34 of ICVA [sic] in this email chain; correct? 35 Again I was just -- I was telling him that if I Α 36 was a vice president of IVCA no such thing like 37 this should happen, right, but they just 38 discarded it and did whatever they wanted to do 39 anyways. 40 Let's pause, sir. Firstly, your email doesn't Q 41 say if. There's no if about it. You were the 42 vice president, sir, and you represented yourself 43 to your regulator as such; fair? 44 Yeah, only to go for him to not even acknowledge 45 that, yes. And secondly, sir, I want to go back to the email 46 Q

that started this chain from Mr. Meyer. And if

end --

right now.

M'mm-hmm.

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you look, sir, what your agency is saying is -and I'm just going to read it to you for the 3 record and then a few questions and second 4 sentence: 5 6 As general manager I will remove your access 7 to the order entry system as of 9:00 A.M. Thursday, August 17, 2017. We will be 8 9 notifying all IVCA customers that all orders will be sent to orders@ivca.ca complete with 10 11 customer purchase order. 12 13 Do I have that correct so far, sir? 14 Yeah. Α 15 Q 16 If the customer still wants to CC you, we 17 are okay with that. Head office IVCA needs 18 to have a proper papertrail on all orders. 19 20 Did I read the next portion correctly? 21 Α Yeah. 22 And so what Mr. Meyer was saying was the agency Q 23 needs to have a proper papertrail; correct? Yeah, and they got it after this. Even though it 24 Α 25 was proper before but they were saying that it 26 wasn't and then after this point I believe they 27 did everything. 28 Well, Mr. Meyer was saying we need to have a Q 29 proper papertrail as the agency, that was the 30 simplicity of the question. You can agree with 31 that? 32 Α And there was. 33 Well, I didn't ask you that, sir, but I'm going 34 to say this: The one time you have to concede 35 you tried to internally exercise your authority 36 as vice president you were opposing those changes 37 being made; correct? Yeah, and if it had any value, he wouldn't have 38 Α 39 come up with this email basically shooting 40 everything down and saying it's what the agency 41 wants, right. So if it's what the agency wants 42 that's, you know, we gave up computer at this 43

Yes, sir, I'm concerned about Mr. Bob Dhillon

You, the vice president of IVCA, was opposing all

- orders being sent to orders@ivca.ca. Do I have 2 that correct? 3
 - Α Yeah. I was making a point.
- 4 Q Yeah.

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- And whenever I put that title out there my point Α was I always put that there just to clarify on these emails because later like this one it had absolutely no weight in their decisions.
 - I'm not sure you're understanding the thrust of my question, sir. I'm not concerned with whether they listened to you or not. I'm concerned with what you were conveying. What you were conveying was opposition to all orders being sent to orders@icva.ca [sic]; correct?
 - [Indiscernible] opposite. I was doing that for Α the reason being because it was a busy time of year and it wasn't a good time to make big changes but they wanted to make the changes so they made the changes, and I had no problem with
- 21 Big changes being all the orders going in an Q 22 orderly way to your agency.
 - Α That was a change. That wasn't how it was done before.
- 25 Q Yeah.
- 26 Α So it was --
- 27 Q That's not how it was happening. That's fair; 28 right?
 - Α Yeah, so it was a big change.
 - Yeah. And it was a change that you were prepared Q to exercise your authority as vice president of the agency to try and stop being made?
 - Just to prove a point and then afterwards it got Α -- we gave up all computer at this end and then it was all done.
 - And then, sir, we -- I won't go back over it but Q Mr. Hira took you through the various emails in August about purchase orders and the need for proper purchase orders and the fights that ensued about that. You recall going through that with, Mr. Hira?
- 42 Α Yeah.
- 43 Yeah. So while you say you rely entirely on the 44 agency to the extent you could you tried to stop 45 the agency from having proper paperwork?
- No, not at you all, I did not. They set it up 46 Α 47 originally out here that the paperwork would be

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Video Conference January 31, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING excerpt of Paul Mastronardi's evidence

ORIGINAL

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difficult to understand in light of my finding about the Commission is yet to make a decision on MPL's agency application.

The Commission now has the benefit of December 22nd supervisory decision and it's supporting direction which speak directly to managing apprehension of bias and conflict of interest and concerns. The Commission is incorporating the supervisory directions into its processes but this transition will take time.

I agree with the Commission that procedural fairness concerns that by MPL has justification in this appeal proceeding are largely speculative and anticipatory of an agency decision that is yet to be made.

It goes on to say:

In light of my conclusions above, I find the allegations in procedural fairness are insufficient grounds upon which to hear this appeal and the appeal is dismissed.

Now, as I understand, there was a judicial review application of this that was made initially by MPL; correct?

- A Sorry. On the technical term, I'm trying to figure out what you're calling --
- Q Oh, fair enough.
- A The July review that I had with FIRB?
- So with respect to this decision from FIRB Q No. on January 20, 2021 -- let me take a step back. The Commission made a decision on October 30th saying we're not going to extend the grower transfer date of October 30th; do you recall that?
- A Yes.
- Q And MPL sought an appeal of that decision to BCFIRB?
- A Yes.

- Q And BCFIRB has now made a decision here on 1 2 January 20th to say we're dismissing that appeal? 3 Yes. 4 Q And I believe MPL sought to take this decision to 5 court to ask the court to review BCFIRB's decision. Are you aware of that? 7 A I believe we stopped that. 8 Q Yes. You started it and then it stopped. 9 was my point. 10 A Yeah. 11 Q At one point it was filed, but it was then 12 stopped; is that right? 13 A Correct. Q Okay. Now, you recall being interviewed on 14 November 23, 2021, and asked a bunch of 15 16 questions. I want to take you to that interview 17 report and just go through some of the answers 18 you provided in that report. Okay. 19 A Sure. 20 O So this is the interview report prepared after 2.1 our discussion with you on November 23rd. 22 particular -- just give me a moment here. 23 start with bias conflict of interest and 24 misfeasance. You see that heading there? A Yes. 25 26 Q All right. 27 28 In response to questions about 29 allegations of improper conduct and/or 30 conduct constituting misfeasance, 31 particulars provided were that Paul 32 Mastronardi -33 34 And I apologize, I spelled your name incorrectly 35 on this document and my apologies. I realize 36 that now, but in any event. 37
 - Newell, CEO of Windset Farms who is also John Newell's brother who is president of Windset Farms and Greenhouse Growing Foods in October 2018.

-- Paul Mastronardi spoke with Steve

In other words, you had a discussion with Steve October 2018.

[AS READ]

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BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING BRIEF

Video Conference January 31, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING excerpt of Paul Mastronardi's evidence

ORIGINAL

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CNSL N. MITHA: I understand that. And I'm just asking what he knows today, of course. And what MPL knows as of today in filing this claim. And I believe, Ms. Basham, particulars were exchanged in the course of an application concerning MPL's notice of civil claim. So particulars are demanded and provided by MPL in the course of that.

CNSL R. BASHAM: To some extent, yes. But there's still an issue as to whether further particulars are going to be provided. This isn't about the notice of civil claim. As you well know in a civil claim there are all sorts of other procedures available which have not been dealt with.

CNSL N. MITHA: All right. I'm not arguing with you on that. I'm just asking what he knows today.

- Q Mr. Mastronardi, one of the things that came up in your interview was your counsel had at the time indicated that they had conducted certain investigations and had evidence as a result of their investigation, but they were not at that time prepared to disclose. Can you tell me if there's any evidence that your counsel has investigated that is still not being disclosed or is still being held?
- CNSL R. BASHAM: Just a minute. I'm going to have to object to the way the question is being asked. CNSL N. MITHA: Okay.
- CNSL R. BASHAM: Asking what counsel did or did not do, that's privileged. You gave us a list of questions that you wanted to ask and you wanted us to tell you whether privilege was claim for answers to these questions. And I believe Ms. Irving has already told you that the specific questions you asked are not being objected to and that answers to those questions would be given to you.

The question that you're now asking is what, if anything, counsel did to investigate and I'll object to that. That's privilege. That's counsel brief. But go ahead and ask the questions that you gave us in a letter in response to us saying to you what are the questions you want to ask and we'll tell you whether we'll bring an objection. And I think Ms. Irving has already told you that we will

answer those questions that you specifically sent to us by way of a letter. I don't object to that. CNSL N. MITHA: All right. Maybe I did not phrase

CNSL N. MITHA: All right. Maybe I did not phrase my question accurately and I - I'll try to rephrase it in a way that it's not relating to privilege.

Q I have already asked you, Mr. Mastronardi, just so you know, I've asked you the very questions that I sent to Ms. Irving by letter and you have answered all those questions.

Now, in our interview when I asked the same question, your legal counsel at the time said "we have some answers to those questions, but we're not going to tell you because those answers are based on investigations done by counsel." So what I'm asking you today is - I'm not asking you what your counsel did. I'm not asking you what advice you got. I'm not asking you what information they obtained. What I'm asking you is, is there still any further particulars which MPL is choosing not to disclose because they arise as a result of legal counsel's investigations?

CNSL R. BASHAM: We object to that question. My position is as follows, Mr. Mitha. You want to ask certain questions. We - I think we've provided you the answers, have we not? If we haven't, go ahead and ask this witness the questions you specifically asked.

I am not going to let this witness answer questions about what counsel may or may not have done by way of their investigations to make out their case for the client. That's clearly counsel privilege. I'm not going to let him answer that question.

But I'm going to let him answer the specific questions that we asked you to tell us what you wanted to ask and we would provide answers. As I understand it - Ms. Irving may speak up on this - that has been done. So why don't you just ask those questions. I'm not going to let you just generally ask him what, if anything, counsel has done. That's not a proper question.

CNSL N. MITHA: And with respect, Ms. Basham, I was not asking him what counsel had done. Let me say - let me respond by this - saying this.

1 Counsel in the last interview already said and 2 has waived the answer to this - except if there's 3 any privilege to this question, it's been waived. 4 And the question is, do you have any particulars 5 which arise as a result of counsel's investigations? The answer in the interview was, 7 "yes, we do." By answering yes, we do have 8 further particulars based on counsel's 9 investigations, that's been waived. To the 10 extent that question was privileged, it's been 11 waived because counsel answered the question. 12 So I'm asking today -- so I'm asking him today 13 the same question, do you have any other 14 information which is based on counsel's 15 investigations which you're choosing not to 16 provide? That question has been answered in the 17 interview. And I'm asking whether as a result of 18 the discussions today, is there anything left 19 that counsel has investigated which MPL does not 20 want to disclose? I think that question is, A, 2.1 not privileged, B, to the extent any privilege 22 exists has been waived. 23 CNSL R. BASHAM: I disagree. I don't know what that 24 context was because I wasn't counsel at the time. 25 What I do know is that we specifically asked you 26 what questions you wanted to get answers to. 27 gave us a number of questions, which we've 28 answered. So I am not willing to tell you siting 29 here whether there are other particulars that 30 counsel are relying, because I don't know. 31 don't know what was being referred to at the 32 interview that you had with -- I presume it was 33 Mr. Weatherspoon. And to the extent I may or may 34 not take steps -- steps may or may not be 35 undertaken right at this point to determine further particulars as they may exist. That's 36 37 not something that you're entitled to ask him. 38 I'm not going to let him answer that question. 39 But you can go ahead and ask specific questions 40 that you put to us that we said we would answer. 41 Why don't you just do that? 42 THE CHAIRPERSON: Mr. Mitha, if I might. 43 CNSL N. MITHA: Yes. 44 THE CHAIRPERSON: Thank you. Mr. Mastronardi, what 45 the panel would like to know -- what the panel

needs to know is there any further information

that you're aware of that you haven't shared with

46

1 us today. 2 PAUL MASTRONARDI: Not that I recall. 3 THE CHAIRPERSON: Thank you. CNSL N. MITHA: Thank you. 4 5 Q Mr. Mastronardi, I'm now sharing with you the interview report of Mr. Solymosi. Do you see 7 that on the screen? 8 Α Yes. 9 Q I'm going to take you to the portion that deals 10 with MPL. It deals with a number of issues. just going to take you to the questions and 11 12 answers he was provided. 13 14 Have you seen MPL's NOCC and that's the 15 notice of civil claim? 16 Α Yes. 17 18 Number 27: 19 20 MPL provided it's application for agency 2.1 status to the Commission on September 10, 22 2020. It was not dealt with at this 23 time. Why is that? 24 Close to the time MPL submitted its 25 application there was a moratorium on 26 agency applications. This was lifted in 27 October 2020 and panel was struck. 28 Commission contacted applicants. 29 panel sent requests for further clarity. 30 The Commission is working on amending 31 general orders for agency applications. 32 At the time put the application on hold 33 while the amendments were dealt with. 34 This was completed in March 2021. 35 is the amendments. 36 37 Next: 38 39 Mr. John Newell, the brother of Steve 40 Newell, was a member of the Commission at 41 the time? 42 Correct. Α

To your knowledge did he ever express any

negative views about MPL at or around the

brother was a member of the Commission at

time MPL was making application?

Confirm John Newell, Steve Newell's

43

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45

46

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference March 29, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 12)

COPY

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correct? 2 Α Correct. 3 And he had reviewed them with yourself and 4 Mr. Guichon; right? 5 Well, I would -- I know that Andre and I were --Α 6 spoke very widely on it trying to have a best way 7 to have everyone resolve the issue. And 8 direction was given, and he worked on the 9 direction to look at the cease and desist which 10 would then come up to the board. 11 Q All right. 12 Α Now, you're asking was Mr. Guichon involved in 13 that. That was not the discussions I remember. 14 No, I don't remember him having that discussion 15 with Andre and myself. 16 All right. Now, sir, as I understand, the cease 17 and desist orders were issued on October the 10th 18 and by that point in time, by October 10th, the 19 only two commission members that had approved the 20 cease and desist orders were yourself and 21 Mr. Guichon. Do you recall that? 22 No. Α 23 But you do recall approving -- you recall --Q 24 Oh -- oh yes. Α 25 Q You recall having discussions with Mr. Solymosi 26 about the cease and desist orders? 27 Α Oh yes. 28 All right. You just don't recall whether Q 29 Mr. Guichon was involved or not; is that fair? 30 Α That is fair. I mean, he may have been on one 31 call, but I do not recall that. Because it was 32 more pretty clear cut that they did not have a 33 delivery allocation plan and they weren't even 34 following any guidance on pricing. 35 All right. Do you recall seeing the cease and 36 desist orders before they were issued? 37 Physically seeing them either seeing --38 Α I believe so. 39 Q All right. And approving them, sir? 40 Α The four points, right, is what we're talking 41 about on the cease and desist mainly? 42 Yes, the cease and desist orders made against Q 43 Prokam in particular but the others as well? 44 Α 45 All right. Just give me a moment. I think those 46 are my questions. Just give me one moment.

Sir, at the time in October 10th, the whole

And following that meeting you were -- produced 2 some documents. And after your interview, you 3 and Andre decided that something had to be done 4 to get the situation under control? 5 Correct. 6 And what you settled on doing was issuing the 7 cease and desist orders? 8 Yeah, that was the final, final straw, the final Α 9 thing, but I mean, there's a lot of history 10 there, so anyway. No, no, of $\bar{\text{course}}$, and I'm glossing over it in 11 12 the interest of time. I'd love to review it in 13 full and give you a chance to comment on it, but 14 we'll jump straight into it, so to speak. 15 Yes. Α 16 CNSL W. STRANSKY: Apologies. I'm just going to bring 17 up a document. It will take a moment. 18 Apologies. My computer keeps crashing as I try 19 to do this. 20 I'm very sorry. Mr. Mitha, can I impose on 21 you to bring up the first exhibit in the common 22 book of documents. 23 Certainly. What page did you want? CNSL N. MITHA: 24 CNSL W. STRANSKY: Page 110. Every time I open it, my 25 Adobe crashes. 26 CNSL N. MITHA: Yes. I'll get it on screen right now. 27 Is that the one you wanted. 28 CNSL W. STRANSKY: Sorry, 1110. 29 CNSL N. MITHA: Sorry. Okay. Is that the one you 30 wanted? 31 CNSL W. STRANSKY: Yes. Thank you. 32 So this is the email that Mr. Solymosi sent you 33 on August -- or October 5th attaching the draft 34 cease and desist orders he drafted. Can you see 35 that? 36 Α Yes. 37 And then he says at the very bottom: 38 39 I'd like to send off the letters by Tuesday 40 at the latest. 41 42 Do you see that? 43 I do. Α 44 And so I gather from this document that you and 45 him had already discussed the fact that you were 46 going to send these out; is that right?

47

Α

Yes, that is correct.

And if we could go to one of the cease and desist orders at 1117? 3 Α Yes. 4 Q Now, this is the draft Mr. Solymosi sent you. 5 we go down to 190, then that's the actual text of 6 the CDO. And I wanted to spend a second just 7 talking about the terms and the purpose behind 8 them. So the first bullet here says that: 9 10 IVCA is expected to renew and enforce the 11 following orders. 12 13 And it says: 14 15 All shipments of Kennebec potatoes from 16 Prokam are to stop. 17 18 Then it says: 19 20 IVCA has determined there's a market 21 opportunity that supports a new entrant 22 application. 23 24 You see that? 25 Α I do, yes. 26 And that's something Prokam and IVCA should have Q 27 done already before they started shipping 28 Kennebecs; is that right? 29 That was the marketing plan that was asked for at Α 30 the beginning, yes, each thing. 31 You might not remember this, but Prokam didn't have delivery allocation for Kennebecs? 32 33 That's correct. Α 34 The third bullet, it says: 35 36 All purchase transport issues from customers 37 that have dealt with Bob Gill are to be 38 submitted in compliance with IVCA protocol 39 and as directed by IVCA general manager. 40 41 You see that? 42 Α Yes. 43 And again, that's something that Prokam and IVCA 44 should have been doing already; is that right? 45 Α That's correct, yes. Yeah. Prokam and IVCA had made an agreement that Bob Gill would be a 46 47 selling agent, I think is the term. I'm not

exactly -- and he was not following pricing protocol. 3 And then the last bullet says: 4 5 IVCA general manager will ensure all purchase orders and invoicing is in 7 compliance with established minimum price. 8 9 And that's, again, something that should have 10 been done anyway. 11 Correct. Α 12 And you mentioned this in, I believe, your Q 13 evidence with Mr. Mitha, but the idea behind 14 these orders was to give IVCA the tools to get 15 Prokam under control, so to speak? 16 Α So to speak, yeah. 17 Q Yeah. It wasn't the intention of this cease and 18 desist order to punish Prokam or sanction Prokam? 19 Α That's correct. 20 And then on this -- we saw the date October 5th 21 in the morning. At this time, Mr. Guichon wasn't 22 aware of the investigation you'd done or your 23 trip to the Island? 24 Α No. 25 And it was after you and Mr. Solymosi 26 discussed -- agreeing to get these out that you 27 thought to add him to the discussion? 28 That's correct. After the meeting, we knew we Α 29 needed to do something and we had further -- we 30 had a discussion with Mr. Guichon. 31 CNSL W. STRANSKY: And, Mr. Mitha, if you could go to 32 page 1124. 33 This is a letter from Mr. Solymosi to Peter 34 Guichon saying: 35 36 I want to bring you up to speed on a 37 compliance issue we need to address. 38 39 And details that you met and that he had drafted 40 these orders. 41 Yeah, it's pretty clear. Α 42 And in Mr. Solymosi's evidence, my note was that 43 Peter was brought in because he was vice chair 44 and there was a thought that he should be updated 45 on the situation. Is that your understanding as 46 well? 47 Α That was my understanding.

- And I mean, in the context of this call, there wasn't any suggestion that Mr. Guichon would be in a conflict of interest to be updated on these matters?
 - A The decision had already been made by Andre and myself that this is where we needed to head because of board meetings in the past. And it was just another assistance in making sure we were reflecting the right way or understanding the situation and how we could approach this. In the end, we didn't want Prokam to throw away potatoes, but we also wanted them to market them properly.
 - No, of course. And if we could just sort of confirm the first part of that evidence. If we could go on to page 1135.
 - CNSL W. STRANSKY: I'll just use the time as Mr. Mitha scrolls to apologize to him again.

CNSL N. MITHA: No problem.

CNSL W. STRANSKY:

 Q So this is another email from Mr. Solymosi to yourself and Mr. Guichon, and he says:

I want to send these out. Attached are the final drafts. Let me know if I need to change anything over the weekend.

You see that?

- A Correct.
- Q And there were no -- there were no changes suggested by yourself or Mr. Guichon to the drafts Mr. Solymosi vetted?
- A No, none, as I recall.
- Thank you. And moving on, I just wanted to ask you some questions about the December show cause decision.
- CNSL W. STRANSKY: So sorry, Mr. Mitha.
- CNSL N. MITHA: No problem.
- CNSL W. STRANSKY: If you could bring up page 1377.
- 40 CNSL N. MITHA: Sure.
 - Q So you were brought to this document earlier. It's the minute notes from the meeting on December 14th. This is the section on IVCA, Prokam, and Thomas Fresh. And if we could go to the next page, 1378, in the middle there it says:
 - All commissioners were present for the

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference April 1, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 14)

COPY

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his answers, with respect. Thank you, Mr. McEwan. I didn't hear THE CHAIR: 3 that, that he wasn't able to complete his response. 5 THE WITNESS: Yes. 6 THE CHAIR: Could you give him a chance again, please. 7 Thank you. Yeah, up above "I don't Scroll back a bit. I can just tell you. THE WITNESS: 8 know." The word "approve," as I said in my statement to Mr. Mitha, I said, "approve" at this hearing, but 9 10 what I meant by "approve," was consented to them being sent out. There was no vote with the three 11 12 13 of us, so it was just the consentual thing to 14 send it out. And then, you'll have to bear with me for a minute. I saw something else there too. 15 16 To do with the grower, there was a -- you 17 questioned as a grower and -- to be a commission 18 member, you have to be a grower, so I'm having a 19 tough time distinguishing between the two. 20 Obviously, I have a grower background, but as a commissioner -- and it's the same thing for being 21 22 on the board, you have to be a grower to be on 23 the board of an agency too. So I wanted to 24 clarify that. That was in my mind when I was 25 giving these answers. Thank you. 26 CNSL C. HUNTER: 27 Thank you, Mr. Guichon. Now, after the cease and 28 desist order was issued, you participated fully 29 in commission discussions about Prokam? 30 Α 31 And you voted on matters relating to the cease 32 and desist orders until you recused yourself before the vote of the December 14th meeting? 33 34 No. I didn't -- I didn't do any voting on Α 35 details of Prokam. 36 Your evidence is, you didn't participate in votes 37 about the Prokam cease and desist order? 38 I did not vote, no. On the cease and desist Α 39 orders? No. 40 I was asking -- after the cease and desist orders 41 were issued, did you participate in any votes 42 about the cease and desist orders between 43 October 10th, 2017, when they were issued, and 44 the December 14th, 2017 meeting when you recused 45 yourself? 46 Α No votes, no. 47 Q I'm going to take you to Exhibit 23, page 10.

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference March 30, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 13)

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the screen, sir. Yes, I can. Α 3 It says: 4 5 The issue of Mr. Guichon having been motivated by personal self-interest or the interests of BCfresh growers arose in the 7 8 context of his evidence at the 2018 BCFIRB 9 hearing. When asked about the reason for 10 the urgency in issuing the October 2017 11 cease and desist orders, Mr. Guichon 12 volunteered that it was the concerns he had 13 in his capacity as a BCfresh grower that 14 drove his decision to approve as a 15 commissioner of the cease and desist orders. 16 17 And then a portion of the transcript from your 18 previous hearing is set out and the answer: 19 20 Well, I guess, no. We never -- we didn't 21 talk about any notice, but I think time was 22 of the essence. We had only found out about 23 this 22 cent thing and we didn't, we 24 couldn't figure out why we couldn't sell 25 potatoes into Alberta at our price and we 26 realized we being BCfresh, realized 27 something was going on. 28 Now, you're here as a commissioner? Q 29 I've been asked questions of every facet so Α 30 I talked about -- I identified BCfresh right 31 now as I was talking, so. 32 Q 33 And that's where the urgency came from Α 34 whether we had to issue a notice. I don't 35 know. 36 Q All right. So BC -- I don't know that. 37 Α 38 Q BCfresh believed there was urgency? 39 Α No, I did. 40 Q You did? 41 Α Yes. As a grower. 42 As a grower? Q 43 That had a whole bunch of potatoes in Α 44 storage to sell. 45 Q All right. So you were considering the 46 issue of the cease and desist orders from

your perspective as a grower?

7

8

Yeah. As soon as I see a contract for 22 cents a pound and they've been selling all year, I'm not very happy about it.

So that is the portion of the transcript that is

9 10 11 set out in the letter to establish in part the allegation that you were motivated by personal self-interest or the interest of BCfresh growers. So that is the allegation. I'm going to back to the answer that you provided now, okay? And the question that you were asked is:

12 13

14

15

16 17 Please go to page 10 of Prokam's July 23rd letter. There's an allegation of missing documents, et cetera. That isn't the correct allegation. Page 10 is what we just saw which was the portion of the -- the portion -- the portion of the transcript.

18 19 20

And I believe your answer and I put it in the wrong place. You say:

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This is not accurate. The export for BCfresh was in no worse position because of Prokam. BCfresh sells through summer/fall. Thomas Fresh indicated all along we're not displacing BC produce. This is the claim made at the hearing BCFIRB 2018. What bothered everyone was the 22 cent price because that left money on the table. All cease and desist orders said was report sales. The cease and desist orders did not say stop harvesting and selling. It is well known that Prokam harvested and sold after the date, cease and desist orders. Prokam had to do was report. A commission was concerned about information not flowing to the agency the way it should have. was the biggest reason for the cease and desist orders. It had not prohibited growing potatoes next year.

39 40 41

Is that accurate, that's your answer to the allegation of the July 23rd transcript piece that we read?

43 44 45

42

It is. There's probably -- something should be added or I guess I thought maybe there was more

there to it but about the cease and desist orders, probably one of the biggest things was the non-compliance part aside from the 22 cent thing. The way the cease and desist orders read is that what it was doing was getting three parties back into compliance, putting the orders through IVCA's desk rather than selling direct to a wholesaler. So that was as big a concern but that wasn't really known until after, so. And, sir, at the time, the cease and desist

- Q And, sir, at the time, the cease and desist orders were presented to you in that email from Mr. Solymosi and your subsequent discussion with Mr. Krause. They informed you of their investigation learning of the non-compliance, I take it?
- A Yes, it was more the non-compliance than the 22 cent contracts that I believe they saw. I didn't -- I didn't realize that -- until they told me that virtually the agency and the grower weren't even together anymore and the relationship between the grower and the agency was totally broken.
- Q All right. And that's --
 - A My big concern was about the orderly marketing.
 - Q That's what was communicated to you at the time and that's the basis on which you made your decision; is that correct?
- A Yes.

- All right. Sir, the next -- the next thing I'd like to discuss with you apart from the cease and desist orders that were issued on October 2017, is the suggestion that your involvement constituted a conflict of interest, and there's a bunch of different times when you're involved. So let's deal with them separately, although there's an overall allegation of conflict of interest, let's break it down. So the first allegation is that your approval of the cease and desist orders was to protect your own economic interest and was therefore a conflict of interest. What is your response to that allegation, sir?
- A First of all, as I mentioned earlier, I did not approve them.
- 45 Q Right.
- 46 A I consented on them being sent out and that would 47 be sent out to the commission and they would have

Videoconference April 8, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 5)

Board:

Peter Donkers Nazeer Mitha Wanda Gorsuch

Sara Theisson Erica Champion

Claire E. Hunter, QC Ryan Androsoff Kelly Firth, A/S

Rose-Mary Basham, QC

Ravi Hira, QC Ashleigh K. Hall

J. Kenneth McEwan William Stransky

Robert McDonell

Robert Hrabinsky

Chairperson BCFIRB Hearing Counsel BCFIRB Hearing Counsel Liaison

Panel secretary Panel secretary

•

Prokam Enterprises, Ltd.

MPL British Columbia Distributor Inc.

A. Solymosi

VMC Commissioners

BCfresh Vegetables Inc.

BC Vegetable Marketing

Commission

COPY

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Q

the dirt.

with IVCA. 2 Of the 30/40 acres that you had left after 3 October 10th, do you have a sense of how many of 4 those were of marketable quality? 5 They were all marketable. 6 And what happened to them after the cease and 7 desist order was issued? 8 Α They were left in the ground. 9 And why was that? 10 There was no communication with IVCA, they wouldn't give us any POs, so the last PO we tried 11 12 to get from them took ten days, and the quality 13 was not very good by then. That relationship was 14 just not there and we gave up and we stopped harvesting because we had no avenue to sell them. 15 16 Q I'm going to ask you just a couple of questions 17 about Nupinder Bajwa. She's your sister; is that 18 right? 19 Α Yes, she is. 20 And you were here -- you were in attendance at 21 the hearing when she gave evidence on Monday? 22 Α Yes. 23 You recall she was asked about whether you had Q 24 taken equipment from Bajwa Farms and about the 25 financial relationship between Prokam and Bajwa 26 Farms? 27 Α 28 What can you tell us about the financial 29 relationship between Bajwa and Prokam over the 30 last year? 31 She's my sister. We've helped her out where she 32 needs help. My dad's -- you know, we lent her equipment and, you know, we worked together with 33 34 her to get her through this. 35 There was an allegation that you had taken 36 equipment from Bajwa Farms. What do you say 37 about that? 38 Α You know, that just BCfresh -- I think that email 39 came from Murray Driediger and I don't know where 40 he's getting his source of this story from but 41 that's untrue. Like I said, we worked together and no one took anybody's equipment. That's just 42 43 ridiculous that I would go in there and take all 44 the equipment. Again I think that was just 45 BCfresh/Murray Driediger running my name through

And what about finances? There was a suggestion

```
harvested, produced and shipped in excess of your
2
           delivery allocation for any varieties of potatoes
 3
            that you have DA for; right?
 4
           Yes.
      Α
5
      Q
           That was a yes, sorry?
 6
      Α
           Yes.
7
           Yes. And added to that you had -- am I correct
8
            in saying you had no delivery allocation for
9
           Kennebecs; right?
10
      Α
           Correct.
11
           And you sold -- you shipped and sold Kennebec
12
           volumes; right?
13
      Α
           Under IVCA's direction, yes.
14
      Q
           Yeah. About 4,000 pounds?
15
           Roughly, yes.
      Α
16
           You mentioned earlier some -- in 2017 some
17
           potatoes left in the field. I think you said
18
           yellows and Kennebecs.
19
      Α
           Yes.
20
           At the time -- after receipt of the cease and
21
           desist order. Do you remember that?
22
           Yes.
      Α
23
           And so -- and I don't have my note. How much
      Q
24
            acreage was left? Was it about 30 or 40?
25
      Α
            30, 40.
26
      Q
           Yeah.
                   And at that point in time, had you already
27
            exceeded your delivery allocation for yellows?
28
           Most likely.
      Α
29
                  And you hadn't exceeded your DA for
      0
30
           Kennebecs because you didn't have any at that
31
           point; right?
32
      Α
           Correct.
33
           Now, what did you grow and ship in terms of
      Q
34
           potatoes, if anything, in 2018?
35
      Α
           None.
36
                   2019?
      Q
           None.
37
      Α
           None.
38
      Q
           2020?
39
      Α
           None.
40
      Q
41
      Α
           We had grown about 20 some odd -- 20, 30 acres.
42
           Is that what you sold through -- sorry. Was it
43
           OGP, the Okanagan agency?
44
      Α
           Well, we didn't get the chance. We got flooded
45
           but that was the plan.
46
      Q
           And I'm very sorry to hear about that, sir.
47
           didn't know that until yesterday and I'm very
```

Videoconference March 30, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 13)

COPY

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Q

potatoes to Thomas Fresh outside at BC at 2 22 cents a pound. Does that ring a bell? 3 Yes, it does. Although I have nothing to do with Α 4 the pricing calls, but if it's 40 cents, that 5 would have come from the agency managers and 6 Andre setting prices for those numbers. 7 Fair enough. I'm not so concerned about the 8 dollar value number, you know, of cents per 9 I'm not more concerned about the 10 authority of the commission to set prices for 11 exports. The allegation is that the commission 12 doesn't have the legal authority because they're 13 provincial and the federal legislation requires 14 certain things be done before the commission can 15 set prices for exports. That's what the allegation is and those are the questions I'd 16 17 like to ask you about. I'd like to ask you about 18 questions about what you know about the authority 19 of the commission, a provincial body, to set 20 prices for export outside of BC; okay? 21 Okay. Α 22 So, sir, in 2017, or even earlier, what was your 0 23 understanding as to whether the commission had authority or didn't have authority to set prices 24 25 for exporting of potatoes grown in BC? 26 The commission has always under the assumption Α 27 and that we had pricing authority. I can 28 take you -- I can go way back to my early days, 29 back to the challenge that the greenhouse had 30 against the commission on levies and that was the 31 Drost decision and they, in fact, ruled that. 32 And I went to the BC Court of Appeal and they, in 33 fact, ruled that the commission did have the 34 authority to collect levies and set 35 interprovincial pricing. So then --36 Let me just stop you there before you go further. Is that something that's commonly referred to as 37 38 the I5 decision? 39 Α Yes. 40 So you were aware of that and that decision, sir, 41 we can look it up, but my recollection is it was 42 in around 2003. Does that ring a bell? 43 I think the original case was 2003 and then the Α 44 appeal court stood by the decision in 2005.

That's what all I remember about that.

All right. But that decision was to do with

levies. Did you simply presume that because they

- had the authority to set export levies they could also set prices for export of potatoes; is that right?

 A In the written decision, it said, levies and
 - A In the written decision, it said, levies and interprovincial pricing.
 - Q Okay. So, sir, there was a bunch of evidence given by George Leroux in this hearing about the fact that there were parliamentary committee meetings in 2008, in March 2008 where there was discussion about setting of levies, extraprovincial levies. You were on -- you were a member of the commission in 2008; right?
- 13 A Yes.

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- Q Do you recall that being a big issue at the time in 2008?
 - A No. I don't recall it being an issue at all. We got a set of minutes, I think it was sometime in 2006, and it was just a year after the other decision. And I don't know how it came about, but in our minutes there was just there was just a small section on that part of the meeting that said that we may be we may, that's what it says, may be able to be challenged on what it is.
 - Q Okay. I just want to go to that if you just give me a moment. I'll pull that up, just give me a second. All right. Sir, I'm going to take you to this document. Let me just enlarge it so that we got that. Can you see this document, sir?
- \mathbb{A} Yes.
- 31 Q And you'll see the heading is "Minutes of BC 32 Vegetable Marketing Commission Regular Meeting 33 held September 7, 2006"?
- 34 A Yes.
- 35 Q All right. And I'm just going to take you to -36 so it says, "BC Vegetable Marketing Commission
 Notice of Meeting and Agenda" and it sets out
 various items that are going to be discussed; do
 you see that?
- 40 A Yes.
- 41 Q And it indicates that George Leroux, the chair 42 was there and indicates that you attended?
- 43 A Yes.
- 44 Q I'm going to take you to item 3.4. Sir, you'll see item 3.4?
- 46 A Yes.
- 47 Q It says, "federal orders." Do you see that?

Yes. Α It says: 3 4 Federal orders are required in order to 5 implement the commission's delegated federal 6 authority. The current federal orders may 7 be out of date and requiring revision. 8 federal government is also proposing a 9 simplified system which, when approved, will 10 no longer require federal orders. 11 recommended procedure is to proceed 12 simultaneously on both initiatives --13 14 And then there's a motion that: 15 16 The federal orders be brought up to date and 17 that a submission be prepared requesting 18 exemption from the requirement for further 19 federal orders. 20 21 Do you see that? 22 Yes. Α 23 Do you recall receiving that brief at the time, Q 24 sir? 25 Α That was -- we didn't receive a brief, that's 26 part of the minutes. 27 Okay. So if it was part of the minutes, would it 28 not have been discussed at the meeting, sir? 29 Α Probably either George Leroux or Jack Russell 30 just gave us an update on that. 31 All right. And what did you understand from 32 that? 33 Well, I understood that the current federal Α 34 orders may be out of date. What I understood 35 from that is that our legal counsel, the chair, 36 and I guess it was Tom Demma at that time -- no 37 George Leroux, sorry, were going to investigate it further and keep the commission updated. 38 39 Did you ever look at the submissions made from 40 George Leroux to the parliamentary committee in 41 2008? 42 I haven't seen the list until this hearing. Α 43 That's the first time you saw them was at this Q 44 hearing? 45 Yes. Α 46 All right. Well, let me just put to you this, Q 47 sir. You saw the allegations in the notice of

civil claim and I can take you back if you need to look at it again, but the allegation, quite simply, is that you knew or you ought to have known or you were recklessly and willfully blind to the fact that the commission did not have the legal jurisdiction to set export pricing without proper gazetting and registration. So just stop there for a minute. Do you understand the notion of gazetting and registering?

- A No. I didn't, but I understand a bit of it now, but I didn't at that time.
- Q Well, maybe you didn't understand the technical aspects, but I guess the underlying question to that is did you understand that the commission did not have jurisdiction to set prices for exports of potatoes grown in BC in 2017? Was there any concern in your mind about that?
- A Not really, because we -- we're relying on our legal counsel. FIRB was involved. Everybody was involved and we were not relying on the federal order at that time, we were relying on a provincial order. And to my knowledge, and that's what I've been led to believe is that we've been doing that ever since -- ever since day one, right up until -- right up until 2018 when we -- after the last hearing, FIRB ruled that we didn't, in fact, have that.
- Q Right.

- A But up until that, everybody operated thinking that we did.
- Q Okay.
 - A And it's a legal term, it's a way that thing is interpreted, from my understanding, with our legal and FIRB all along. They thought we were in compliance.
 - Q I don't want to get into what your legal counsel may have told you. I'm not seeking to waive privilege over it, but I just want to take you -- just give me a moment and I just want to take you to -- give me a second, sorry. All right. Here, I'm going to take you to this document. Are you able to see this document on the screen, sir?
- 43 A Yes, I can see it.
- Q Do you need it expanded or can you see it okay?
- 45 A No, that's fine.
- Q Okay. So this is the cease and desist order.
 I'll start at the first page and it's page, for

the record, page 1162 of Exhibit 1, and you'll see it's dated October 10th and it's addressed to 3 Brian Meyer and Terry Michell and it's a cease 4 and desist order; all right? 5

Yes.

- And what I want to take you to is the cease and desist order and specifically -- just give me a second, sorry, I just saw it here, the violation details?
- Α Yes.
 - And it says:

Prokam enterprises and Bob Dhillon have knowingly supported the actions of Bob Gill in marketing and selling of potatoes without commission authorization at pricing below the authorized minimum price.

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That's the first violation detail that's listed. You can see that?

Α Yes.

- So you understood here the concern was that 0 Prokam and Bob Dhillon are marketing potatoes below the minimum export price that was set; right?
- Yes. Α
- Right. And the allegation, sir, quite simply is, that violation is improper because the commission did not have the authority to set minimum export price. And you knew that and you ought to have known that, and therefore, this key allegation, for example, is just invalid. That's the allegation. And I want to put to you, what was your knowledge about whether the commission could set this minimum price and whether this allegation has any validity?
- As I said before, sir, the commission was under Α the understanding and we had the legal -- we had FIRB, we had Mr. Leroux, we had everybody, and they've done their homework. We've never been -no commission member has ever been on a pricing call. We thought because they were -- the purpose, our purpose, was to regulate BC-grown, call it potatoes in this case, in the province of British Columbia, that we did have minimum pricing authority.
- Q All right. And therefore, you would say that if

Videoconference April 1, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 14)

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1 2		thought the commission had jurisdiction over anything grown in BC and sold anywhere.
3 4 5	А	See that? Yes.
6	Q	And is that accurate?
7 8	A Q	No. Okay.
9 10	Ā	I heard what I said 2012. It should have been prior to that.
11 12	Q	Was that a reference to the 2002 decision that you've been referring to as the I5 decision?
13 14	А	No. It says:
14 15 16 17		At the time, I didn't know what gazetting ever meant.
18 19 20	Q	I heard of that back in 2012. That should have been probably 2007 or '08. Okay. So when you say:
21 22 23 24		At the time, I didn't know what gazetting even meant.
25 26 27	А	What time are you talking about? I would say, right when the we started getting minutes regarding the kerfuffle back east. It
28 29 30		would be 2006 wherever I saw the word "gazetting" for the first time. I didn't understand what it meant or the ramifications of
31 32	Q	it. And when you say:
33 34 35		Everyone thought that cease and desist orders were within commission jurisdiction.
36 37		And then in the next line at the bottom:
38 39		I thought the commission had jurisdiction
40 41		over anything grown in BC and sold anywhere.
42		Do I understand your evidence that that
43 44		understanding came from the 2002 decision of Mr. Justice Drost?
45	А	Yes. That, and then when it was appealed, it
46 47		went to the BC Court of Appeal, and two or three judges there found that Judge Drost's decision
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was in their favour or in the commission's favour, I should say.

And tell me what --

- A Not since that, it was beyond that -- beyond the 2008, the hearing that Mr. Leroux and Mr. Collins and Mr. Hrabinsky attended. Beyond that, our legal counsel was of the firm belief that --
- CNSL K. MCEWAN: I'm sorry, Mr. Chair. And Ms. Hunter certainly wasn't asking for an answer as to what legal counsel was advising, but I think in fairness, it should be shut off without that answer.

THE CHAIR: Correct. Thank you, Mr. McEwan. THE WITNESS: Okay.

CNSL C. HUNTER:

- Q Mr. Guichon, do I understand that it was the decision of Justice Drost and then the court of appeal decision that gave you the view from which you took the view that the commission had jurisdiction over anything grown in BC and sold anywhere?
- A No. Not just that.
- Q All right. What other information, and I'm not asking about advice from counsel, but what other information did you have that in 2017 on which you relied in forming the view that the commission had jurisdiction over anything grown in BC and sold anywhere?
- A The pricing calls that happen every Tuesday between 2009 and 2017, the commission general manager -- and there was two or three different ones through that period of time -- along with the agency managers set the minimum prices for -- and we were not, to my knowledge, we were not relying on the federal orders; we were relying on the provincial orders, which the purpose was to regulate BC grown product in BC and sold wherever.
- Q All right. And the idea that you were not relying on the federal orders; you were relying on the provincial orders. Tell me what that view was based on?
- CNSL K. MCEWAN: Other than legal advice?
- 44 Q Yes, other than legal advice.
 - A Well, other than legal advice, well, the general manager, obviously, talks to legal, and that was our -- that was our take on the advice we had.

Video Conference February 9, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL	ACTIVITY
PROCEEDINGS AT HEARING	

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1 Wanda, I believe I found what I needed. 2 attached. 3 4 Do you see that? 5 Α Correct. 6 Q And I believe what you attached is below, so is 7 this what you attached? 8 Α Correct. 9 Q All right. And what did you learn from attaching 10 this? 11 Α This is related to --And "this," when I say -- for the record, it's at page 1200, 1-2-0-0. Sorry, go ahead. 12 13 14 CNSL R. HIRA: Sorry, there are -- Mr. Mitha, there 15 are two documents. If you look at 1197, there are two documents that are referred to. One is a 16 17 gazette. The second is a Supreme Court of Canada 18 decision. 19 CNSL N. MITHA: Yes, I see that. 20 CNSL R. HIRA: And --21 CNSL N. MITHA: 22 Are those the two things you attached, sir? 23 Α Correct. 24 CNSL N. MITHA: All right. 25 CNSL R. HIRA: You might want to go to 1204. 26 CNSL N. MITHA: 27 And what was the -- where did you find that 28 information to attach? 29 I think it was in our office. 30 Q All right. And so these are the things that you 31 attached, is that right? 32 Α That's correct. 33 All right. And so what was your understanding as 34 a result of attaching this? What did you 35 understand? 36 Α My understanding was that this was related to 37 levies, and the -- the -- I guess levies and the 38 authority that the BC Vegetable Marketing 39 Commission had to collect levies on B.C. 40 production marketed by B.C. agencies in the I5 41 corridor. 42 And how did that relate to the All right. 43 Commission's authority to set prices for exports, 44 with or without gazetting? 45 Α It led me to believe that we can rely on our 46 provincial authority to set minimum pricing if

the purpose of that -- of issuing minimum pricing

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1 is to regulate B.C. production being marketed by 2 B.C. agencies to get the best returns for B.C. 3 producers. 4 Were you aware of any of this information prior 5 to this issue being raised? In other words, at 6 the time the pricing was being set in August, 7 were you aware of any of this information? 8 Α No. 9 I'm going to come back to this area again in a 10 bit more detail, but -- I'm coming at it in different pieces, but I'll come back to it again. 11 12 I want to move to the November 10th, 2017 13 letter that was provided by the various --14 provided by you to the Commission, written by various agency managers. Do you recall that 15 16 letter? 17 What was the date on that letter? Α 18 November 10, 2017. I'll take you to the letter. 19 Α If you take me to it, that'd be appreciated. 20 I'm referring to this letter here of November Q 21 10th, 2017. Do you see that? 22 Α Correct. 23 Q You're familiar with this letter? 24 Α 25 Q All right. And you provided a copy of this to 26 the Commission, right? 27 Α Yes. 28 Q And that was before the Commission's decision 29 which was handed down on December 22nd of 2017? 30 Α Correct. 31 And you didn't provide a copy to Prokam? Q 32 Α No. 33 All right. I want to talk about how this letter 34 came about, first of all, and then we'll come 35 back to it. So I -- I'm showing you an email 36 from yourself on September 26th, 2017 to various 37 Commission managers, setting a meeting for 38 November 7th. Do you see that? 39 Α Correct, yes. 40 Q All right. And in fact, that meeting was set? 41 Α The -- yes. 42 And I'm taking you to an email you sent on 43 November 9th -- oh, that's after the 8th, so let 44 me take you first of all to the agenda. 5625 is 45 the document number I'm taking you to, and that's

an email on November the 7th, and you say:

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ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 11)

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Farm Products Marketing Council were having with the orders of the vegetable commission. And it had to do with some wording about by order and that meant it had to harmonize with some federal thing, so that was understood. To the extent to which individuals understood the seriousness of it, I don't know, but I do know that it was taken very seriously within the commission. I took it very seriously, the chair did -- or the general manager did, and Jim Collins did, and those were the three people working with Rob Hrabinsky, with the general manager -- and I was not directly involved in all the different positions -- but this issue of harmonizing or coordinating the provincial orders with the federal orders was an important issue that the commission was trying to get resolved. That's what I know at the time.

Q Thank you.

- A That Andre would have known anything about it at the time that would be a real stretch because it wasn't really his area within the commission. To the extent with which any of the commissioners, including Peter Guichon, would have understood it, I couldn't really speak to that. The information was made available to them and it was understood that there was a -- there was a potential issue with our orders being in compliance with the federal orders. That's what I can say.
- Q All right. Thank you. That's helpful. I'm going to take you to the first volume of the common book of documents and share with you some part of -- all right. So, sir, you have in front of you the opening remarks for the standing joint committee for the regulations, Thursday, March 13, 2008?

A Yeah.

And these were comments, I believe, sir, made by you at the time as chair of the commission. And you can see in paragraph 1, stand before you today representing the commission, one of the nine regulated commodity boards and commissions in BC, and you go on to discuss these things and I believe the summary of this was provided to you as part of your interview report. So you had a chance to look at this before?

A Yes.

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correct?

forward? 2 He was -- I remember him doing most of the 3 briefings on it, yes. 4 Q And the issue was identified that, in order to 5 exercise the commission's federal authority to regulate -- to collect levies for interprovincial 7 trade, a federal order was required? 8 That was the understanding. Α That was where they 9 felt that there was a vulnerability, correct. And what the commission agreed to do at 10 11 that time was to proceed on two fronts to make an 12 order but also to try to get a change to the 13 regulation to remove the requirement for the 14 future; correct? 15 Yes. Α You discuss at that meeting and during this 16 17 period with the commission that the commission 18 was not presently complying with the requirement 19 to issue a federal order in respect of levies; 20 correct? 21 Α That's why we were trying to fix it. 22 Yes. And it was discussed that the commission 23 was not gazetting or registering interprovincial 24 levies? 25 Α That's an interesting thought. I don't know 26 whether that would have been in the common 27 understanding of the commissioners at that time, 28 Claire. They would have understood there's a 29 vulnerability and that the orders might not be 30 valid and could be challenged. Whether they knew 31 the specifics of that, I can't speak to. 32 Q Whether they knew the specifics or not, the 33 possibility -- the vulnerability as you put it, 34 the possibility that the commission was not 35 complying with the regulation, that was a matter 36 the commission took seriously from the very 37 beginning as soon as it was raised; correct? 38 Α I would say, commission staff and myself and FIRB 39 Did the rest of the commissioners have the 40 same sense of vulnerability or seriousness, I 41 can't answer that. But insofar as I represented 42 the commission with the general manager and the 43 assistant general manager, we took it seriously. 44 And the fact that the issue had been raised and

that you took it seriously was discussed with the

full commission at least at this meeting;

- Q So at the very end of Ms. Hunter's cross-examination, she suggested to you that your speaking notes would have been sent to all the commission members. Do you remember that from a moment ago?

 A Yes, but I said, I wasn't sure that that was the
 - A Yes, but I said, I wasn't sure that that was the case. I couldn't -- I couldn't confirm that is what I said a few moments ago.
 - Q Yeah, so I'll just bring you to this -- to the email you sent Mr. Mitha so it explains or you explain here that you have a notebook system that tracks what you do each day.
- 13 A Yeah.

- Q And then you confirm that you were out of the country from November 7 until the beginning of March of 2008?
- 17 A M'mm-hmm.
 - Q And so that was immediately before you went to Ottawa to --
 - A Right. Arriving home on 3rd or 4th of March and being told I was going to Ottawa for a week or two. I was more than thrilled.
 - Q I can imagine that. At the end of this email, you just say, given that you were away for four months and that you'd started preparing for the meeting on March 6, it's possible your speaking notes weren't reviewed by the directors of the VMC. And that while you're away, it's likely the matter was being handled by Tom Demma, Rob Hrabinsky, and Jim Collins?
 - A That's correct. That's what I said, likely the matter, yes.
 - Q Yes.
 - And the question of whether the commissioners or Peter, in particular, actually received those notes, my practice would be to include them, but I just don't know whether that was the case here and since I scrubbed, you know, all my emails for BC Veg before 2010, I don't have it so I can't say. I can't confirm that.
 - Q Of course. And those are my questions. Thank you, Mr. Leroux.
- THE CHAIR: Thank you, Mr. Stransky.

 Mr. Mitha?
- CNSL N. MITHA: Before we go further, Mr. Stransky, did you want to enter that email as an exhibit?

 I don't think we've entered that yet as an

Videoconference March 29, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 12)

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be making a decision, and we had further
           discussions when they were out of the room to
           make sure that we were not making decisions on
           any bias potential from the storage crop
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           component of our board. And I felt very good
           confidence in our greenhouse sector board members
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           to make sure that we were making a final decision
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           that was relevant and clear on what was
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           transpired that last season of potato growing by
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           Bob Dhillon and the marketing by Bob Gill.
           All right. So if I can summarize what your view was and is, which is that you thought it was
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           acceptable for these three storage crop
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           individuals who were involved in the storage crop
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           to be involved in the discussions because they
           provided information that may have been
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           pertinent; is that fair?
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           Clarification, correct.
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           And, sir, the same thing happened earlier.
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           this is December 2017. I'm going to take you to
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            some earlier minutes. Just one second here.
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           Sorry. I just missed the page. I have to
23
                            Just give me a second here.
            find the page.
24
      Α
           No problem.
25
      Q
            Just give me a moment. Sorry.
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      Α
            Okay.
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      CNSL N. MITHA: Claire, can you help me out.
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           note and it was the October 25th, 2017 minutes of
            the commission, and I seem to have lost the page
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                     It may have been in a different set of
           number.
31
            documents.
32
      CNSL C. HUNTER:
                        There's a conference call minute at
33
            Exhibit 23 on page 10.
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      CNSL N. MITHA: Okay. That's October 25th, 2017?
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                       Yes, that's right.
      CNSL C. HUNTER:
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                      Yeah, I'm just looking for the
      CNSL N. MITHA:
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           materials from Exhibit 23, and I don't seem to
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           have that handy. I thought I did, but ...
39
      CNSL C. HUNTER:
                       Do you want me to share that?
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      CNSL N. MITHA:
                       Yeah, if you don't mind. Thank you.
41
      CNSL C. HUNTER:
                        Sure.
42
      CNSL N. MITHA:
                       Thank you.
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           All right. Mr. Krause, you will see we have
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           minutes of the commission telephone conference
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           call on October 25th, 2017. Now, just to place
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           this in context, remember the cease and desist
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orders were issued on October 10th, 2017, and the

was dated, do you? When it was signed? 2

Α I would not, no.

- Okay. All right. Thank you. I'm going to take --
- No, I just want to iterate that the paragraph you were reading out --

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- Α Yeah. You know, unfortunately there would be no board if you were wanting to ask those questions to anyone. So obviously, the whole point of this was that the board is made up of two very distinct parts, which I think is what made the BC Vegetable Marketing Commission a fair commission. Half of them made up by greenhouse and half made up by storage crops. And so because every potato grower or vegetable grower is going to have to be selling their product through an agency or something, you know, there is potential to be viewed as a bias. Therefore, I think the commission was set up in a way that it could deflect that bias by then making sure decisions were made by the vegetable or the greenhouse sector versus to try to keep -- to make sure that that we were trying our best to be unbiassed in decision-making. Does that make sense to you? Do you understand the board? Do you understand how the board works.
- I hope I understand a little bit about it. Let me just ask it to you this way and see if you agree with me. My understanding is one of the ways that the commission dealt with the sort of structural challenges of some of the members being storage crop and some of the members being greenhouse is that panels were appointed to make decisions.

So if there was a decision to be made involving a storage crop issue, you would make a panel of the greenhouse commissioners, and the chair was independent. And then you might get independent from the storage crop commissioners because they knew about the industry, but the decision itself would be made by the greenhouse, the nonconflicted members; is that right.

- That sounds reasonable, yes. Thank you.
- 45 And is that how -- is that the manner in which it 46 operated when you were chair?
 - Α That is how we wanted to operate it, yes.

review of the binder of evidence and all submissions from each party and BCVMC staff on the matter that were submitted up to and including September 13th. On completion of this review, Peter, Cory, and Hugh recused themselves from the meeting.

2.3

You see that?

- A Yes.
- Q And you've already said that occurred?
- A That's correct.
 - And I just want to talk briefly about the commission's practices on conflict of interest at this time. So I'm going to propose something to you. I'll ask if you agree with it. Having commissioners elected from the industry, if they have the necessary expertise relevant to it. Do you agree with that?
 - A Yes.
 - Q So storage crop members know about storage crop issues; greenhouse members know about greenhouse issues?
 - A That's correct.
 - And the idea is -- I think as reflected in these minutes is that while a member from the storage crop sector wouldn't sit on a panel or make a decision with respect to a storage crop issuer or agency or grower, it was at least your view that it was important for them to be available for questions that the greenhouse members might have?
 - A That is correct.
 - Q And that was done before the, in this hypothetical, the greenhouse members would go deliberate on the decision at hand or vote on it? A Correct.
- CNSL W. STRANSKY: And then, Mr. Mitha, if you could go to page 1406.
 - So I'm not sure you were brought to this, but there was the meeting of December 14th, and then you will see here an email from Mr. Solymosi dated December 21st to John Newell, yourself, Blair Lodder, Eric Schlacht, and Jos Moerman as well as Mike Reed. So these were the -- these were the commissioners who sat on the panel with respect to the actual cease and desist order or the show cause decision?
 - A That's correct.

- And then this email reflects that there is going to be a conference call to discuss the draft of the decision document to review it and make the decision. You see that?
 - A Yes.

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- 6 Q And that -- if you can recall, did that call occur?
 - A I believe so. I remembered that.
 - Q If we could jump back to page 1400. So this is the -- these are the minutes of that conference call on December 22nd, and it reflects that you called the meeting, the panel reviewed a written summary of the analysis, tentative thoughts, comments, and observations. And then on satisfaction that the document was accurate, they continued deliberations and entered a vote. And then the meeting adjourned at 2:50. Do you see that?
 - A Yes. Thank you.
 - Q No, of course.
 - A I was missing that component that I thought we had done. Thank you.
 - No, I saw that you -- I thought that you referred to it, but I noted that you hadn't been taken to it.
 - CNSL W. STRANSKY: And those are my questions. Thank you very much, sir.

THE CHAIR: Thank you, Mr. Stransky.

CNSL N. MITHA: The next will be Mr. Hira.

THE CHAIR: Mr. Hira.

CROSS-EXAMINATION BY CNSL R. HIRA:

- Q Mr. Krause, my name is Ravi Hira, and I'm Andre Solymosi's lawyer. What I'd like to do is just cover the role of the commission, then cover the -- what you learned from the investigation and the cease and desist orders and then deal with whether there was any animosity to Prokam.
- A Okay.
- 40 Q All right. So the commission. The primary goal 41 of the commission is to get a good return for 42 growers; is that a fair statement?
- 43 A Yes.
- 44 Q And the way that is achieved is by regulating BC growers and BC agencies?
- 46 A Yeah.
- 47 Q Is that a fair statement?

Videoconference March 30, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 13)

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draft the letter. 2 3 Do you see that? 4 Α Yes, yes. 5 So, sir, would this be consistent with your time 6 at the commission that generally it would either 7 be the general manager or perhaps the chair 8 dealing with counsel? 9 Α That's correct. 10 Right. But you would -- you knew throughout that 11 they would have it available? 12 Α Yes. 13 And you would expect that was put before you 14 would reflect matters that were properly grounded 15 in the commission's jurisdiction? 16 That's correct. 17 CNSL C. HUNTER: I'm sorry to interrupt. It's just 18 that we seem to be on a different page on the 19 screen than the pages you've been referring to. 20 I'm just not sure which page that was. 21 CNSL K. MCEWAN: Ms. Hunter, that was from page 1136, 22 four lines from the bottom down to one line from 23 the bottom. 24 CNSL C. HUNTER: Thank you. 25 CNSL K. MCEWAN: 26 And, Mr. Guichon, I understood you to say that 27 this came before you and you agreed to the cease 28 and desist orders being sent out? 29 Α That's correct. 30 And at the time, did you have any concern or Q 31 thought that they were invalid? 32 Α 33 And, Mr. Guichon, prior to receiving the email Q 34 chain we've been referring to that starts at 35 1135, did you have any involvement in an 36 investigation of Prokam or IVCA? 37 No, I didn't. Α 38 Q Mr. Guichon, who is or was John Les? 39 Α John Les was the former chair of Farm Industry 40 Review Board. 41 Do you recall any meeting when he was the chair 42 of the Farm Industry Review Board, any meeting in 43 2015 where conflicts of interest were discussed? 44 Α Yes, I do. 45 Can you give what you recall? 46 Α It was sort of customary for either members of

FIRB to meet with commission personnel, usually

it was with the president or -- sorry, chair or vice chair and general manager. But on this occasion, they wanted to have a face-to-face meeting with -- FIRB, I should say, they, wanted a face-to-face meeting with the commission and that occurred in June of 2015, I believe, in Aldergrove. It was -- the meeting was called by FIRB and they wanted to meet and that was Alf --Alf Krause's first year as chair. Anyways, there was quite a few commission members present and I think most of FIRB was there, maybe not all of it, I don't recall, but it was -- I think -- I think the commission could have sent things -- it was their meeting, but they wanted to basically just have a general talk about the industry and how things were going. So in the meeting, the issue was raised about, you know, we're having trouble. We're a half board of greenhouse growers and a half board of vegetable growers and then there's a processing member with dealing with conflict of interest and how he thought our questions was -- how he thought or his board thought that we should be handling it. So yeah, there was a discussion and I remember him saying, you know, he says, I understand sensitivity around conflict of interest, but, he says, but I want the decision, right. And so, you know, we said, some of us said, well, that's hard to do when some of the expertise might be on the other side of the table, other side of the panel. And he said, in no uncertain terms I want you to have the people involved that understand the issue at hand. And he says, I'm not saying the vote, you can't vote, and he knew that but he was very adamant about having people, at least available, to answer questions on these issues and in his mind or his conveyancing to us, that was fine. So that's the way Alf proceeded from there and the previous general manager did the same thing, previous to Alf, Tom.

- Q And you gave evidence to Mr. Mitha, sir, that on December 14th, you were at the meeting, the come-back hearing concerning the cease and desist order?
- 45 A Yes.

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And at that time, did you act consistent with what you had understood from Mr. Les and

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ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

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the matter that were submitted up to and including December 13, 2017.

Then it carries on to say:

On completion of this review, Peter, Cory, and Hugh recused themselves from the meeting to avoid any appearance of conflict of interest in the deliberations and any final decision to be made by the commission.

So as I read this, sir, what has appeared to have happened is that the commission as a whole discussed the issues of the cease and desist orders, discussed the topics that we just summarized on Prokam. We didn't summarize what we see on the document regarding Thomas Fresh and that we read out on the record concerning IVCA and then you also reviewed all of the evidence and all of the submissions from each of the parties, and then only after the review did you, Cory, and Hugh recuse yourselves. Is that an accurate summary of the sequence of events, sir? No. That's accurate, but I'd like to talk about my involvement.

Q Yes?

Α

Before this meeting, I talked to Mr. Krause and I said, 6.2 is to do with the cease and desist orders. He said it was "his stake," and we talked about this before. He said that he would like -- he said, me for sure, but I don't know if he was indicating about Cory and Hugh to stay there until the deliberations start and just be available for questions, to answer questions and no input. So that's what I did at that meeting.

Okay. And so when you say, "questions," do you recall questions being asked of you, sir, by any of the commissioners? Do you recall what was discussed?

A No. They were discussing stuff but I didn't say a word and there was no questions. It's pretty -- I think the way it was written was pretty straightforward, the way I saw it, so I didn't anticipate any questions and didn't.

Q Are you saying you recall that, in fact, none of the commissioners asked you any questions about it; is that right?

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No, they didn't. Α 2 So who was doing the review, was it Mr. Solymosi 3 or others? 4 Α Mr. Solymosi was presenting it but, you know, Alf 5 was the chair so Andre was doing the presentation 6 of those four points or that part of the meeting 7 anyway. 8 Okay. All right. Thank you. Going to take you Q 9 to a different document. Just give me a moment. 10 Sir, I'm showing you another set of minutes. Can you see them on the screen? I'm just going to 11 12 enlarge it for you. 13 Α Yes. 14 All right. So these are minutes, sir, of 15 October 25th, 2017. Now, just to place in this 16 context, remember the cease and desist orders 17 were issued on October 10th, 2017; right? 18 Α 19 And we're now at October 25, 2017; do you see Q 20 that? 21 Α Yeah. 22 And in this particular matter, it shows you Q 23 attended by telephone as vice chair and 24 Mr. Krause was not there as chair; correct? 25 Α Yes. 26 Q And presumably as vice chair you would have 27 chaired that meeting? 28 No, I didn't chair that meeting. Andre chaired Α 29 that meeting. If you look where it says, call to 30 order, below that, it says, "the meeting was called to order at 4:05. And all of the other 31 32 minutes, it says in there who called the meeting 33 to order. 34 Okay. Q 35 I believe Andre chaired that meeting. 36 if I hadn't have been on the via telephone, I might have chaired it, but I was on the phone and 37 38 I talked to Andre before that and he said he 39 would chair it. 40 Thank you. And you'll see that the Q All right. 41 issue is set out as being:

The cease and desist orders were issued October 10, 2017, to IVCA, Prokam, and Thomas Fresh. Invited each party to appear before the commission to address the alleged violations. This hearing has been set up

Videoconference April 1, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 14)

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Mr. Dhillon? Yeah. And I think he was refused, but none Α 3 of the other agencies stepped up to take 4 him, so I felt I had a fiduciary 5 responsibility as a commission member to find him a good place, and whether it worked 7 out or not in the end, I don't know that. 8 But at least I didn't have a problem with 9 having some preliminary discussions with the 10 rest of the greenhouse members on our board 11 who are maybe not as familiar with that, so. 12 All right. Q 13 Α And I wouldn't have cared if it was -- if he 14 was going to another agency either, but at 15 this point in time, there was no agency for 16 Mr. Dhillon to go to. It appeared in front of the commission, so I wanted to leave that 17 18 door open, and I'd welcome him. I'd welcome 19 Bob Dhillon with BCfresh with open arms. 20 So your evidence is that at the All right. 21 meeting on December 14th, you considered or 22 you provided input on the appropriateness of 23 BCfresh as an agency for Mr. Dhillon and 24 Prokam; correct? 25 Α I didn't talk about BCfresh about the 26 appropriateness. 27 Yes. 28 I talked about trying to find him a Α No. 29 place to market his product this year. 30 31 Were you asked those questions, and did you give 32 those answers? 33 I gave those answers, but as a commission Α 34 member, I had a responsibility that he wind up 35 somewhere. But my own personal opinion, I didn't 36 want him going to BCfresh. Were the answers that you provided in the excerpt 37 38 from the transcript that I just read true? 39 Α Can you scroll back to it, please. That's good. 40 Yes, I think that's all true, but -- yeah. 41 I'm going to take you down to page 2298 of the --42 continuing your evidence of 2018 at line 37. 43 44 And this is the second page of a letter from 45 Miller Thomson if you look at the first 46 page. 47 Α From who?

Video Conference February 9, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL	ACTIVITY
PROCEEDINGS AT HEARING	

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1 I heard your testimony to Mr. Mitha that your Q 2 understanding was that the Commission could 3 regulate B.C. agencies in matters that affected 4 B.C. agencies and B.C. growers, is that right? 5 That is correct. Α 6 Q And that was even where something like minimum 7 pricing might have extraterritorial reach? 8 Α Correct. 9 And then finally, I just had some brief questions 10 on the -- or two of the decisions you've been 11 brought to today. Those are the show cause 12 decision and the reconsideration decision. We'll 13 start with the show cause decision. Apologies. 14 So this is page 1400. It's the minutes of 15 the BC Marketing Commission conference call on 16 December 22nd. Apologies. One moment. 17 All right, sir, I'm at page 1358, and this 18 is the meeting of December 14th, 2017. Do you 19 see that? Correct, yes. 20 Α 21 And then going to page 1362, this is with respect 0 22 to IVCA, Prokam, Thomas Fresh cease and desist 23 orders? 24 Α Yes. 25 And I won't read through the summary here, I'll 26 just take you to these two paragraphs where I'm 27 indicating. It states: 28 29 All commissioners were present for the 30 review of the binder and evidence, and all 31 submissions from each party and staff on the 32 matter were submitted up to and including 33 December 13th. On completion of this 34 review, Peter, Corey and Hugh recused 35 themselves from the meeting to avoid any 36 appearance of a conflict of interests in the 37 deliberations and any final decision. 38 39 Do you see that? 40 Α Yes. 41 Q And those minutes accurately reflect what

happened?

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46 47 A The minutes are accurate.

Q And then finally, I want to take you to the reconsideration decision, and so I'm at page 1513 of the common book. It's titled "Variance Application and Extension, February 1st." Do you

1 see that? 2 Yes. Α 3 And I just want to ask generally, was there any 4 change to the Panel between this decision and the 5 original decision of December 22nd, 2017? 6 There was no change. Α 7 Then finally, I have a few short Thank you. 8 questions on the Fresh For You application, as I 9 think it's been called in this proceeding. So 10 I'm in a bundle of documents that was circulated 11 by our office this morning. I'd propose that 12 it's marked as the exhibit. And then -- so you 13 can see here this is an email dated March 19th to 14 -- and I'll just say generally, these are 15 individuals associated with greenhouse agencies 16 in B.C.? 17 Α Yes, that would be the greenhouse agencies and I 18 believe the BC Greenhouse Growers Association. 19 So they're part of the distribution list when we 20 get a -- when we get a request for production 21 allocation, the request is circulated with this 22 [indiscernible], which consists of the agencies 23 -- greenhouse agencies and the BC Greenhouse 24 Growers Association. 25 Yeah. So you predicted my next question. Q 26 is an application for production allocation with 27 an agency sponsor of Country Fresh Produce, yes? 28 Α That is correct. 29 And this application, I think you know, is by Mr. 30 Ravi Cheema and his company, Fresh For You? 31 Α That is correct. 32 And then this is part of an email chain, just Q 33 going to the response above it. On March 24th, 34 Armand Vander Meulen emailed you and stated: 35 36 I have concerns about this application and 37 request it be discussed at the next 38 continued meeting of the Commission. 39 think clarity around the marketing plan is 40 needed. 41

43 Α Yes. 44

Do you see that?

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46 47 Q And then moving up, you respond:

> Okay, forwarding to Suzanne. Will set up a call.

Videoconference March 29, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 12)

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decision of the -- the final decision of the commission about -- that we just saw was in December 22nd, 2017. So this is a conference call taking place on October 25th. And as you can see, the persons in attendance via telephone included Mr. Guichon, Reynolds, et cetera, and you were not in attendance on this day; correct? Doesn't say I am, so I would have to say,

8 A Doesn't 9 correct 10 O All rig

Q All right. And if you are not in attendance, then Mr. Guichon as vice chair would likely have chaired the meeting in your absence; right?

A That's where it would have started, correct.

Q And you can see that in this particular case -- can you move down just a little bit on item 2. Thank you.

You can see that the issue -- one of the issues discussed is the cease and desist orders that were issued October 10th, 2017, to IVCA, Prokam, and Thomas Fresh:

-- invited each party to appear before the commission to address the violations. This hearing has been set up for October 30th.

And there was further discussion. You can see at item 3. If you could go down to item 3. You can see the discussion has been redacted out of the process -- out of the minutes. But, sir, we can see certainly that here, you know, Mr. Guichon, Mr. Reynolds, and Mr. Gerrard didn't recuse themselves from this meeting. Was there any concern on your part concerning conflict of interest with then dealing with these issues at this time?

A I don't recollect that but -- recollect that but I do know that if there was a decision to be made, they would have not involved themselves in that decision-making process. That is how I would have seen it.

Now, sir, you do recall -- thanks, Claire, you can take that off the screen.

So you do recall that prior to the cease and desist orders being made, you had a meeting with IVCA on October 3rd, 2017. Yourself and Mr. Solymosi met with -- met with Mr. Meyer and Mr. -- what's his name?

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COPY

Mr. Krause?

2 Is that the December 14th? Α 3 0 That's right. 4 Α Yes. 5 If I can ask, sir, that up on the screen be put 6 page 1512. And I've, again, got a clean copy as 7 needed, Chair Donkers, for the witness. THE CHAIR: Yes. Go ahead, Mr. McEwan. 8 9 THE WITNESS: I just wanted to add something to my 10 last answer. 11 CNSL K. MCEWAN: Mr. Guichon would like to complete 12 his last answer. I'm sorry, that's my fault, 13 Mr. Guichon. 14 THE WITNESS: That's okay. Sorry about that. 15 Anyways, we had that meeting with FIRB and then 16 this -- so I asked Andre a while back if we could 17 get minutes for that meeting, meaning, like, with 18 FIRB and the commission. And he reached out to FIRB and they didn't have any minutes of that 19 meeting; so I just wanted to add that in. 20 CNSL K. MCEWAN: All right. That's just fine. 21 22 Now, we've successfully got -- screen shared 23 page 1512 from the common book. And this, 24 Mr. Guichon, is the agenda for the conference 25 call, the teleconference of Friday, January 26th. 26 And you understand, I take it, that this was the 27 reconsideration of the December 14 and 28 December 22nd decision; correct? 29 Α Yes. 30 And, sir, do you recall where you were at the Q 31 time of this meeting? 32 Α I was in my truck. I was out in Chilliwack and 33 coming back -- I was in my truck out in the 34 valley. 35 Q And so you took the call while you were driving? 36 Α That's correct. 37 And what was your participation in that 38 conference call? 39 Α Well, this conference call here was -- it was a 40 full -- it was a commission meeting. Again, I 41 said in the last hearing and I'll say it again 42 today, I recused myself from voting this because 43 this is a decision that was made by a panel on 44 December the 22nd, and so I had no business voting in it. And so it did not get put in the 45 minutes for some reason, but I recused myself 46 47 from voting at this meeting on that issue.

just abstained from voting. 2 Q All right. 3 Α And there was a lot of noise -- there was a lot 4 of noise, that was a conference call. There was 5 a lot of noise so I don't know whether it was Debbie Etsell's first meeting as chair but I 7 don't know whether it couldn't be heard that I
recused myself but I think there was other 8 9 members that recused themselves too. I'm not 10 100 percent sure but that's what I heard. CNSL K. MCEWAN: Chair Donkers, I've reached the point where if we could break and I could reserve 11 12 13 10 minutes for myself on Friday morning, and I 14 would greatly appreciate that accommodation. 15 THE CHAIR: Let's do that, Mr. McEwan, thank you very much. So, Mr. Guichon, you're going to come back Friday morning for 9:00 A.M. And until that time 16 17 18 you're under direct examination so you can, you 19 know, you can chat with your legal counsel, but 20 you shouldn't be or can't be discussing your 21 testimony with anyone else. And so with that, I 22 quess the only other in closing today, I do want 23 to talk a little bit about Friday's agenda, if I 24 might. So recall Mr. McEwan raised it earlier 25 today, my ruling on March 18 with respect to 26 timelines and I continue to be concerned as to 27 the witness the last couple of days about 28 29 cross-examination. 30 31 32

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PROCEEDINGS AT HEARING (Day 13)

COPY

All right. I want to -- I'm not going to take you to the letter that was attached to this but I'm going to take you to what happens in the sequence of events. I'm going to take you to page 15 -- sorry, 1517 and you'll see there's an email on January 29th, 2018, so this is following up from the previous email where you got the letter from legal counsel. Mr. Solymosi says:

2018/01/26 Commission decision draft for approval. Can you each reply to this email approving or suggesting edits for the text prepared that relays the decision made by the commission on Friday, January 26th. So the commission made the decision about the BCfresh issue on Friday, January 26th. Attached is a draft of the document. Legal invited Prokam to a non-prejudiced meeting as separate to the decision. This is not part of the decision document but has been offered in email and will send a separate email regarding this request. Once I have approval from all commissioners on this document, I will forward the final copy to legal to distribute. I hope you're able to do this tomorrow morning.

Do you see that?

A Yes.

- Q All right. So, this again, just to put it in context, was the commission's decision about whether or not BCfresh would be Prokam's agency; okay?
- A Yes.
- Q And your response, you sent on January 29th, you say:

Looks good, Andre. Paragraph 5 a little confusing. OGP doesn't come out and say no to Prokam but thinks BCfresh is best suited to handle the volume and problems in the past. Maybe that's how Lillian feels. I haven't seen any of the comments between you and her but it could leave a window of hope for Prokam to go to OGP?

Do you see that?

- Yes. Α
- All right. So you were involved in consideration of whether Prokam's appeal not to use BCfresh as 4 its agency. You were involved in coming to that 5 decision and commenting on that decision; right?
- 6 That January 26th meeting? Α
- 7 Yes?
- 8 Α That was a reconvening of a December 22nd 9 meeting. The panel -- they had a panel for the 10 November -- or December 22nd meeting, there was a 11 panel.
- 12 Q Yes.
- 13 And the same people made the decision on January the 26th. 14 I did not -- I did not -- I recused myself from that and I said that in the last 15 16 hearing.
- 17 Q Right.
- 18 I was recused from voting on January the 26th; 19 however, when Andre sent the thing out after --20 the thing that you just read there.
- 21 Q Yes?
- 22 Α Did you have questions on that for me?
- 23 Well, sir, would it be fair to say that you did Q 24 not want to leave a window of hope open for 25 Prokam to market through a different agency other 26 than BCfresh because you didn't want Prokam to 27 compete against BCfresh?
- 28 Α It was exactly the opposite, sir.
- 29 Okay. Q

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- Α I was hoping he was going to go to Okanagan Growing. I didn't want him at BCfresh. And I wasn't convinced on what Andre sent out, that she was totally saying no.
- So tell me why you say that? Why do you Okay. say that you didn't want him at BCfresh and you were hoping he'd go to Okanagan?
- Just because of the problems that happened at Α He caused internal strife over there. Lots of trouble over there, and I didn't want any part of it coming to BCfresh.
- Sir, let me ask you this. You know that Mr. -- However, sorry; however, I did respect the 42 Α 43 commission's decision.
- 44 Well, I'm going to ask you about that, sir, 45 because you know -- well, let me ask you, do you 46 know that Mr. Driediger had a couple of meetings 47 with Mr. Dhillon and others at Prokam to try to

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ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 12)

COPY

BCfresh as an agency; correct?
A I don't think -- yeah, that's

- A I don't think -- yeah, that's right. They were going to be make decisions about it. That was a board decision. But there wasn't much of a decision because there was no options, if you read it all. Yeah.
- Q But it would have been a board decision but a board decision they should not have participated in as voting members; correct?
- A Well, there was no decision really to be made. There was no options. So however you want to determine it, if they voted or not voted, there were no options, so it would have been -- and again, I think it was a recommendation at the board level to find out who was -- which agencies were willing, and there was really no decision that the board could make because it was only one option.

Q Okay.

- A Isn't that how you read it when you read all the information? How many options was there for Prokam to go to an agency in 2018? There was only one, only one option that would work. So it wasn't like a decision that the board was making.
- Q There was only one option that the board considered?
- A No, no, that's not what it says. There was a letter to all the agencies to see if anyone was interested other than BCfresh, and none could do it, is the bottom line. I mean, I don't know. That was the bottom line. So if you have new information that actually some other agency really wanted to do it, I'd like to see that as well. So if there was none, then there was no real decision being made. This is the only point I'm trying to make.
- O Do you know what your last day -- what your last commission meeting date was?
 - A It was January, but I don't know the date.
- 40 Q I don't believe that you are recorded as having participated in -- there's a January 26th conference call that I believe you're not recorded as participating in. Perhaps I should confirm that before I say it with certainty. Do you have any documents that reflect when your term ended?
 - A I would have to look it up. I do not have

Video Conference February 2, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING excerpt of Paul Mastronardi's evidence

ORIGINAL



 Paul Mastronardi (for MPL)
Cross-exam for the VMC by Cnsl W. Stransky

- scratch your back, you scratch my back" situation.

 Is there any reason why you didn't sue
 - Is there any reason why you didn't sue Mr. Vandermeulen and Mr. Royal, Mr. Reynolds, Ms. Etsell?
 - A They're independents.
 - Q So you brought up in your last answer the question of the moratorium. And in your evidence with Mr. Mitha, do you remember saying there was magically put in place when MPL starting looking west?
 - A Yeah. We talked to, like I said, Steven Newell in 2018. We sent people out in 2018. Talked with growers out in British Columbia that we were going to apply for a business out there. And then like I said, in 2019 the moratorium gets put in place.
 - Q So you are saying that the moratorium was put in place because of MPL?
 - A Partly. The greenhouse guys knew we were coming. So again, the scratch your back, scratch my back works. You have a conversation, you know, saying that greenhouse agencies are evidently coming in.
 - Q Okay. So this morning Mr. Mitha brought you to the minutes of the meeting where the Commission imposed the moratorium.
 - A Mm-hmm.
 - Q And before I started questioning you, Ms. Hunter brought you to the decision on the imposition of the moratorium.
 - A Okay.
 - Q And you confirmed to Ms. Hunter that you weren't aware of the application at the time?
 - A Correct.
 - Q And so that sort of led her to put you through the decision and explain to you why the moratorium was imposed?
 - A Correct.
 - Q I want to bring you to your interview report with Mr. Mitha. That is Exhibit 1 at page 5320. So this is the interview report, and you were sent a copy of this sometime after your interview; that's right?
 - A Yes.
 - Q And I want to bring you, just going down, the allegations of bias and misfeasance you discussed with Mr. Mitha. So it says that:

Mr. Mitha asked you questions about the

Paul Mastronardi (for MPL) Cross-exam for the VMC by Cnsl W. Stransky

18 19

 allegations of improper conduct and/or conduct constituting misfeasance.

And it says that you provided two specific examples of improper conduct. So the first one -- and I'll bring you to each of these separately. But the first one is this conversation you say you had with Steve Newell.

- A Yes.
- Q And the second is the conversation you had with Jeff Madu?
- A Yes.
- Q So just jumping to the question about Jeff Madu, which I believe is just a little bit up. So -- if you -- thank you, Mr. Mitha.

So it says another example of improper conduct was that Jeff Madu told you on August 2021 to drop your case as John and Steve would make sure MPL did not get a licence?

- A Yes.
- Q And August 2021, after you filed the lawsuit; is that right?
- A Correct.
- Q So you didn't rely on that to file your claim?
- A Correct.
- Q And then just going up a little bit, the question about Steve Newell. So this -- this says at the very bottom:

Steve informed Paul that he would make sure MPL would not get a licence if they applied in BC.

That's right?

- A That's not verbatim what I said. That's just Naz's notes. Like I said, that -- say him and John will make sure that we wouldn't get a licence.
- Q So you're saying that -- you're saying now it was Steve said that he and John would stop you from getting a licence?
- A Yeah. What I said then too.
- Q Do you remember saying that -- when Mr. Mitha was questioning you, you didn't raise John in your recount of this discussion, did you?
- A In the recount? Sorry.
- Q When Mr. Mitha -- when Mr. Mitha took you to this part of the evidence and asked you if this is what

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Yes.

Paul Mastronardi (for MPL)
Cross-exam for the VMC by Cnsl W. Stransky

- 1 you told him, you said yes. 2 Well, in essence, yes. This isn't verbatim. This 3 isn't my statement. 4 So the evidence now is that you said he and 5 John --6 I didn't realize -- like I said, this isn't 7 evidence. This isn't my statement. Steve told me 8 that day. We were poolside sitting at a table. 9 know exactly were we were. I told him we were 10 coming out west. And he said straight out, Johnny 11 and I will make sure you're not going to get -- in 12 BC you're not going to get a licence. 13 Okay. Well, you're suing Johnny and not Steve 14 Newell. You understand that? 15 Α Yeah. They're partners. They're brothers. 16 They -- I've worked, you know, and talked with 17 those guys for other 20 years. They are hip to 18 hip. 19 Q Okay. And you said you reviewed this after it was 20 sent to you by Mr. Mitha? 21 It was sent to us. 22 So you're saying you didn't review it? 23 A There's thousands and thousands of pages. I can't 24 memorize everything. 25 So you can't remember if you read your -- the 26 interview report Mr. Mitha provided you? 27 At one point I probably did, yes. 28 So a few people have taken you to this now, but 29 you said in your interview earlier, your 30 examination with Mr. Mitha, that you're familiar 31 with the Commission's general orders? 32 That I'm familiar with them? I know of them, yes. 33 I know that they exist. 34 So you're not familiar with them? 35 I'm not a lawyer. I don't know all the general 36 orders. 37 But you're now with an agency in British Columbia; 38 right? 39 Not yet. 40 Fair enough. But you're intending to be an agency
 - A Yes.
 Q So you'll take the time to familiarize yourself

And you understand in British Columbia that means

that you're designated or delegated authority by

in British Columbia?

the Commission?

 Do you see that?

- A Yes.
- Q And we continue with item 2 with respect to paragraph 23(a). That is a paragraph that we've been at of part 1 of the notice of civil claim:

How Mr. Solymosi allegedly acted to prevent the plaintiff from entering into the British Columbia market, i.e. specific actions.

Have I read at that correctly?

- A Yes.
- O You understand what that means?
- A Yes.
- Q And you had the information that you just provided to us at the time of the claim; correct?
- A Yes.
- Q Great. Let's take a look at your response. You should have here response to the demand for particulars. If we go page 3, either you can accept what I have to say or you can make Ms. Hall strain across -- is dated July 19, 2021. Do you have that, sir?
- A Yes.
- Q Let's take a look at your response number 1. Your response to the specific acts that we've requested. In response to paragraphs 1, 2, 12 and 13 of the demand:

Mr. Solymosi engaged in the unlawful acts outlined in paragraph 23 of part 1 of the notice of civil claim to the extent that there may be further particulars regarding the dates and times of the acts, they are within the knowledge of Mr. Solymosi and the other defendants.

You see that?

- A Yes.
- Q Have I read it correctly?
- A Yes.
- Q So you knew of these three acts at the time that you filed your notice of civil claim, yet you wouldn't set them out in your response to particulars; correct?
- A Well, my understanding of this is that we're also

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Q Right.

Paul Mastronardi (for MPL) Cross-exam for Mr. Solymosi by Cnsl R. Hira

1 A Yes. 2 CNSL R. BASHAM: No, actually you haven't, Mr. Hira. 3 You left out the word "economic benefit" the first 4 time it appeared. 5 CNSL R. HIRA: I beg your pardon. English is a third 6 language. I struggle. I skip over things by 7 being left-handed. Thank you for correcting me. 8 CNSL R. BASHAM: You can't say that to me about English being your third language. 9 10 CNSL R. HIRA: But it is. Are you now wanting 11 particulars of my other languages? 12 CNSL R. BASHAM: Maybe you should. Anyway carry on, 13 Mr. Hira. 14 CNSL R. HIRA: 15 With that change provided by your able counsel, if 16 I have read that paragraph correctly? 17 Yes. 18 Tell me what business entities of my client were 19 going to have economic benefits by his alleged 20 actions? 21 A Well, it's his own economic benefit. He's 22 employed by the Commission and therefore it's his 23 job. So he -- like saying it would be 24 economically benefitted by keeping his job there. 25 That's a job you know that he's had since 2015; 26 correct? 27 Yes. Α 28 Q And is it your position that he didn't help Mike 29 Reed do what you say Mike Reed did in relation to 30 Houwelings that Mr. Solymosi would have lost his 31 job; is that your position? 32 A He had economic benefit being employed by the 33 Commission. 34 That's the only economic benefit that you can come 35 up with; is that correct? 36 That I'm aware of. Α 37 Wait a minute, are you saying there are other economic benefits? If so, tell me. 38 I didn't say that. I said that I'm aware of. 39 40 And the act that my client is alleged to have 41 committed in paragraph 23(b) again deals with this 42 Fresh4U quota transfer? 43 A Yes. That's part of it, yes. 44 Q And remind me, he's not a decision maker, is he?

A He's not -- he's not a voter, no.

the transfer occurs or not; correct?

So he doesn't make the decision whether

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Q Right.

Paul Mastronardi (for MPL) Cross-exam for Mr. Solymosi by Cnsl R. Hira

1 A Yes. 2 CNSL R. BASHAM: No, actually you haven't, Mr. Hira. 3 You left out the word "economic benefit" the first 4 time it appeared. 5 CNSL R. HIRA: I beg your pardon. English is a third 6 language. I struggle. I skip over things by 7 being left-handed. Thank you for correcting me. 8 CNSL R. BASHAM: You can't say that to me about English being your third language. 9 10 CNSL R. HIRA: But it is. Are you now wanting 11 particulars of my other languages? 12 CNSL R. BASHAM: Maybe you should. Anyway carry on, 13 Mr. Hira. 14 CNSL R. HIRA: 15 With that change provided by your able counsel, if 16 I have read that paragraph correctly? 17 Yes. 18 Tell me what business entities of my client were 19 going to have economic benefits by his alleged 20 actions? 21 A Well, it's his own economic benefit. He's 22 employed by the Commission and therefore it's his 23 job. So he -- like saying it would be 24 economically benefitted by keeping his job there. 25 That's a job you know that he's had since 2015; 26 correct? 27 Yes. Α 28 Q And is it your position that he didn't help Mike 29 Reed do what you say Mike Reed did in relation to 30 Houwelings that Mr. Solymosi would have lost his 31 job; is that your position? 32 A He had economic benefit being employed by the 33 Commission. 34 That's the only economic benefit that you can come 35 up with; is that correct? 36 That I'm aware of. Α 37 Wait a minute, are you saying there are other economic benefits? If so, tell me. 38 I didn't say that. I said that I'm aware of. 39 40 And the act that my client is alleged to have 41 committed in paragraph 23(b) again deals with this 42 Fresh4U quota transfer? 43 A Yes. That's part of it, yes. 44 Q And remind me, he's not a decision maker, is he?

A He's not -- he's not a voter, no.

the transfer occurs or not; correct?

So he doesn't make the decision whether

- A Correct. But not giving us timely information puts us at a disadvantage as well too. And obviously he didn't keep us informed of changes that were happening.

 O We're going to come to timeliness in due course
 - Q We're going to come to timeliness in due course. But the allegation here is that he interfered with and prevented the granting of additional production allocation; correct?
 - A Correct.
 - Q Additional production allocation is granted by the Commission; correct?
 - A Correct.

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- Q He's not a member of -- a voting member -- well, he's not a member of the Commission in the sense that he's not a commissioner; correct?
- A Sorry, can you say that last part.
- Q Let's do it again. He's not a voting member of the Commission?
- A Correct.
 - Q The Commission votes on production allocation; correct?
- A Correct.
 - Q So help me, if you would, how did Mr. Solymosi prevent the granting of additional production allocation if he isn't a voting member of the Commission?
 - A Because he was telling Ravi that he wasn't allowed to transfer the acreage. So he was telling him something I guess that's technical. Not necessarily something that needed a vote.
 - Q Oh, I see. Tell me, when did he tell that to Mr. Ravi Cheema?
- A This was around the first quarter.
 - Q When, sir?
 - A 2021 I think it was.
- Q When sir? January, February, March? When?
- 37 A I don't know the exact specific dates.
- 38 Q Where did he tell him this?
 - A This is what Ravi told me. So it would be best to ask to Ravi directly on the exact time and date.
 - Q Well, you have made the allegation in 23(b), so I'm asking you. Where were they when Mr. Solymosi allegedly told him?
- A I don't know if it was on the phone or in person.
 I'm not aware.
 - Q Did Mr. Cheema dictate notes?
- 47 A I am not aware.

Videoconference April 19, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 15)

COPY

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2 Do you see that, sir? 3 Α I do, yes. 4 Q Do you recall this discussion, sir? 5 Α Yes, I do. 6 And tell me what you recall about the discussion, Q 7 sir. 8 There was a view that we -- that there was going Α 9 to be a requirement by BCFIRB to lift the 10 moratorium and the moratorium was never set in 11 place to stay in perpetuity anyhow. 12 And then you will see, sir, there's various other Q 13 bullet points. I'm now at page 4479. There's 14 various other bullet points that were part of the 15 discussion. Do you see that? 16 Α Yes. 17 Q Now, sir, one of the concerns or allegations 18 that's been raised through this process is that 19 the commissioners or the commission -- certain 20 commissioners or the commission as a whole 21 intentionally delayed lifting the moratorium in 22 order to prevent or delay MPL from getting its 23 agency licence. So first, was there any 24 discussion, to your recollection, by any 25 commission members, including yourself, about the 26 issue of trying to delay MPL's application? 27 Α 28 What were the considerations about whether or not 29 to lift the moratorium at that time? 30 Α That we are far enough along with the agency 31 review, with the general orders review, and we 32 had a delay in change of strategic plan 33 facilitators which caused delay. So the feeling 34 was that we needed more time to complete those 35 before lifting the moratorium. 36 And you say you had a change in strategic plan 37 facilitators. What was the change, sir, or who 38 was the change? 39 Α We were originally with Dawn Glykherr and moved 40 to Findlay & Associates. 41 Sir, I'm going to ask you some more questions 42 about that, about Ms. Glykherr, in due course. 43 But I want to just complete this discussion 44 first. So was there any specific discussion or 45 even general discussion among any commission

members that the moratorium should not be lifted

because of a concern of MPL gaining access as an

1 2 3	А	So you're aware at this time MPL wanted its application processed expeditiously? Yes.
4 5 6 7 8	Q	And you understood that one of the reasons for that is that growers have until October 31st to decide which agency or make agency change applications, and they have to do so by October 31st; right?
9	A	Yes.
10	Q	That's why MPL wanted its application considered
11 12	£	before the October 31st deadline. You recall that?
13	A	Yes.
14 15 16 17	Q	It then talks about the strategic review in progress and the commission will be in a position to approve a new strategic plan by the end of January?
18	A	Yes.
19 20 21 22	Q	It talks about the fact that the agency review process is ongoing. And the last bullet point says:
23 24 25 26		Commissioners questioned the urgency to lift the moratorium prior to the judicial review hearing scheduled later this week.
27 28	А	Et cetera. Do you recall this discussion, sir? Yes, I do.
		·
29 30 31 32 33 34 35	Q	Now, in the end, it appears what occurred is that the commission continued did not lift the moratorium but continued to decide to complete its you can see the motion that was moved, seconded, and carried was to consider lifting the moratorium subject to further consultation with legal counsel. Do you see that?
36	A	Yes, I do.
37 38 39	Q	And I take it that what occurred at the end of the day was the moratorium wasn't lifted and the strategic review continued.
40	А	That's right.
41 42 43	Q	And, of course, the strategic review didn't complete until sometime in early the spring of 2022; right?
44	A	That's correct, yes.
45	Q	Now, sir, one of the allegations that's been
	¥	
46		raised is that members of the commission
47		individually or as a whole intentionally delayed
		-

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John Newell (a witness)
Exam by Cnsl N. Mitha

lifting the moratorium to prevent or delay MPL from having its agency application considered. Was there any discussion at this meeting that you recall about delaying MPL's application or not 5 lifting the moratorium to prevent MPL from having 6 its application considered? 7 Α 8 Did you raise any such discussion at that Q 9 meeting --10 Α No. 11 -- to that effect? 12 Was there discussion about -- from 13 commissioners about not wanting MPL as an 14 agent -- to have an agency in British Columbia? 15 Α No. Sir, I'm going to take you to a couple of emails 16 17 which have been recently provided by your 18 counsel. First is an email dated November 29th, 19 2017, from yourself, from Mr. Solymosi, 20 Mr. Jos Moerman, and Mr. Jeff Madu. Do you see 21 that? 22 Yes, I do. I provided them. 23 CNSL K. MCEWAN: Mr. Chair, Mr. Mitha, I apologize. I 24 just saw Mr. Newell grab some documents. I just 25 want to make sure he doesn't have notes in front 26 of him at the time he's giving evidence. 27 sorry, I just want to be clear --28 THE WITNESS: No, I just grabbed the email, but I'll 29 put that down, yeah. I can read off the screen. 30 It's just my eyes aren't as good on the screen as 31 they are on paper. 32 CNSL K. MCEWAN: I apologize. I just want to be sure 33 of that. Thank you. 34 CNSL N. MITHA: 35 I'm going to take you to this email exchange, 36 It starts on November 29th, 2017. From --37 Jos Moerman sends an email saying: 38 39 Hi Andre, see photo. Peppers from Mexico 40 sold by Mastronardi. Don't need another 41 agency in BC. Mastronardi will undercut 42 prices in order to gain market share. 43 44 Now, this was sent by Mr. Moerman to 45 Mr. Solymosi. Do you know the context of that? Are you aware of what that was about? 46 47 Α Yeah, we would get often growers of ours, and

the end of January; right? 2 Α 3 And it talked about -- then it talks about the 0 4 agency review process ongoing; right? 5 Α 6 It talks about having a skeleton of an 7 operational governance manual to work with, but 8 this needs to be drafted and put before the 9 commission and the advisory groups? 10 Α Yes. 11 And then it talks about the commissioners 12 questioning the urgency to lift the moratorium at 13 this stage; right? 14 Α 15 Now, sir, do you recall these discussions? Q 16 Α 17 0 In the end, you'll see there was a motion to 18 consider lifting the moratorium subject to 19 further consultation with legal counsel on the 20 direction to take. Do you see that? 21 Α Yes, I do. 22 As I understand what happened, in the end was 23 that the commission continued to complete its 24 strategic review and didn't lift the moratorium 25 until sometime in the spring of 2022. Do you 26 recall that? 27 I was under the understanding the moratorium was 28 lifted sooner than that. 29 But it was sometime in 2022; correct? Q 30 Α Yeah, I quess -- I don't remember the exact time, 31 but, yes, I know it was lifted for sure. 32 Q You just don't recall exactly when. Fair enough. 33 It was a long time ago. 34 Now, sir, one of the allegations that's been 35 made is that individual members of the commission 36 or the commission as a whole intentionally 37 delayed lifting the moratorium to prevent or 38 delay MPL's agency application. First of all, 39 was there any discussion at this meeting, 40 October 21st, about MPL's application and trying 41 to delay MPL's application? 42 Α No. 43 Was there ever any discussion, sir, about -- by 44 commission members concerning that they didn't 45 want to lift the moratorium in order to delay 46 MPL's application? 47 Α No.

Videoconference April 20, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 16)

COPY

1 A Yes.

- Q And then it notes that the commission is in possession of two agency applications submitted in confidence?
 - A Yes.
 - And then there's some discussion, and I'll just show you that there's various bullet points of discussion about whether or not to lift the moratorium. And I'm not going to take you through that in any detail, but at the end, there was a motion -- you can see here at item 3, there was a motion to consider lifting the moratorium subject to further consultation with legal counsel. So do you recall that meeting and that discussion, sir?
- A Yes.
 - Q All right. Now, as I understand, what eventually happened after this motion was that the moratorium wasn't lifted until some time in early 2022. Do you recall that?
 - A Yeah. I'm not sure of the exact date but ...
 - Okay. The allegation that's arisen, sir, or one of the allegations that's arisen, sir, is that members of the commission, as a whole or individually, intentionally delayed lifting the moratorium to prevent or delay MPL from having its application processed. Do you recall any such discussion to that effect on this date, on October 21st?
 - A No.
 - Q Have you ever had a discussion with any of the commissioners in the context of not lifting the moratorium in order to delay MPL's application consideration?
- 35 A No.
- 36 Q Was there any discussion among commission members 37 that the moratorium should not be lifted in order 38 to prevent or delay MPL from being in the access 39 to the BC market?
 - A No.
- 41 Q All right. Sir, I'm going to take you to
 42 November, now, because we just finished
 43 October 21st. I'm going to take you to November
 44 2020. It's about a month later, and I'm showing
 45 you an email from Mr. Solymosi dated November 4,
 46 2020. And you can see it's addressed -- the re
 47 line is MPL agency application, then it says:

raise with you is there has been an allegation that -- or a concern raised that one of the reasons for imposing the moratorium was to prevent or delay MPL from having its application 5 for agency considered and reviewed. To your recollection, sir, was there any discussion about 7 MPL and its agency application when the 8 moratorium -- when this discussion about the 9 moratorium was ongoing? 10

Α No.

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- Did anyone make comments or raise any discussion about wanting to prevent or delay MPL from having its agency application processed or considered in the context of the moratorium, was there any discussion to that effect?
- 16 Α No, none whatsoever.
 - Q Sir, I'm going to take you to November, now. So we've gone through September and October. going to take you to November 2020. And you'll see there's an email from Mr. Solymosi dated November 4th, 2020, addressed to various persons including yourself?
 - Α
 - And it says, "everyone," and then the re line is "MPL agency application and meeting." Do you see that?
- 27 Yes. Α
 - And then talks about the fact that on October 29th at the commission meeting, the chair struck a panel to consider the agency application. And you are one of the persons considered placed on the panel; correct?
- 33 That's correct, and Mr. Mitha, if I could just go Α 34 back to my witness statement?
- 35 Yes? Q
- 36 Right at the very bottom of it, I indicated that I was not struck to a panel. I was under the 37 38 understanding -- I never had a meeting after that 39 or anything and then my term was over, so I 40 misunderstood the actual being struck part but I 41 actually was struck to that panel.
- 42 Q Right.
- 43 But that was the end of my participation. Α
- 44 All right. I'll come to that and that's what I 45 was going to take you to next, Mr. Guichon. But 46 in any event, you can see this email. Presumably 47 you received this email; correct?

Video Conference February 11, 2022

ALLEGATIONS	OF BAD FAILI	H AND UNLAV	VFUL ACTIVITY

PROCEEDINGS AT HEARING

COPY

CNSL R. BASHAM: -- by Mr. --2 CNSL R. HIRA: -- with respect, you didn't take him to 3 this document. I asked you to do so. I'd like 4 to finish. 5 CNSL R. BASHAM: Well, this is not re -- proper re-6 direct, but go ahead. 7 CNSL R. HIRA: Thank you. 8 You asked for particulars regarding the facts, is 9 that correct? 10 That is correct. Α 11 Why did you do that? 12 Α I was doing my due diligence to follow up and ask 13 for the facts. 14 Q Did you receive the facts from Dentons? 15 I did not. Α 16 0 Thank you. Now, you spoke about a meeting after 17 the MPL package had been sent out, the meeting 18 with counsel, the chair and yourself --19 Α Correct. 20 -- do you recall that? Q 21 Α Correct. 22 0 And after that, the email was sent to the 23 commissioners and phone calls were made to not 24 open the package, is that correct? 25 That is correct. Α 26 Now, this is a very specific question. Who made 27 that decision? 28 Α It would be Debbie Etsell, the Chair of the 29 Commission. 30 Thank you. And with respect to this October 2020 Q 31 meeting of growers and agency managers where MPL 32 was discussed, including Walmart, do you recall 33 that meeting? 34 Correct. Α 35 I understand that in the material, in fact, early 36 in the material, that is the early documents, 37 there's an actual Zoom recording of the meeting, 38 is that correct? 39 Α That is correct. 40 So you can identify, if anybody wishes, who said 41 what at the meeting? 42 Correct. 43 CNSL R. HIRA: Those are my questions. Hopefully you 44 didn't get a parking ticket, Mr. Chairman. 45 THE CHAIRPERSON: Thank you, Mr. Hira. Mr. Mitha, 46 anything else, to conclude? 47 CNSL N. MITHA: No, Chair Donkers. I think that

Videoconference April 20, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 16)

COPY

The panel has instructed not to open the MPL 2 package, application package that you 3 received by courier. The panel is to defer 4 consideration of this application until the 5 commission has finalized its additional 6 criteria, considerations, and processes for 7 agency applications. 8 9 You see that? 10 Α Yes. 11 And would you agree with me that that again is a 12 reference to the amendments that were ultimately 13 reflected in amending order 54? 14 Yes, that's right. Α 15 And will you agree with me, Mr. Guichon, that one 16 of the concerns that existed at that time was 17 that if the commission reviewed the MPL 18 application before promulgating the final agency 19 application rules, it might well be accused of 20 tailoring those rules in response to particular 21 application? 22 Yes. I get that, yeah. 23 CNSL R. HRABINSKY: Thank you. I have nothing 24 further. 25 THE CHAIR: Thank you, Mr. Hrabinsky. Mr. Stransky, 26 anything arising from Mr. Hrabinsky's questions? 27 CNSL W. STRANSKY: I'm sorry. There is just one small thing. Just seeking to load up the document now. 28 29 I'm sorry, Mr. Mitha, could I impose on you 30 again? 31 CNSL N. MITHA: Yes, which document do you want? 32 CNSL W. STRANSKY: It's the -- it's the document 33 entitled, "Solymosi and Condition and MPL 34 Communication." 35 CNSL N. MITHA: Is it in this Exhibit 1 or is it a 36 different document? 37 CNSL W. STRANSKY: It's a different document of the 38 exhibit number. 39 CNSL N. MITHA: I'm not sure which do you mean it is. 40 CNSL R. HIRA: If I may, are you referring to 41 Exhibit 15, the documents produced by 42 Mr. Solymosi? 43 You appear to be on mute, Mr. Stransky. THE CHAIR: 44 CNSL W. STRANSKY: I believe that's correct. 45 seeking to find the reference to the exhibit in

my notes. I managed to fix it. I hope to.

members of the Zoom call would see this document.

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2	RE-EXAMINATION BY CNSL W. STRANSKY:
3	Q So, Mr. Guichon, this is an email of November 6
4	from Mr. Solymosi to yourself?
5	A Yes.
6	Q Mr. Hrabinsky raised the question of the concerns
7	around procedural fairness around amending the
8	general orders before beginning the consideration
9	of MPL's application?
10	A Yes.
11	Q And in this email dated November 6, Mr. Solymosi
12	writes to you and states:
13	willes to you and states.
14	We want to make sure we maintain procedural
15	fairness and we can't be accused of making
16	decisions on new criteria considerations and
17	processes that are influenced by the
18	applications presented to us.
19	
20	Do you see that?
21	A Yes.
22	Q And that reflected your understanding or that
23	was the source of your understanding as to why
24	the panel would not be looking at the application
25	prior to those amendments?
26	A Yes, that's right.
27	CNSL W. STRANSKY: Those are my questions. Thank you.
28	THE CHAIR: Can you identify that document for us
29	please, Mr. Stransky?
30	CNSL W. STRANSKY: Of course. It's an email chain
31	from Mr. Solymosi and the MPL panel commencing
32	November 5th. It was produced by the commission
33	as Solymosi and commission MPL communication.
34	THE CHAIR: Has it been marked as an exhibit?
35	
36	CNSL W. STRANSKY: In review of my notes, I don't
	believe it has. I might suggest that we mark it
37	as an exhibit.
38	THE CHAIR: Which will be number 41?
39	CNSL W. STRANSKY: Yes, thank you.
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41	EXHIBIT 41: Email chain from Mr. Solymosi
42	and the MPL panel commencing November 5
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44	THE CHAIR: I think this time I can successfully say,
45	Mr. Guichon, thank you very much. And you're
46	accused.
47	THE WITNESS: Thank you very much.

Videoconference April 20, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 16)

COPY

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Request for time allotment change for witnesses by Cnsl R. Basham

which is Mr. Blair Lodder. CNSL R. BASHAM: Before you do that please, Chair Donkers. CNSL N. MITHA: Sorry. 5 I just noticed that the time CNSL R. BASHAM: allotment for my side was 30 minutes for 7 Mr. Guichon and 45 minutes for Mr. Lodder. weren't consulted about that, but I can tell you 8 9 that it should be reversed because we're not 10 going to have very much time with Mr. Lodder at 11 all and I'm going to need 45 minutes with 12 Mr. Guichon; so if you could just reverse the 13 time allotment. 14 THE CHAIR: So 30 minutes with Mr. Lodder and 45 for 15 Guichon? 16 CNSL R. BASHAM: Right. 17 THE CHAIR: Mr. Mitha? 18 CNSL N. MITHA: I don't have an issue with that, 19 Mr. Chair. 20 THE CHAIR: Mr. McEwan? 21 CNSL K. MCEWAN: We don't taken an issue with that and 22 I thank Ms. Basham for raising it at the outset. 23 All right. Done. Thank you very much. THE CHAIR: CNSL R. MCDONELL: Mr. Chair, it's Ron McDonell. May 24 25 I raise a brief matter? 26 THE CHAIR: Yes, you may. 27 CNSL R. MCDONELL: Yesterday I circulated to counsel a 28 statistical review report the BCVMC published at its April 12, 2022 meeting and asking counsel to 29 30 advise me if they had any objections to my asking 31 to have this marked as an exhibit. In my view, 32 it's a very helpful one-stop shopping series of 33 statistics on the storage crop industry regulated 34 by the commission. There's a number of 35 statistics that I'm going to want to resort to in 36 my final submissions. You heard a great deal of 37 evidence about bits and pieces of the industry. 38 As I say, it's a comprehensive set of statistics 39 going back the last five to seven years. I think 40 it's useful, and I'd ask it to be marked as the 41 next exhibit, please. 42 THE CHAIR: I haven't seen it but assuming that I will 43 at some point, that would be Exhibit 40. 44 CNSL R. MCDONELL: Yes. I've forward it to Mr. Mitha 45 and I'll send it anywhere else that would be 46 helpful to have it. 47 THE CHAIR: I'm sure we'll get it. Thank you,

Mr. McDonell. That's Exhibit number 40. 3 EXHIBIT 40: Statistical review report the 4 BCBNC published at an April 12, 2022 meeting 5 CNSL R. MCDONELL: Thank you, Mr. Chair. 7 THE CHAIR: Mr. Lodder. 8 CNSL K. MCEWAN: I'm sorry, Mr. Chair. There's one 9 more thing. It's important of small matters. 10 just want to alert you, Mr. Chair. I have to 11 leave precisely at 10:30 for about half an hour, 12 and I'm not asking you to necessarily convenience 13 with the break but I just don't want to disappear 14 without you knowing in advance. 15 THE CHAIR: All right. Well, thank you. 15 minutes 16 of that will be taken up with break, so. 17 CNSL K. MCEWAN: Yes. 18 THE CHAIR: And Mr. Stransky is there waiting, you 19 know, ready to --20 CNSL K. MCEWAN: It's all that really matters. 21 THE CHAIR: All right. Thank you very much for 22 alerting me. Now, Mr. Lodder. 23 THE WITNESS: Hello. 24 THE CHAIR: How are you today? 25 THE WITNESS: Good, and you? 26 THE CHAIR: I'm well, thanks. So we're going to start 27 with asking you to affirm your testimony today 28 and the evidence you're going to give. 29 30 BLAIR LODDER, a 31 32

witness, affirmed.

THE CHAIR: Mr. Mitha. CNSL N. MITHA: Thank you.

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EXAMINATION BY CNSL N. MITHA:

Good morning, Mr. Lodder. We've spoken before. I'm going to be asking you some questions today. Because we're on Zoom, we have to be careful to make sure that we don't talk over each other, so wait until you -- wait until I finish asking the question before you answer it, and I will in turn try to wait until you finish answering before I ask the next question. If there's anything you don't understand that I'm asking, please feel free to ask me to repeat the question or, if you don't hear it, also ask me to repeat the

Blair Lodder (a witness) Exam by Cnsl N. Mitha

question, okay? 2 Α Yeah. 3 0 How long have you been a member of the 4 commission? 5 Α Probably eight years more or less, not exact. 6 So you were a member of the commission from 2017 7 to 2021? 8 Α Yes. 9 Q And you're financially associated with 10 Okanagan Growers; is that right? 11 Α Yes. 12 And that's an agency in the Interior? Q 13 Α Yes. 14 Q And that does both greenhouse and storage crops? 15 Α Yes. 16 Q Okay. You're also a producer of Lodder Potato 17 Farms Ltd.; correct? 18 Α 19 And you produce storage crops but you Q Okay. 20 don't produce any greenhouse crops? 21 Α Correct. 22 Okay. Now, you understand as a commissioner that 0 you have an obligation not to act in a conflict 23 24 of interest? 25 Α Yes. 26 And do you consider -- if MPL were to get or Q 27 apply for an agency license in British Columbia, 28 would you consider whether you have any conflict 29 with MPL? 30 No, I don't. Α 31 And that's because you're really in the storage 32 crop industry? 33 Α Yes. 34 Sir, I want to take you back to June 2019. 35 happy to take you to the document, but let me ask 36 you first. Do you remember that the commission 37 put a moratorium in place for agency 38 applications? 39 Α Yes. 40 And I'm just going to briefly -- just give me one Q 41 moment here, sorry. Okay. So you were part of 42 the decision at that time to place a moratorium. 43 Do you recall that? 44 Α Yes. 45 And you're aware that MPL made an 46 application for an agency licence in 47 September 10th, 2020. Do you recall that?

Video Conference February 11, 2022

ALLEGATIONS	OF BAD FAILI	H AND UNLAV	VFUL ACTIVITY

PROCEEDINGS AT HEARING

COPY

CNSL R. HIRA: But these are 2017 emails. 2 CNSL R. BASHAM: No, no, I'm looking at our document. 3 This is the MPL first supplementary book of 4 Exhibits. It was Exhibit 24, I believe. 5 There's --6 CNSL R. HIRA: What he has. 7 CNSL R. BASHAM: So it is at page 93 of our book. 8 CNSL R. HIRA: Sorry, I was at page 33. 9 CNSL R. BASHAM: Okay. I think you have the right 10 document now. 11 CNSL R. HIRA: Okay, we've got it. A -- the March 25, 12 2021 email from Mr. Reed to Ms. -- sorry, to Mr. 13 Solymosi and Ms. Babcock. 14 CNSL R. BASHAM: For some reason I'm -- part of the 15 email is being [indiscernible]. 16 CNSL R. HIRA: Here. He's got the paper copy. 17 CNSL R. BASHAM: All right. 18 All right, so here's Mr. Reed, as executive vice-19 president of Houweling's Group, sends you an 20 email? 21 That is correct. Α 22 He's complaining that the business plan and the 23 application were divulged without the knowledge 24 of Houweling Management and Marketing Services 25 Canada Inc., which is HMMSCI, and he tells you 26 that they contractually manage the day-to-day 27 functions of Country Fresh, and that he wasn't 28 told, as the agency manager. Right? 29 Correct. 30 It -- that was a contractual dispute, is it not, 31 from your perspective? 32 This was a material change to -- to the agency on Α 33 how it brings product forward through that agency 34 for marketing. 35 Where, in the Commission, is there a document 36 that sets out that that -- that Country Fresh had 37 to market everything through HMMSCI? Where is 38 it? 39 Α That was how they were licenced for that current 40 crop year. That was the marketing structure of 41 that agency that was licenced. 42 Q Is there a document that indicates that? 43 Α There --44 [Indiscernible] about that. Q 45 Α There would be. 46 Well, do you -- have you produced it?

CNSL R. HIRA: With respect --

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING BRIEF

Video Conference February 9, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL	ACTIVITY
PROCEEDINGS AT HEARING	

COPY

1 Correct. Α 2 Then moving down to page 4 of this document, this 3 is an email from Mike Reed to yourself dated 4 Thursday, March 25th? 5 Α Correct. 6 Q Do you remember receiving this email? 7 Α Yes. 8 So in it, Mr. Reed states: 9 10 There have been several inquiries directed 11 to me regarding the quota application 12 submitted by Country Fresh Produce that was 13 circulated on March 19th. 14 15 Α Correct. 16 And then it goes on to say: 17 18 The application and business plan were 19 developed without the knowledge of Houweling 20 Management and Marketing Services who 21 contractually manage the day-to-day 22 functions of the Country Fresh Produce 23 Agency, and without my knowledge, as the 24 agency manager. 25 26 Correct. Α 27 And at the time Mr. Reed sent this email, you 28 understood him to be the functioning agency 29 manager of Country Fresh Produce? 30 That is correct. Α 31 So it goes on to say: 32 33 Any questions pertaining to the application should be directed to the signatories, being 34 35 Casey Houweling and Ravi Cheema. 36 37 Α Correct. 38 And moving down down to page 8 of this document, 39 this is a letter from yourself to Casey Houweling 40 and the Cheemas dated April 1st? 41 Α Yes, correct. 42 And then just the first paragraph here, it 43 references the application submitted by Fresh For 44 You Farms for production allocation? 45 Α Correct.

And then in the middle here, it references the

email we just looked at from Mike Reed.

46 47

```
1
            identify him as executive vice-president of sales
 2
            for the Houweling's Group and quotes the body of
 3
            that email?
 4
            Yes.
       Α
 5
            And identifying Mr. Reed by that title, did -- am
       0
 6
            I right to think that you understood he was
 7
            sending that email in that capacity?
            Of Houweling -- yes.
 8
       Α
 9
       Q
            And then I won't bring you through the remainder,
10
            but it ends with a request for additional
11
            information. Do you see that here?
12
       Α
            Correct.
13
       Q
            I'll give you just a moment to review those.
14
            can tell me when you're ready.
15
       Α
            Okay.
16
            And I'll just state it broadly, but am I right in
       0
17
            thinking that 1, 4 and 5 here are questions
18
            regarding what CFP's marketing plan is behind
19
            this application for production allocation?
20
            Which ones? 1, 4 and 5, you said?
       Α
21
       Q
            Yes.
22
       Α
            Correct, marketing plan and business plan.
23
       Q
            That's your answer? Sorry, I just don't want to
24
            cut you off.
25
       Α
            Yes, sorry.
26
            No, it's okay.
                             It's getting late in the day.
       Q
            And I --
27
28
       Α
            Marketing plan and business plan of that
29
            agency --
30
       Q
            Yes.
31
       Α
            -- yes.
32
            And I just wanted to note the date here is April
       Q
33
            1st. Do you --
34
       Α
            Yes.
35
       Q
            -- see that?
36
       Α
            Yes.
37
       0
            The Commission held its election in March 2021.
38
            Is that right?
39
       Α
            It was delayed in 2021. I can't remember when it
40
            was completed. I know that it was delayed a --
41
            delayed that year, but I think that some
42
            positions were -- remained vacant, so it would
43
            have been completed by leaving the positions
44
            vacant if they were not filled. So correct.
45
            So the election was held sometime in March 2021.
       Q
46
            There -- I appreciate there were some positions
```

vacant after that.

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BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference April 20, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 16)

COPY

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was egg on his face. Yeah, you're right. And then you said at the end of the phone call 3 after you explained your position, you felt 4 Mike Reed understood your position and was fine 5 with it? 6 Α Yeah. 7 So you said that phone call was March 23rd? 8 Α The Zoom call was around there. The only 9 reason I know that is because I had it saved or 10 something in my Outlook. It was a Zoom call, and 11 it was Kevin, Chris, myself, my wife was on it 12 too, and Mike. 13 In any case, it was March 23rd, 2021? Q 14 It was around there somewhere, yes. Do you know when Mike Reed's term as commissioner 15 Q 16 ended? 17 Α I have no idea. 18 I'll suggest to you it ended March 2021? 19 Α I have no idea. 20 You're not suggesting that Mike Reed did anything 21 as a commissioner to interfere with your 22 production allocation application? 23 No. Unless there's something you guys know that 24 I don't know about. Was that the case? 25 Q Sorry. I'll ask the questions, Mr. Cheema. 26 you can just give me a moment to review my notes. 27 All right. I'm pretty sure he was a commissioner 28 at the time. 29 So you told Mr. Mitha that you had some 30 conversations with Paul Mastronardi on this issue 31 of an old boys' club or you scratch my back, I 32 scratch yours? 33 I don't remember if I said that to Mike Reed, no. Α 34 Q No. Sorry, to Paul Mastronardi? 35 Α Yeah. 36 Do you remember when those conversations were? Q 37 Α 38 You went to Leamington twice in the course of --39 at least for later discussions with 40 Paul Mastronardi; is that right? I'm there a lot. I don't remember. there two, three, four times a year. 41 I could be Α 42 You don't remember meeting with Paul Mastronardi 43 Q 44 in Leamington? 45 Α Yeah. I met up with him a lot. I met up with 46 other people too.

Okay. How did you -- how did you get to

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Q

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference April 19, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 15)

COPY

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

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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.

from John Newell and Mike Reed in relation to storage crop matters with regard to the 2 3 criteria under the general orders. 4 5 You've seen that allegation before? 6 Yes. Α 7 Sir, you recall testifying previously at the 8 BCFIRB hearing in 2018? 9 Α 10 I believe in that hearing, sir, you gave evidence 11 to the effect that greenhouse commissioners will 12 rely on information from storage crop 13 commissioners when there are storage crop issues, 14 and similarly, storage crop commissioners rely on 15 greenhouse commissioners when there are 16 greenhouse crop issues. Do you recall giving 17 such testimony, sir? 18 Α 19 And in this particular circumstance, as a 20 greenhouse commissioner, sir, did you give the 21 storage crop commissioners who might have been on 22 the panel advice or opinions about MPL's 23 application? 24 Α No. 25 Sir, looking at this allegation at 26 paragraph 23(c)(III), was there any formal or 27 informal agreement that storage crop 28 commissioners would vote to preserve greenhouse 29 crop commissioners' interests and vice versa? 30 Α No. 31 Were you ever asked by any storage crop 32 commissioner --33 Α No. 34 -- that's named or otherwise to vote in a Q 35 particular way? 36 Α No. 37 Q Did you ever communicate that you wanted storage 38 crop commissioners to vote in a particular way? 39 Α 40 Sir, before we leave this allegation, is there Q 41 anything else you want to say about this 42 allegation? 43 I just want to say that anything to do with a Α 44 greenhouse application that came across the desk 45 of the commission that was brought to the 46 commission, I recused myself immediately, whether 47 it was MPL or anyone else and would do so to this

67
John Newell (a witness)
Exam by Cnsl N. Mitha

day. Sir, one of the allegations that's been made is that you and your brother or the combination of the two of you wanted to make sure that MPL would 5 not get a licence if they made application in British Columbia. And one of the pieces of 7 evidence relied upon is that your brother, 8 Mr. Steve Newell, had a conversation with 9 Mr. Mastronardi where he told Mr. Mastronardi 10 that he would make sure that MPL would never get 11 a licence if they made an application in BC. 12 Sir, are you aware of any conversation that your 13 brother Steve Newell has had with Mr. Mastronardi 14 to that effect? 15 No. Α 16 Have you made any inquiry from your brother as to 17 whether or not he had any such conversation? 18 19 CNSL R. BASHAM: Objection. Mr. Steve Newell will 20 have to give that evidence. 21 CNSL N. MITHA: Mr. Chair, I appreciate it's hearsay, 22 and I think it's admissible. I think it does go to weight, but I don't think it's inadmissible 23 24 evidence. 25 CNSL R. BASHAM: What's the purpose of leading that 26 evidence except to try to prove the truth? You 27 know very well that's not permitted. 28 In any event. CNSL N. MITHA: 29 CNSL R. BASHAM: Objection. 30 CNSL N. MITHA: Fine. 31 Sir, have you had any conversation to the effect -- to that effect with anyone, with any of 32 33 the commissioners? 34 Α No. 35 Or anyone else? 36 Α No. 37 Have you taken any steps, sir, that you're aware 38 of -- have you taken any steps at all, sir, to 39 prevent MPL from obtaining its agency licence in 40 British Columbia? 41 Α 42 Sir, there's an allegation that another employee 43 of Windset, Mr. Jeff Madu -- he is an employee of 44 Windset? 45 Α Yes. 46 Q And what's his position with Windset? 47 Α Sales director.

The defendants have failed to act in accordance with the regulatory scheme in exercising the authority delegated to them. As members of the commission in particular, the defendants failed.

7

And then paragraph 3 says:

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The defendants John Newell and Mike Reed have entered into an agreement with the defendants Cory Gerrard, Blair Lodder, and Peter Guichon to improperly circumvent the commission's conflict of interest policy whereby the defendants Cory Gerrard, Blair Lodder, and Peter Guichon will vote as requested by the defendants John Newell and Mike Reed on matters related to greenhouse crops in exchange for the agreement of votes from John Newell and Mike Reed in relation to storage crop matters without regard to the criteria under the general orders.

19 20 21

You've seen that before, of course?

22 23 24

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30

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Α Yes.

Now, sir, there's been some evidence in this hearing and previously to the effect that the storage crop commissioners often relied on the knowledge and expertise of the greenhouse commissioners for greenhouse issues and the greenhouse commissioners relied on the storage crop commissioners when it came to storage crop issues. Is that accurate?

32 33

Α Yes.

Was there any informal or formal agreement that storage crop commissioners would vote to preserve the greenhouse crop commissioners' business in exchange for greenhouse commissioners voting to preserve and enhance storage crop commissioners' businesses?

38 39 40

No. Α

41 42 Were you ever asked to vote -- well, you had no relationship or dealing with the MPL application at all; correct?

43 44

That's correct. Α

45 46 Did you ask any commissioner to vote in any particular way concerning the MPL application? No.

47 Α

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING

Videoconference April 20, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING (Day 16)

COPY

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- 1 0 All right. There's been some evidence in this 2 hearing to the effect that storage crop 3 commissioners often relied on the knowledge and 4 expertise of greenhouse commissioners for 5 greenhouse issues and greenhouse commissioners 6 relied on storage crop commissioners concerning 7 storage crop issues; is that accurate? 8 Α Yeah. 9 Was there any formal or informal vote 10 swapping arrangement as suggested in clause 11 (iii)? 12 No. Α 13 Were you ever asked, sir, to vote in a particular Q 14 way by any commissioner, greenhouse commissioner, 15 or storage crop commissioner? 16 Α No. 17 Q Sir, there's also an allegation that you acted 18 separately or together with other commission 19 members to prevent MPL from entering the BC 20 Do you have anything to say about that? market. 21 Α No. 22 Sir, you were never assigned to any panel of the commission concerning MPL's application for 23 24 agency status; correct? 25 Α No. 26 Q Did Mr. Reed or Mr. Newell ever communicate their 27 views about MPL's application to you or anything about MPL? 28 29 Α No. 30 Sir, do you recall attending a BCVMC workshop at Q 31 the Tsawwassen hotel, Coast Tsawwassen hotel in 32 October 19th, 2020? 33 No. Α 34 You didn't attend that meeting? Q 35 I was not in attendance at that meeting. And, sir, do you -- were you ever 36 37 interviewed by Ms. Dawn Glyckherr? 38 Α Yes. 39 Q And you were interviewed in your capacity as a 40 grower or as a commissioner or both? 41 Α Solely as a grower. 42 And were you involved as a commissioner in making 43 decisions about her involvement in completing a 44 strategic review report?
- And what do you recall about her involvement in that regard and your decisions in that regard?

Α

Yes.

Peter Guichon to improperly circumvent the 2 commission's conflict of interest policy 3 whereby the defendants Cory Gerrard, 4 Blair Lodder, and Peter Guichon will vote as 5 requested by the defendants John Newell and 6 Mike Reed on matters related to greenhouse 7 crops in exchange for the agreement of votes 8 from John Newell and Mike Reed in relation 9 to storage crop matters without regard for 10 the criteria under the general orders.

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You've seen that allegation before, sir?

Yes, I have. Α

All right. There's been some evidence in this hearing, sir, to the effect that storage crop commissioners often relied on the knowledge and expertise of greenhouse commissioners for greenhouse issues and greenhouse commissioners would rely on storage crop commissioners for storage crop issues; is that accurate, sir?

Yes. Α

Was there any former or informal agreement that a 0 storage crop commissioner, like yourself, would vote to preserve the greenhouse crop commissioners businesses in exchange for the greenhouse crop commissioners voting to preserve storage crop commissioners businesses?

Absolutely not. Α

Were you ever asked by Mr. Newell or Reed to 0 act -- to vote in a specific way concerning MPL or any other greenhouse issues?

Α No.

And did you ever ask Mr. Newell or Mr. Reed to vote in a particular way concerning storage crop matters?

Α No, I didn't.

- Sir, there's also an allegation that you acted separately or together with the other commission members to prevent MPL from entering the BC market. What is your response to that allegation, sir?
- No. I never had anything like that at all. Α Everybody's -- everybody's open to an application to come here. So being on the commission, that's the nature of the beast. They're welcome to come forward and that's it.
- Sir, you, of course, had no involvement in MPL's

agency application; right? 2 Α 3 Nonetheless, did Mr. Reed or Mr. Newell ever 4 communicate their views about MPL's application 5 or whether MPL should obtain a license in 6 British Columbia? 7 No, they didn't. Α 8 Do you recall, sir, attending a BCVMC workshop at Q 9 the Coast Tsawwassen hotel in October 19th, 2020? Yes, I do. 10 Α 11 Okay. So, sir, this is the list of people who attended and I'm just looking for your name. 12 13 it looks like you attended in person, is that 14 right, at this meeting? 15 Α Yes. 16 I'm just going to take you -- you can see these 0 17 are the notes of the meeting. It says: 18 19 BCVMC workshop Coast Tsawwassen hotel, 20 Monday, October 19. 21 22 Do you see that? 23 Α Yes. 24 All right. I'm going to take you to part of the 25 discussion. Sir, you'll see at paragraphs 33 and 26 34, there's a discussion about Windset losing 27 their Wal-Mart business because Mastronardi came 28 in and started dumping the product here and 29 brought prices down, et cetera. And you will see paragraphs 33 and 34 discuss issues concerning 30 31 Mastronardi. Do you see that? 32 Α Yes, I do. 33 Do you recall that discussion taking place at 34 this meeting, sir? 35 I can't remember the details. It was -- it was Α 36 in a huge room and there was only about 10 or 12 37 of us in the room spread apart so the hearing 38 wasn't that good, but, you know, there was people 39 talking about the greenhouse side of it. 40 And, sir, do you recall any discussion about Q 41 MPL's agency application at that meeting by any 42 commissioners? 43 Α No. 44 Do you know when it says here at paragraph 33: 45 46 A different producer claims he was told

Windset lost their market business.

BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD SUPERVISORY REVIEW HEARING BRIEF

Video Conference February 1, 2022

ALLEGATIONS OF BAD FAITH AND UNLAWFUL ACTIVITY

PROCEEDINGS AT HEARING excerpt of Paul Mastronardi's evidence

ORIGINAL



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

- Q Yes, I'll ask you to do that and provide any documents to that effect.
 - A Sure.
 - Q But, sir, you'll agree with me that MPL didn't commence any legal proceedings against some of the other people who were involved in the decision, which included Ms. Estell, Mr. Royal, and Eric -- I'm not quite sure how to pronounce his last name, but it's S-C-H-L-A-C-H-T? MPL chose not to commence proceedings against them. Why did it choose Newell -- leave aside Newell because you've got the conversation with his brother. But why choose Lodder and Reed and exclude Estell and Royal and Schlacht?
 - A Because we believed Estell, Royal and Schlacht were independents. They didn't represent marketing companies.
 - Q All right. So that was how the decision was made? Because they represented marketing companies, that was the reason?
 - A Correct.
 - Q All right. Because of course you hadn't been told by Mr. Cheema of any particular names of Commission members that were involved in any, as we say, this vote swapping arrangement; correct?
 - A Correct.
 - Q So the basis on which -- I'll take a step back. Sir, you appreciate that making allegations of misfeasance of public office, sir, are serious allegations? They're not minor allegations; right?
 - A Yes.
 - Q And MPL chose to make those serious allegations based on being told in general that there's a vote swapping arrangement and that was told my Mr. Cheema, and then choosing to sue individuals who were involved with agencies or brokers; is that right?
 - A Yeah. Mr. Cheema told us -- Mr. Cheema told us that there was a study done by Dawn Glick -- sorry, I can't remember -- pronounce her last name exactly. And in that study it said that it was an old boys' club. There was I'll scratch your back, you scratch my back. That decisions by the commissioners were made not at the Commission, but at coffee shops in Delta and there was corruption at the top.
 - Q But, sir, MPL never chose to look at that report,

7
Paul Mastronardi (for MPL)
Exam for BCFIRB by Cnsl N. Mitha

```
doesn't know what the report says and chose to make
           these serious allegations based on the word of
 3
           Mr. Cheema who gave some general views that he
 4
           thought there was a vote swapping arrangement; do I
 5
           have that right?
 6
        A Well, Mr. Cheema was very passionate about it.
 7
           I -- I guess I believed is word, absolutely.
 8
        Q But that was the basis; fair enough?
        A That and the moratorium being put in place and the
 9
10
           moratorium not being lifted.
11
          Okay.
12
        CNSL R. BASHAM:
                        Mr. Mitha, you've asked several
           times --
13
                       Yep.
14
        CNSL N. MITHA:
15
        CNSL R. BASHAM: -- [indiscernible] there was a report
16
           given?
                  Is there a report that you haven't
17
           produced?
18
        CNSL N. MITHA: Are you objecting to something?
19
        CNSL R. BASHAM: Yes, I am. [Indiscernible] report,
20
           and I'm asking you whether there has been a report
21
           that you've produced.
22
        CNSL N. MITHA:
                       Ms. Basham, I haven't asked a question
23
           that you're objecting to. So I'm not -- if you
24
           want to make argument, as Chair Donkers said, use
25
           that for argument. If there's an objection here --
26
        CNSL R. BASHAM: No. Let me just be clear. In your
           questions to my witness -- or my client, you have
27
28
           referred to a report that he keeps saying he didn't
29
           read.
30
                       He referred to the report.
        CNSL N. MITHA:
31
        CNSL R. BASHAM: You asked him if he read a report.
32
           And I'm asking you whether there is a report that
33
           you have because I haven't seen one.
34
        CNSL N. MITHA: Ms. Basham, I'm not answering your
35
           questions here. So I'm going to finish my
36
           cross-examination.
37
        CNSL R. BASHAM: Well, I'm objecting. If you're going
38
           to put to a witness about a report --
39
        CNSL N. MITHA: I have completed my question -- I have
40
           completed my question --
41
        CNSL R. BASHAM:
                        Just a minute, Mr. Mitha --
42
        THE CHAIRPERSON: Ms. Basham, my understanding is that
43
           it was Mr. Mastronardi who first raised the issue
44
           of a report.
                        So continue, Mr. Mitha.
45
        CNSL R. BASHAM:
                         Well, I'm objecting.
46
        THE CHAIRPERSON: Understood.
47
        CNSL R. BASHAM:
                         There is -- just a minute,
```