

COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act*, R.S.C., 1985, c. C-34, and the *Competition Tribunal Rules*, SOR/2008-141;

AND IN THE MATTER OF the proposed acquisition by La Coop fédérée of a minority interest in Gestion BMR Inc.;

AND IN THE MATTER OF the filing and registration of a consent agreement pursuant to section 105 of the *Competition Act*.

BETWEEN:

THE COMMISSIONER OF COMPETITION

COMPETITION TRIBUNAL TRIBUNAL DE LA CONCURRENCE REGISTERED / ENREGISTRÉ FILED / PRODUIT November 1, 2013 CT-2013-010 Jos LaRose for / pour REGISTRAR / REGISTRAIRE	
OTTAWA, ONT	5 (revised # public 2015-01-2015)

Applicant

- a n d -

LA COOP FÉDÉRÉE

- a n d -

147755 CANADA INC.

- a n d -

GESTION BMR INC.

Respondents

CONSENT AGREEMENT

RECITALS:

A. La Coop fédérée (“**LCF**”) proposes to acquire from 147755 Canada Inc. (“**Holdco**”) a minority interest in Gestion BMR Inc. (together with Holdco, “**BMR**”) (the “**Transaction**”);

B. The Commissioner has concluded that the Transaction is likely to result in a substantial lessening and/or prevention of competition in the retail sale of hardware products and building materials in certain regions of Quebec and that the implementation of this Agreement is necessary to ensure that any substantial lessening

and/or prevention of competition will not result from the Transaction;

C. Respondents do not admit but will not for the purposes of this Agreement, including execution, registration, enforcement, variation or rescission, contest the Commissioner's conclusions that (i) the Transaction is likely to result in a substantial lessening and/or prevention of competition in the retail sale of hardware products and building materials in certain regions of Quebec; and (ii) the implementation of this Agreement is necessary to ensure that any substantial lessening and/or prevention of competition will not result from the Transaction.

NOW THEREFORE the Respondents and the Commissioner agree as follows:

I. DEFINITIONS

[1] Whenever used in this Agreement, the following words and terms have the meanings set out below:

- (a) "**Act**" means the *Competition Act*, R.S.C., 1985, c. C-34, as amended;
- (b) "**Affected Retailers**" means the franchisees of the Affected Retail Stores;
- (c) "**Affected Retail Stores**" means the stores identified in Confidential Schedule A to this Agreement;
- (d) "**Affiliate**" means an affiliated corporation, partnership or sole proprietorship within the meaning of subsection 2(2) of the Act;
- (e) "**Agreement**" means this Consent Agreement, including the schedules hereto, and references to a "Part", "Section", "Paragraph" or "Schedule" are, unless otherwise indicated, references to a part, section, paragraph or schedule of or to this Agreement;
- (f) "**Applicable Respondent**" means a Respondent who has a franchise agreement with an Affected Retailer;
- (g) "**BMR**" means Holdco and Gestion BMR Inc;
- (h) "**Business Day**" means a day on which the Competition Bureau's office in Gatineau, Quebec, is open for business;
- (i) "**Closing Date**" means the date upon which the Transaction is completed;
- (j) "**Commissioner**" means the Commissioner of Competition appointed under the Act;

- (k) “**Confidential Information**” means competitively sensitive, proprietary and all other information that is not in the public domain, and that is owned by or pertains to a Person or a Person’s business, and includes, but is not limited to, manufacturing, operations and financial information, customer lists, price lists, contracts, cost and revenue information, marketing methods, patents, technologies, processes, or other trade secrets;
- (l) “**Franchise Termination**” means the termination of franchise agreements with the Affected Retail Stores pursuant to Part II of this Agreement;
- (m) “**Holdco**” means 147755 Canada Inc;
- (n) “**Interpretation Act**” means the *Interpretation Act*, R.S.C. 1985, c. 1-21, as amended;
- (o) “**LCF**” means La Coop fédérée, its directors, officers, employees, agents, representatives, successors and assigns; and all joint ventures, subsidiaries, divisions, groups and affiliates of La Coop fédérée, and the respective directors, officers, employees, agents, representatives, successors and assigns of each. For greater certainty, LCF does not include co-operatives that are members of La Coop fédérée;
- (p) “**Monitor**” means the Person appointed pursuant to Part IV of this Agreement (or any substitute appointed thereto), and any employees, agents or other Persons acting for or on behalf of the Monitor;
- (q) “**Monitor Agreement**” means the agreement described in Section 12 of this Agreement;
- (r) “**Parties**” means the Commissioner and Respondents collectively, and “**Party**” means any one of them;
- (s) “**Person**” means any individual, sole proprietorship, partnership, joint venture, firm, corporation, unincorporated organization, trust, or other business or government entity, and any subsidiaries, divisions, groups or Affiliates thereof;
- (t) “**Records**” means records within the meaning of subsection 2(1) of the Act;
- (u) “**Respondents**” means LCF and BMR;
- (v) “**Transaction**” means the transaction described in the first recital to this Agreement; and
- (w) “**Tribunal**” means the Competition Tribunal established by the *Competition Tribunal Act*, R.S.C. 1985, c. 19 (2nd Supp.).

II. TERMINATION OF FRANCHISE AGREEMENTS

- [2] One or the other of the Respondents shall terminate the franchise agreement entered into with the Affected Retail Stores no later than December 31, 2014.

Before December 31, 2014, the Applicable Respondent cannot proceed with any termination procedure without the assurance that the Affected Retailer has entered into a franchise agreement with a competing retail sales banner or has taken the necessary steps to keep its retail business independent from Respondents.

- [3] Notwithstanding the terms of the franchise agreement, each Franchise Termination shall take effect on the date chosen by the Affected Retailer (no later than December 31, 2014). Each Affected Retailer will be able to terminate its franchise agreement in accordance with the terms of termination provided therein, by giving at least thirty (30) days' notice to the Applicable Respondent.
- [4] The Applicable Respondent shall not impose any penalties or other fees on the Affected Retailer as part of the Franchise Termination.
- [5] Notwithstanding the terms of the franchise agreement, the Applicable Respondent shall buy back from the Affected Retailer, at cost, any resalable inventory, whether private label or other, normally repurchased by a franchisor or supplier as part of a change in banner and shall reimburse the total costs incurred by the Affected Retailer to return said inventory, including transportation costs.
- [6] The Applicable Respondent shall pay all amounts owing to the Affected Retailer, including but not limited to, rebates, discounts and dividends, provided the Affected Retailer is not in default of the terms of its franchise agreement, without prejudice to the Applicable Respondent's right to collect from the Affected Retailer any amounts that the Applicable Respondent may be owed by the Affected Retailer.

III. INTERIM PRESERVATION MEASURES AND TRANSITIONAL ASSISTANCE

- [7] Prior to each Franchise Termination, the Applicable Respondent shall maintain the services provided to each Affected Retailer and each Affected Retail Store in the regular and ordinary course of business and in accordance with the Applicable Respondent's past and current practices, and shall take commercially reasonable measures so as not to negatively impact the continued economic viability and the competitiveness of each Affected Retail Store.
- [8] The Applicable Respondent shall compensate the Affected Retailer for costs reasonably incurred by the Affected Retailer that are directly related to entering into a franchise agreement with a competing retail banner or keeping its retail business independent from Respondents, including but not limited to, costs associated with the removal of the Applicable Respondent's advertising signs. For greater certainty, the Applicable Respondent shall not compensate the Affected Retailer for costs normally borne by a franchisor or a supplier as part of a change in banner.
- [9] The Applicable Respondent shall provide reasonable assistance to the Affected Retailer to facilitate the signing of a franchise agreement with a

competing retail banner or to continue its retail business independent from Respondents. The Applicable Respondent shall provide reasonable assistance to the Affected Retailer to facilitate obtaining all consents and waivers from third parties that are necessary to permit the transition to another banner or establishment of an independent business, including the assignment to, and assumption by, an Affected Retailer or a Person designated by the Affected Retailer of all material contracts, approvals and authorizations; provided, however, that the Applicable Respondent may satisfy this requirement by certifying that the Affected Retailer entered into an agreement directly with one or more third parties which make such assignment and assumption unnecessary.

- [10] Respondents shall not enter into, terminate or amend a contract, or take any action whatsoever to adversely affect any obligations in any of Respondent's contracts with, or exclusively related to, an Affected Retailer or an Affected Retail Store, except as necessary to comply with this Agreement. If one of Respondents enters into, terminates, amends or alters a contract entered into with a franchisee or a franchise located within a thirty (30) kilometre radius of an Affected Retail Store, the Applicable Respondent shall ensure that the Affected Retail Store receives treatment at least as favourable as that accorded to said franchisee or said franchise.

IV. MONITOR

- [11] The Commissioner may appoint a Monitor responsible for monitoring compliance by Respondents with this Agreement. Such appointment may occur at any time following registration of this Agreement. A reference in this Agreement to specific monitoring functions or tasks that are to be undertaken by the Monitor shall in no way detract from the Monitor's general power and duty to monitor all aspects of Respondents' compliance with this Agreement.
- [12] Within 5 Business Days after the appointment of the Monitor, Respondents shall submit to the Commissioner for approval a proposed Monitor Agreement with the Monitor and the Commissioner that transfers to the Monitor all rights and powers necessary to permit the Monitor to monitor compliance by Respondents with this Agreement.
- [13] Within 5 Business Days after receipt of the proposed Monitor Agreement referred to in Section 12, the Commissioner shall advise Respondents whether or not he approves the terms of the proposed Monitor Agreement. If the Commissioner does not approve the terms of the proposed Monitor Agreement, he shall prescribe alternative terms for the Monitor Agreement that would be required to obtain his approval and Respondents shall incorporate such terms into a final Monitor Agreement with the Monitor and the Commissioner.
- [14] Respondents consent to the following terms and conditions regarding the Monitor's rights, powers, duties, authority and responsibilities, and shall include such terms in the Monitor Agreement:

PUBLIC VERSION

- (a) The Monitor shall have the power and authority to monitor Respondents' compliance with this Agreement, and shall exercise such power and authority and carry out the duties and responsibilities of the Monitor in a manner consistent with the purposes of this Agreement and in consultation with the Commissioner.
- (b) The Monitor shall have the authority to employ, at the expense of Respondents, such consultants, accountants, legal counsel and other representatives and assistants as the Monitor reasonably believes are necessary to carry out the Monitor's duties and responsibilities.
- (c) The Monitor shall have no obligation or authority to operate or maintain the Affected Retail Stores.
- (d) The Monitor shall act for the sole benefit of the Commissioner, maintain all confidences and avoid any conflict of interest.
- (e) The Monitor shall have no duties of a fiduciary nature to Respondents.
- (f) The Monitor shall provide to the Commissioner every 30 days after the date of the Monitor's appointment, a written report concerning performance by Respondents of their obligations under this Agreement. The Monitor shall, within 3 Business Days, respond to any request by the Commissioner for additional information regarding Respondents' compliance.

- [15] Subject to any legally recognized privilege, the Applicable Respondent shall provide to the Monitor full and complete access to all personnel, Records, information (including Confidential Information) and facilities relevant to monitoring Respondent's compliance with this Agreement.
- [16] Respondents shall take no action that interferes with or impedes, directly or indirectly, the Monitor's efforts to monitor Respondents' compliance with this Agreement.
- [17] The Applicable Respondent shall fully and promptly respond to all reasonable requests from the Monitor that are directly related to monitoring Respondent's compliance with this Agreement and shall provide all information the Monitor may reasonably request. Respondents shall identify an individual who shall have primary responsibility for fully and promptly responding to such requests from the Monitor that are directly related to monitoring Respondent's compliance with this Agreement on behalf of Respondents.
- [18] Respondents may require the Monitor and each of the Monitor's consultants, accountants, legal counsel and other representatives and assistants to sign an appropriate confidentiality agreement in a form satisfactory to the Commissioner; provided, however, that such agreement shall not restrict the Monitor from providing any information to the Commissioner.

- [19] The Commissioner may require the Monitor and each of the Monitor's consultants, accountants, legal counsel and other representatives and assistants to sign an appropriate confidentiality agreement relating to materials and information the Monitor may receive from the Commissioner in connection with the performance of the Monitor's duties.
- [20] Respondents shall be responsible for all reasonable fees and expenses properly charged or incurred by the Monitor in the course of carrying out the Monitor's duties under this Agreement. The Monitor shall serve without bond or security, and shall account for all fees and expenses incurred. In the event of any dispute: (i) such accounts shall be subject to the approval of the Commissioner; and (ii) Respondents shall promptly pay any account approved by the Commissioner.
- [21] Respondents shall pay all reasonable accounts submitted by the Monitor within 30 days after receipt.
- [22] Respondents shall indemnify the Monitor and hold the Monitor harmless against any losses, claims, damages, liabilities or expenses arising out of, or in connection with, the performance of the Monitor's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation or defence of any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from malfeasance, gross negligence or bad faith by the Monitor.
- [23] Respondents shall indemnify the Commissioner and hold the Commissioner harmless against any losses, claims, damages, liabilities or expenses arising out of, or in connection with, the performance of the Monitor's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation or defence of any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from malfeasance, gross negligence or bad faith by the Monitor.
- [24] If the Commissioner determines that the Monitor has ceased to act or has failed to act diligently, the Commissioner may remove the Monitor and appoint a substitute Monitor. The provisions of this Agreement respecting the Monitor shall apply in the same manner to any substitute Monitor.
- [25] The Monitor shall serve such time as is necessary to monitor Respondents' compliance with this Agreement.

V. COMPLIANCE

- [26] Within 5 Business Days after the Closing Date, LCF shall provide written confirmation to the Commissioner of the Closing Date.
- [27] Respondents shall provide a copy of this Agreement to each of their own and their Affiliates' directors, officers and employees having managerial responsibility for any obligations under this Agreement within 3 Business Days after the date of registration of this Agreement. Respondents shall also provide

Affected Retailers with a copy of this Agreement within the time frames set out in Confidential Schedule A. Respondents shall ensure that their respective directors, officers, employees and agents with responsibility for any obligations under this Agreement receive sufficient training respecting Respondents' responsibilities and duties under this Agreement, and the steps that such individuals must take in order to comply with this Agreement.

- [28] Respondents shall not, for a period of five (5) years after the Closing Date, directly or indirectly acquire any interest in the Affected Retail Stores, including, but not limited to, any acquisition, partnership agreement or franchise agreement, without the prior written approval of the Commissioner.
- [29] For a period of 2 years after the Closing Date, Respondents shall not, without providing advance written notification to the Commissioner in the manner described in this Section, directly or indirectly:
- (a) acquire any assets or shares of, or any other interest in any retail hardware or building material store located within a thirty (30) kilometre radius from an Affected Retail Store; or
 - (b) consummate any merger or other combination, included but not limited to, any partnership agreement or franchise agreement, relating to a retail hardware or building material store located within a thirty (30) kilometre radius from an Affected Retail Store.

If a transaction described in (a) or (b) is one for which notice is not required under section 114 of the Act, the appropriate Respondent shall supply to the Commissioner the information described in section 16 of the *Notifiable Transactions Regulations* at least thirty (30) days before completing such transaction. The appropriate Respondent shall certify such information in the same manner as would be required if section 118 of the Act applied. The Commissioner may, within thirty (30) days after receiving the information described in section 16 of the *Notifiable Transactions Regulations*, request that the appropriate Respondent supply additional information that is relevant to the Commissioner's assessment of the transaction. In the event that the Commissioner issues such a request for additional information, the appropriate Respondent shall supply information to the Commissioner in the form specified by the Commissioner and shall not complete such transaction until at least thirty (30) days after the appropriate Respondent has supplied all such requested information in the form specified by the Commissioner.

- [30] Six (6) months after the date of registration of this Agreement and annually for the next two (2) years on the date of filing the first affidavit or certificate, and at such other times as the Commissioner may require, Respondents shall file an affidavit or certificate, substantially in the form of Schedule B to this Agreement, certifying their compliance with Parts II, III and V of this Agreement and setting out the following information in detail:
- (a) the steps taken to ensure compliance;

- (b) the controls in place to verify compliance; and
- (c) the names and titles of employees who have oversight of compliance.

[31] If LCF, BMR or the Monitor becomes aware that there has been or likely has been a breach of any of the terms of this Agreement, such Person shall, within two (2) Business Days after becoming aware of the breach or likely breach, notify the Commissioner thereof, and shall provide details sufficient to describe the nature, date and effect (actual and anticipated) of the breach or likely breach. Respondents shall provide confirmation of their compliance with this provision in all affidavits and certificates of compliance filed with the Commissioner pursuant to Section 30 of this Agreement.

[32] Respondents shall notify the Commissioner at least thirty (30) days prior to:

- (a) any proposed dissolution of either of Respondents;
- (b) any other change in either of the Respondents including, but not limited to, a reorganization, material acquisition, disposition or transfer of assets, or any fundamental change for purposes of a Respondent's incorporating statute, if such change may affect compliance obligations arising out of this Agreement.

[33] For the period commencing when this Agreement is registered and ending five (5) years after the Closing Date, for purposes of determining or securing compliance with this Agreement, and subject to any legally recognized privilege, Respondents shall, upon written request given at least two (2) days in advance to Respondents by the Commissioner, permit any authorized representative(s) of the Commissioner, without restraint or interference:

- (a) to access, during regular office hours of Respondents on any Business Day(s), all facilities and to inspect and copy all Records in the possession or control of Respondents that the Commissioner believes are necessary for determining or securing compliance with this Agreement, which copying services shall be provided by Respondents at their expense; and
- (b) to interview such officers, directors or employees of Respondents as the Commissioner requests regarding such matters.

VI. DURATION

[34] This Agreement shall become effective on the date when it is registered, and shall remain in effect for five (5) years following the Closing Date, except that Parts II and III of this Agreement shall be effective only until the Franchise Terminations are complete.

VII. NOTICES

[35] For a notice, report, consent, approval, written confirmation or other communication required or permitted to be given under this Agreement to be valid,

- (a) it must be in writing and the sending party must use one of the following methods of delivery: (1) personal delivery; (2) registered mail; (3) courier service; (4) facsimile; or (5) electronic mail; and
- (b) it must be addressed to the receiving party at the address(es) listed below, or to any other address designated by the receiving party in accordance with this Section:

if to the Commissioner:

Commissioner of Competition
Competition Bureau Canada
Place du Portage, 21st Floor
50 Victoria Street, Phase I
Gatineau, Quebec K1A 0C9

Attention: Commissioner of Competition
Fax: 819-953-5013
E-mail: mergernotification@cb-bc.gc.ca

with a copy to:

Steve Sansom
Competition Bureau Legal Services
Department of Justice
Place du Portage, 22nd Floor
50 Victoria Street, Phase I
Gatineau, Quebec K1A 0C9
Fax: 819-953-9267
E-mail: steve.sansom@cb-bc.gc.ca

if to LCF:

La Coop fédérée
9001 De l'Acadie Boulevard, Suite 200
Montréal, Quebec H4N 3H7

Attention: Claude Lafleur, Chief Executive Officer
Fax: 514-383-7027
E-mail: claudelafleur@lacoop.coop

with a copy to:

McCarthy Tétrault, LLP
Suite 2500
1000 De La Gauchetière Street West
Montréal, Quebec H3B 0A2

Attention: Madeleine Renaud
Fax: 514-875-6246
E-mail: mrenaud@mccarthy.ca

and

Dominic Thérien
Fax: 514-875-6246
E-mail: dtherien@mccarthy.ca

if to BMR:

147755 Canada Inc. / Gestion BMR Inc.
200-1501 Ampère Street
Boucherville, Quebec J4B 5Z5

Attention: Yves Gagnon, President
Fax: 450-655-1766
E-mail: ygagnon@bmr.co

with a copy to:

BCF, LLP
25th Floor
1100 René-Lévesque Boulevard West
Montréal, Quebec H3B 5C9

Attention: Richard Epstein
Fax: 514-397-8515
E-mail: richard.epstein@bcf.ca

[36] A notice, consent or approval under this Agreement is effective on the day that it is received by the receiving Party. A notice, consent or approval is deemed to have been received as follows:

- (a) if it is delivered in person, by registered mail or by courier, upon receipt as indicated by the date on the signed receipt;
- (b) if it is delivered by facsimile, upon receipt as indicated by the time and date on the facsimile confirmation slip;
- (c) if it is delivered by electronic mail, when the recipient, by an email sent to the email address for the sender stated in this Section or by a notice delivered by another method in accordance with this Section, acknowledges having received that email, with an automatic “read

receipt” not constituting acknowledgment of an email for purposes of this Section.

If a notice is received after 5:00 p.m. local time, or on a day that is not a Business Day, then the notice shall be deemed to have been received on the next Business Day.

[37] Notwithstanding Sections 35 and 36, a notice, report, consent, approval, written confirmation or other communication that is not communicated in accordance with Sections 35 and 36 is valid if a representative of the Party to this Agreement that is the recipient of such communication confirms the receipt and sufficiency of such communication.

VIII. GENERAL

[38] In this Agreement:

- (a) **Number and Gender** - Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (b) **Time periods** - Computation of time periods shall be in accordance with the Interpretation Act, R.S.C. 1985, c. I-21, and the definition of “holiday” in the *Interpretation Act* shall include Saturday.

[39] The Commissioner shall file this Agreement with the Tribunal for registration in accordance with section 105 of the Act. Respondents hereby consent to such registration.

[40] The Information in Confidential Schedule A shall be made public after December 31, 2014; provided however, the Commissioner may communicate or allow to be communicated such information for the administration or enforcement of the Act.

[41] The Commissioner may, after informing Respondents, extend any of the time periods contemplated by this Agreement other than the time periods in Sections 28, 29, 33 and 34. If any time period is extended, the Commissioner shall promptly notify Respondents of the revised time period.

[42] Nothing in this Agreement precludes Respondents or the Commissioner from bringing an application under section 106 of the Act. Respondents will not, for the purposes of this Agreement, including execution, registration, enforcement, variation or rescission, contest the Commissioner’s conclusions that: (i) the Transaction is likely to result in a substantial lessening and/or prevention of competition in the retail supply of hardware and building material products in certain regions of Quebec; and (ii) the implementation of this Agreement is necessary to ensure that any substantial lessening and/or prevention of competition will not result from the Transaction.

PUBLIC VERSION

- [43] Respondents attorn to the jurisdiction of the Tribunal solely for the purposes of this Agreement and any proceeding initiated by the Commissioner relating to this Agreement.
- [44] This Agreement constitutes the entire agreement between the Commissioner and Respondents, and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, with respect to the subject matter hereof.
- [45] This Agreement shall be governed by and interpreted in accordance with the laws of Quebec and the laws of Canada applicable therein, without applying any otherwise applicable conflict of law rules.
- [46] Respondents' obligations under this Agreement are joint but not several.
- [47] In the event of a dispute regarding the interpretation, implementation or application of this Agreement, the Commissioner or Respondents may apply to the Tribunal for directions or an order. In the event of any discrepancy between the English language version of this Agreement and the French language version of this Agreement, the French language version of this Agreement shall prevail.
- [48] This Agreement may be executed in two or more counterparts, each of which shall be an original instrument, but all of which shall constitute one and the same Agreement.

The undersigned hereby agree to the filing of this Agreement with the Tribunal for registration.

DATED this 31st day of October 2013

COMMISSIONER OF COMPETITION

[Original signed by Lisa Campbell, Acting Commissioner]

Name: John Pecman
Title: Commissioner of Competition

LA COOP FÉDÉRÉE

[Original signed by Claude Lafleur]

I/We have authority to bind the
corporation

Name: Claude Lafleur
Title: Chief Executive Officer

147755 CANADA INC.

[Original signed by Yves Gagnon]

I/We have authority to bind the
corporation

Name: Yves Gagnon
Title: President

GESTION BMR INC.

[Original signed by Yves Gagnon]

I/We have authority to bind the
corporation

Name: Yves Gagnon
Title: President

CONFIDENTIAL SCHEDULE A

Stores in the “Primary Stores” column are considered “**Affected Retail Stores.**”

When a store is identified in the “Alternative Stores” column, the Respondents may, within ninety (90) days after the date when this Agreement is registered, request that the Commissioner replace one or more of the stores in the “Primary Stores” column with the corresponding store in the “Alternative Stores” column as an Affected Retail Store (the “**Substitution**”). Within five (5) working days after receipt of the request, the Commissioner will inform the Respondents of his decision to authorize the Substitution or not. The decision is at the Commissioner’s sole discretion.

Primary Stores	Alternative Stores
Les Entreprises Périnet Inc. (Lac Mégantic) 3707, rue Laval, Lac Mégantic	–
Quincaillerie Rousseau & Rousseau inc. 179, rue Principale, St-Cyprien	–
Centre de rénovation Maurice Jalbert inc. 652, route North Elgin, St-Pamphile	Magasin Coop St Pamphile 25, rue Principale, St Pamphile
Société Coopérative Agricole Montmagny 12, chemin Des Cascades, Montmagny	Centre de rénovation Dynaco BMR 111, boul. Taché Ouest, Montmagny

For the purposes of section 27 of this Agreement, the Respondents must notify the Primary Stores and Alternative Stores of this Agreement no later than the date of registration and must provide them with a copy of it, except for this confidential schedule, within three working days after the registration date.

SCHEDULE B

FORM OF COMPLIANCE CERTIFICATION/AFFIDAVIT

I, **[name]**, of **[place]**, hereby certify¹ in accordance with the terms of the Registered Consent Agreement dated • between La Coop fédérée ("**LCF**"), 147755 Canada Inc. ("**Holdco**"), Gestion BMR Inc. (together with Holdco, "**BMR**") and the Commissioner of Competition, that:

1. I am the **[title]** of **[LCF/BMR]**, and have personal knowledge of the matters deposed to herein, unless they are stated to be on information and belief, in which cases I state the source of such information and believe it to be true.
2. On **[date]**, **[LCF/BMR]** entered into a Consent Agreement (the "Consent Agreement") with the Commissioner of Competition (the "Commissioner") in connection with the acquisition by LCF of a minority interest in Gestion BMR Inc. (the "Transaction").
3. The Transaction closed on **[date]** (the "Closing Date").
4. The following Franchise Terminations (as defined in the Consent Agreement) were completed on the following dates: **[dates]**.
5. Pursuant to Section 30 of the Consent Agreement, **[LCF/BMR]** is required to file **[annual reports/reports when requested by the Commissioner]** certifying its compliance with Parts II, III and V of the Consent Agreement.

Oversight of Compliance

6. **[Names/titles]** have primary responsibility for overseeing compliance with this Agreement.

Closing Date

7. Pursuant to Section 26 of the Consent Agreement, **[LCF/BMR]** is required to provide written confirmation to the Commissioner of the Closing Date. Such notice was provided on **[date]**.

Circulation of Consent Agreement

8. Pursuant to Section 27 of the Consent Agreement, **[LCF/BMR]** is required to provide a copy of the Consent Agreement to each of its own and its Affiliates' directors, officers, employees and agents having managerial responsibility for any obligations under the Consent Agreement, within three (3) Business Days after the

¹ If this is drafted as an affidavit, the words "hereby certify" should be removed and should be replaced with "make oath and say". An affidavit should be sworn under oath. A certificate should be certified by a Commissioner for taking affidavits.

date of registration of the Consent Agreement. The Consent Agreement was circulated by **[whom]** to **[provide list]** on **[dates]**.

9. Pursuant to Section 27 of the Consent Agreement, **[LCF/BMR]** is required to ensure that its directors, officers, employees and agents with responsibility for any obligations under the Consent Agreement receive sufficient training respecting the responsibilities and duties of **[LCF/BMR]** under the Consent Agreement. The following training has been provided: **[provide list of who was trained and by whom as well as a general statement of the content of the training]**.

Interim Conservation Measures and Transitional Assistance

10. Pursuant to Part III of the Consent Agreement, **[LCF/BMR]** is required to maintain services and provide assistance to Affected Retailers. LCF met these requirements by **[provide details]**.

Notification of Breach

11. Based on my personal knowledge and my inquiries of **[provide names]**, I am not aware of any breach or likely breach of any of the terms of the Consent Agreement within the meaning of Section 31 of the Consent Agreement.

DATED ●.

Commissioner of Oaths

Name and Title of Certifying Officer