

File No.: CT-2008-003

Registry Document No.:

COMPETITION TRIBUNAL

IN THE MATTER of the *Competition Act*, R.S.C. 1985, c. C-34, as amended

AND IN THE MATTER of an Application by Nadeau Ferme Avicole Limitée/Nadeau Poultry Farm Limited for an Order pursuant to section 103.1 granting leave to make application under section 75 of the *Competition Act*.

AND IN THE MATTER of an Application by Nadeau Ferme Avicole Limitée/Nadeau Poultry Farm Limited for an Interim Order pursuant to section 104 of the *Competition Act*.

BETWEEN:

**NADEAU FERME AVICOLE LIMITÉE/
NADEAU POULTRY FARM LIMITED**

Applicant

AND

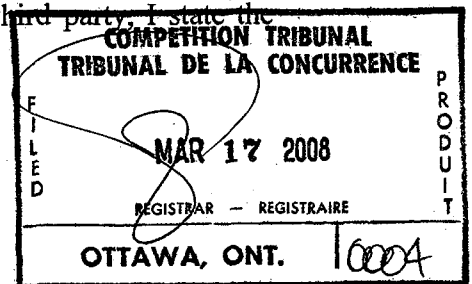
**GROUPE WESTCO INC. AND GROUP DYNACO, COOPÉRATIVE
AGROALIMENTAIRE AND VOLAILLES ACADIA S.E.C. AND
VOLAILLES ACADIA INC./ACADIA POULTRY INC.**

Respondents

**AFFIDAVIT OF ANTHONY TAVARES
(Sworn March 14, 2008)**

I, **ANTHONY TAVARES**, of the City of Mississauga, in the Province of Ontario,
MAKE OATH AND SAY as follows:

- I am the Chief Executive Officer of Maple Lodge Holding Corporation, the parent company of the Applicant, Nadeau Ferme Avicole Limitee/Nadeau Poultry Farm Limited ("Nadeau"). As such, I have personal knowledge of the matters herein deposed to unless otherwise stated. Where information has been obtained from a third party, I state the source of that information, and confirm that I believe it to be true.



A/ The Parties

2. The Applicant, Nadeau, is a corporation incorporated under the laws of the Province of New Brunswick. Nadeau is a wholly-owned subsidiary of Maple Lodge Holding Corporation ("**Maple Lodge**"), which is one of the largest processors of chicken in Canada. Maple Lodge has been in business since 1956, and is a 100% family-owned business. Maple Lodge currently employs about 2300 people and operates 2 processing facilities in Canada: one in Norval, Ontario and one in St-François de Madawaska, New Brunswick (the "**St-François Plant**"). Nadeau operates the St-François Plant and processes chicken for the Québec and Maritime markets.
3. Attached hereto as **Exhibit "A"** is a copy of a map showing the location of the processing plant in St-François.
4. The Respondent, Groupe Westco Inc. ("**Westco**"), is a corporation incorporated under the laws of the Province of New Brunswick. Westco is highly integrated in the chicken industry. It owns or controls hatching egg production quota, farms, hatcheries, chicken production quota and chicken production farms. Its chicken production facilities are located in New Brunswick and elsewhere. Attached hereto as **Exhibit "B"** is a true copy of a brochure put out by Westco. As can be seen from the brochure, Westco currently has, besides its chicken production facilities, hatcheries and transportation facilities. The brochure also refers to "Volailles Acadia" as a "coentreprise" that was acquired in 2006. The brochure states that Westco has 51% of New Brunswick's chicken production, and Acadia has 17%, for a total of 68%.
5. The Respondent, Groupe Dynaco, Coopérative Agroalimentaire ("**Dynaco**"), is a co-operative registered in the Province of Québec. Dynaco owns certain chicken production facilities in the Province of New Brunswick. Dynaco is highly integrated in a number of industries, including the chicken industry. It offers a wide range of products and services to meet the needs of agricultural producers and consumers.
6. The Respondent, Volailles Acadia S.E.C., created under the laws of the Province of Québec, is registered as an extra-provincial limited partnership in the Province of New

Brunswick, and the Respondent, Volailles Acadia Inc./Acadia Poultry Inc., incorporated under the laws of Canada, is registered as an extra-provincial corporation in the Province of New Brunswick (collectively, "**Acadia**"). As I explain later in my affidavit, I have been told that Acadia is jointly owned by Westco and Dynaco, although I cannot confirm this information.

B/ The Regulation of the Chicken Industry in Canada

7. The production of chicken for the Canadian market is managed under a national supply management system that operates through a co-ordinated federal-provincial regulatory scheme.
8. At the federal level, the Chicken Farmers of Canada ("**CFC**"), an agency designated under the *Farm Products Agencies Act*, among other things:
 - (a) establishes chicken production quotas federally and distributes quota to each member province; and
 - (b) licences the movement of chicken between the provinces (inter-provincial trade), and outside the country (export trade).
9. The CFC is required to issue a licence for the inter-provincial movement of chicken upon application and payment of the required fee, so long as, among other things, the applicant is in good standing with its provincial commodity board and is in compliance with all applicable federal legislation and regulations. It is a condition of all licences that the licensee must comply with all orders of the applicable provincial commodity board.
10. Provincially, the Chicken Farmers of New Brunswick ("**CFNB**"), a provincial commodity board established by regulation under the New Brunswick *Natural Products Act*, regulates the intra-provincial production and marketing of chicken in New Brunswick. The quotas allotted to New Brunswick by the CFC are, in turn, allotted to the various producers in New Brunswick by the CFNB.
11. The CFNB has issued a number of Marketing Orders that implement various aspects of its mandate. It is to be noted that Order I sets out as an objective of the provincial

marketing plan that "the development of monopolies" be avoided. Order III prohibits the lease or transfer of a producer's license without CFNB approval, and wholly forbids the assignment of chicken quota to any person other than a family incorporated farm in which the holder of the quota is an active shareholder. Attached hereto as **Exhibit "C"** are true copies of Orders I and III.

12. The effect of the national supply management scheme is to prohibit production and marketing of chicken by anyone other than a person who possesses a quota. It creates a protected market for existing producers (that is, producers who already possess a quota), and prevents entry into the market by new producers. It is, in effect, a sanctioned monopoly for producers as a whole.
13. In New Brunswick, the protections offered by the supply management system apply only to producers. Nadeau, a licensed processor, has no protection under the system, since, unlike other provinces such as Ontario, Québec and British Columbia, there is nothing in New Brunswick that permits its regulators to require producers to direct their live chicken supply to any particular processor. There is also a total void in the New Brunswick regulatory scheme with respect to interprovincial movement of live chicken. Accordingly, there is currently nothing preventing New Brunswick chicken producers from diverting all or any part of their production to processors in another province.
14. The majority of the directors of the CFNB are affiliated with either the Respondent Westco or the Respondent Dynaco.

C/ Nadeau's Operations in New Brunswick

15. The St-François Plant was acquired in 1989. At the time of the acquisition, the former owner was insolvent.
16. Nadeau invested tens of millions of dollars over the years to improve and maintain the St-François Plant, eventually turning it into the most modern, low-cost processing plant in Canada.

17. The St-François Plant is Nadeau's only business and the only chicken processing plant in New Brunswick.
18. Nadeau has been very supportive of New Brunswick's chicken producers over the past 18 years. It has developed stable long-term supply relationships with New Brunswick's producers. Nadeau has:
 - (a) paid premium prices to the producers for their live chicken to encourage the improvement of production facilities, to make them more efficient;
 - (b) guaranteed to the producers that it would purchase all of their live chicken; and
 - (c) provided additional incentives to encourage the relocation of production facilities further north (closer to the St-François Plant).
19. These long-term supply relationships have resulted in a stable continuing supply of live chicken, which has enabled the St-François Plant to develop stable and profitable markets for its products. Historically, Nadeau has obtained 100% of its live chicken from New Brunswick's producers, of which almost 75% has come from quota now owned by Westco, Dynaco or Acadia.
20. Nadeau is totally dependent on the continuance of stable long-term supply relationships. The St-François Plant's operations require that the daily level of supply be maintained, or the operations will cease. The Respondents understand this very well.
21. Nadeau has been a mainstay of the Madawaska community. It directly employs approximately 340 employees in the St-François Plant, and as such is the main employer in town and the largest employer in the local community. The benefits of Nadeau's operations in this area of the province are crucial to the economy of the region. Any negative impact on the viability of the plant would have a reverberating effect on the local economy.

22. Nadeau is a good local and corporate citizen. For example, Nadeau went through the expense of installing and maintaining a new waste water processing facility to improve water quality in the St. John River.
23. As well, following a disastrous plant fire in February 2002, Nadeau immediately announced its pledge to rebuild the St-François Plant, and opened a new state of the art processing facility by November 2002, only nine months later.
24. During the reconstruction period, Nadeau continued to honour its moral commitment to buy 100% of the chicken produced in New Brunswick, although it had no contractual obligation to do so. As a result, there was absolutely no economic loss to the chicken producers of New Brunswick, but a considerable cost to Nadeau. Nadeau has made no request for financial assistance from the Government of New Brunswick.
25. Nadeau was, and continues to be, dedicated to job creation and generation of economic benefits to the Province of New Brunswick.

D/ The Producers

26. Over the last few years, a number of chicken producers in New Brunswick have consolidated their quotas and created three main producer groups that now comprise almost 75% of New Brunswick's live chicken production. The groups are the Westco group, the Dynaco group, and their "coenterprise", Acadia (collectively, the "**Producers**").
27. This consolidation was effected by means of sale or lease of chicken quota to Westco, Dynaco, or Acadia, as the case may be. There was usually not an accompanying change of "title" over the quota. In other words, most of the quotas remain in the names of the original producers, even though ownership or control of the production has been transferred to Westco, Dynaco or Acadia.
28. Attached hereto and marked as **Exhibit "D"** to this my affidavit is a chart prepared by Yves Landry, General Manager of Nadeau ("**Mr. Landry**"), the contents of which I verily believe are true. It shows all of New Brunswick's chicken quotas, by kilograms,

for the quota period A83, which covers the 8-week period from February 3, 2008 to March 29, 2008. As each chicken weighs about 2 kilograms, the chart represents a total for New Brunswick of about 365,800 chickens per week. The chart shows the nominal quota-holder (for example, "Montagnaise"), as well as the controlling producer groups.

29. I am advised by Mr. Landry, and verily believe, that Dynaco completely owns or totally controls the quota nominally held by Ferme Avicole Bolduc, Ferme Avicole J.J.C. Bolduc, and also leases the Slipp Farm quota from its owner, for a total of 7.23% of New Brunswick's quota. (Dynaco co-owns another 4.96% with a third party.) Acadia owns or controls 16.04%, as shown on the chart. Westco owns or controls the quotas listed in the chart under the names from "Montagnaise" to "Couvoir Westco", for a total of 50.91%. Accordingly, for quota period A83, Westco, Dynaco and Acadia either own or control a total of 74.18% of New Brunswick's chicken quota.
30. For the last several years, and until May of 2007, Nadeau has obtained almost all its live chicken supplies from New Brunswick. Nadeau typically processed from 350,000 to 375,000 chickens per week, of which nearly 75% came from Westco, Dynaco and Acadia (or their predecessors). Accordingly, nearly 75% of Nadeau's historic supplies of chickens were provided by the Respondents.

E/ New Brunswick Chicken Production

31. Until recently, Nadeau obtained its New Brunswick-raised chickens from about 35-40 producers. However, as demonstrated above, and with the assurance of a stable local buyer (Nadeau), there has been increasing concentration in the producer sector.
32. The CFNB does not impose any individual quota caps. As a result, over time, there were fewer and fewer producers, with larger and larger quotas. Nadeau expressed no concerns over this consolidation because Nadeau never expected that the Producers would attempt to misuse this concentration of supply to hold Nadeau hostage.
33. The concentration within the production sector is aggravated by the fact that the majority of the directors of the CFNB are affiliated with either Westco or Dynaco.

34. The CFNB took no action to prevent the development of concentration within the production sector. As a result, between them, Westco and Dynaco have achieved a near monopoly over the production of live chicken in New Brunswick.

F/ The Respondents' Threats

35. On January 25, 2007, at a meeting in Atlanta, Georgia, representatives of Westco advised me that:

- (a) Westco was interested in buying or investing in the St-François Plant; and
- (b) Westco wanted a price increase or additional incentives.

36. I responded that:

- (a) My shareholders would likely not be interested in selling the St-François Plant;
- (b) A structure that would result in Westco owning a percentage of the St-François Plant and retaining 100% of their live production assets would result in non-aligned shareholder interests and likely eventually lead to conflicts over time. If Nadeau were to pursue discussions for a sale of the St-François Plant, the structure needed to be such that shareholders had the same aligned interests; and
- (c) Even though the negotiated market price for live chicken in New Brunswick was \$.065 per kg. higher than the negotiated market price in Québec, Nadeau would consider a market based incentive plan for New Brunswick producers.

37. Shortly after the Atlanta meeting, I met with the Board of Directors of Maple Lodge, and they decided that they were not interested in selling a part of Nadeau to Westco. Although their strong desire was to retain the status quo, they agreed that they would be prepared to look at an ownership structure where the Nadeau and Westco assets would be pooled and Westco and Maple Lodge would each own a part of the combined operations. I subsequently communicated this to Thomas Soucy, President of Westco ("**Mr. Soucy**").

38. Shortly after the Atlanta meeting, I also developed an incentive plan for New Brunswick producers based on the spread between published industry wholesale selling prices and the fair market price of live chicken negotiated with the CFNB. I am advised by Mr. Landry, and verily believe, that he subsequently communicated the details of the incentive plan to Mr. Soucy.
39. I am further advised by Mr. Landry, and verily believe, that Mr. Soucy initially advised Mr. Landry that he was pleased with the market-based incentive plan. However, when he found out that Nadeau intended to apply the incentive plan to all New Brunswick producers rather than just to Westco, he was not happy and advised Mr. Landry that Westco wanted a premium price higher than the rest of New Brunswick's producers.
40. Nadeau amended its plan so that the incentive to producers in Southern New Brunswick reflected the additional freight to the St-François Plant. Nadeau implemented this plan retroactive to shipments starting January 7, 2007. I am advised by Mr. Landry, and verily believe, that the incentive plan has resulted in Westco, Dynaco and Acadia receiving an additional \$830,000 through the end of 2007 over and above the fair market price for live chicken negotiated with the CFNB.
41. In the intervening period to August 19, 2007 no further mention was made of the incentive plan and no reply was given by Mr. Soucy to Nadeau's proposal to pool and jointly own the assets of Nadeau and Westco. However, in or about mid August, 2007, Mr. Soucy called me and indicated he wanted me to meet with him and Réjean Nadeau, Chief Executive Officer of Olymel S.E.C. ("**Olymel**"). Olymel is our primary competitor in Québec and the Eastern provinces. Accordingly, on August 19, 2007, I met with Mr. Soucy and Réjean Nadeau in Toronto.
42. At the meeting, Mr. Soucy and Réjean Nadeau advised me, on behalf of Westco and Olymel, that Westco and Olymel (the "**Consortium**") wanted Nadeau to sell the St-François Plant to the Consortium. They told me that if Nadeau was not willing to sell it, at a price acceptable to them, then all of the chicken produced by Westco and Dynaco would be diverted to Québec, and the Consortium would then build its own plant in New

Brunswick. In other words, if Nadeau would not give the Consortium what it wanted, Nadeau's supply would be cut off.

43. I am advised by Mr. Landry, and verily believe, that he met with Mr. Soucy that same week. Mr. Soucy informed Mr. Landry that he was a member of the Board of Directors of Dynaco, and that he had the authority from Dynaco to make decisions on its behalf.
44. I met again with representatives of Westco on September 6, 2007, in St-François. Present at this meeting on behalf of Nadeau were myself, John Feenstra, Bob May and Yves Landry. Present on behalf of Westco were Bertin Cyr, Yvon Cyr, Rino Levasseur, Luc Morin, and Mr. Soucy. Yvon Cyr is also a member of the Board of Directors of the CFNB.
45. At the meeting, I explained the reasons why Nadeau was shocked at the actions/threats that had been made by the Consortium in August, and I pointed out that, in my view, it was a bad decision for Westco. The Westco representatives were not prepared to reconsider. They said they had given a commitment to Olymel, and could not back down.
46. When I asked why they thought Olymel would be a better partner than Nadeau after we had twenty years of success together, they said it has always been their goal to have an integrated company where THEY (their emphasis) would be the integrators. Mr. Soucy mentioned that after their acquisition of the St-François Plant they planned to demand that all growers shipping to the processing plant also buy chicks from Westco's hatchery.
47. Following our September 6th meeting, by e-mail dated September 20, 2007, I advised Mr. Soucy that Nadeau's first choice was to continue the very successful business relationship it had built over the years. I also advised him that, in the circumstances, our Board of Directors had instructed me to assemble a negotiating team. Attached hereto as **Exhibit "E"** is a copy of my e-mail dated September 20, 2007.
48. I wrote to Mr. Soucy and Réjean Nadeau (on October 9, 2007) to advise that Nadeau expected that the valuation process would be completed by the end of October, and that

Nadeau had set aside November 5, 6, and 7 to sit down with the Consortium to begin the negotiation process.

49. Réjean Nadeau called me in response to my email. He asked whether the valuations would take into account "the fact that 80% of our volume was not under our control". I made no response to his comment and told him that, in the absence of a normal selling process open to several potential buyers, the valuations would be the basis on which to start discussions.
50. On November 6, 2007, the parties met in Montreal to begin the negotiation process in connection with the potential sale of the plant (the "**Montreal Meeting**"). In attendance were the following individuals:
 - (a) Mr. Soucy and Luc Morin of Westco;
 - (b) Réjean Nadeau, Francine Poirier and Yvan Brodeur (present in the morning only) of Olymel; and
 - (c) myself, Bob May, and John Feenstra of Nadeau, and Nadeau's financial advisor, Grant Robinson.
51. At the Montreal Meeting, Mr. Soucy advised Nadeau that, effective November 6, 2007, Westco had assigned all of its live chicken production to Olymel. Mr. Soucy further advised us that, effective November 16, 2007, all of Dynaco's live chicken supply would be assigned to Olymel. He advised that Olymel would control whether any of Westco's or Dynaco's live chicken would be slaughtered at the St-François Plant on a go-forward basis.
52. We were in effect told by Mr. Soucy that close to 75% of our New Brunswick supply of live chicken would be placed in the hands of Olymel.
53. A further negotiating session was held with the Consortium on December 18, 2007. The meeting took place in Montreal. Present on behalf of the Consortium were Mr. Soucy and Luc Morin (Westco), Réjean Nadeau, Carole Potvin (CFO Olymel), Paul Beauchamp

(Senior VP Procurement Olymel), and Yvan Brodeur (VP Procurement Olymel). I attended on behalf of Nadeau, along with Bob May, Grant Robinson and John Feenstra.

54. At the meeting, the Consortium handed out a summary document whose "bottom line" showed a value of approximately 25% of the amount arrived at by our valuers. Réjean Nadeau stated that other transactions (which we considered to be similar) included a payment for guaranteed supply, which he said that Nadeau does not have in New Brunswick. Réjean Nadeau mentioned this three separate times, and further stated that the valuation for the St-François Plant has to be less as a result. Réjean Nadeau said we could not expect to be paid anything for amounts earned from processing the Producers' birds.
55. The Consortium concluded by suggesting a valuation approach based on a "bricks and mortar" or asset-based approach. In effect the Consortium assigned no value to any of the work and goodwill that we had created in the business for the past eighteen years. They also provided comparative replacement values for two of Olymel's plants in Québec at values which I believe are well below the replacement cost of the Nadeau plant. The resulting amount is not even remotely close to a reasonable value for the St.-François Plant.

G/ The Respondents Give Notice of Termination of Supply

56. On January 21, 2008, John Feenstra received a letter from Westco, giving formal notice that Westco would cease supplying live chickens to Nadeau, effective July 20, 2008. Westco indicated that its reason for doing so was its partnership ("**partenariat**") with Olymel. Attached as **Exhibit "F"** is a copy of this letter.
57. Attached as **Exhibit "G"** is a copy of our letter of response to Westco's notice of cessation of supply, dated January 23, 2008. As can be seen, we requested that Westco rescind the notice, failing which we advised that we would seek our legal remedies.
58. On January 24, 2008, Rémi Faucher, CEO of Dynaco ("**Mr. Faucher**"), advised Mr. Landry of Nadeau that Dynaco would also cease supplying live chickens to Nadeau. Mr. Faucher indicated that its reason for doing so was that Nadeau had "sali le nom de

Dynaco" (sullied its name) by referring to Dynaco in correspondence with the Minister of Agriculture. He told Yves Landry that neither Westco or Olymel had been authorized to speak on behalf of Dynaco and that he was unaware of what had been going on. He said a letter would be forthcoming. Attached as **Exhibit "H"** is a copy of an email from Yves Landry to me, setting out the conversation with Rémi Faucher.

59. I had a further meeting with the Consortium on January 28, 2008. Present on behalf of Nadeau were myself, Bob May, Grant Robinson and John Feenstra. Present on behalf of the Consortium were Réjean Nadeau, Carole Potvin, Paul Beauchamp, Yvan Brodeur, Tom Soucy and Luc Morin.
60. At the meeting, we pointed out that Nadeau had a business with a proven track record, and the valuation had to be based on a multiple of proven, historical earnings. We showed the Consortium the analysis, which verified that, even using lower multiples, the St-François Plant had a value three times higher than the values proposed by the Consortium. We showed flexibility, however, and we indicated we were willing to negotiate in good faith.
61. We then broke for about 30 minutes. When we returned, Réjean Nadeau advised us that they were unwilling to change their way of looking at the business. He said: "...because we can build a plant for much less, it does not make sense for us to pay any more than replacement value". The meeting ended shortly thereafter.
62. On January 29, 2008, I spoke by telephone to Rémi Faucher of Dynaco, as a result of the conversation with Yves Landry, referred to above, and Dynaco's stated intention to terminate supply. In response to Mr. Faucher's assertion that Mr. Soucy did not have authority to speak for Dynaco, I pointed out that Mr. Soucy had on several occasions represented to us that he was speaking for Dynaco. I also pointed out that Réjean Nadeau had also made references to controlling 80% of New Brunswick's live supply, a number which clearly includes all of Dynaco's supply. I said, however, in retrospect, that we should have checked with him. I apologized profusely. I asked that Dynaco reconsider.

63. Mr. Faucher responded that Tom Soucy denied having said he spoke for Dynaco. Mr. Faucher said that he decided to take action when he was advised by the New Brunswick Farm Products Commission that Dynaco had been mentioned in correspondence from us to the Minister. As a result, he took the matter to the Boards of both Dynaco and Acadia. (Mr. Faucher advised that Acadia is jointly owned by Westco and Dynaco.) Mr. Faucher further advised me that Tom Soucy was a director of Acadia but that Dynaco was a totally separate entity and Westco has no involvement on the Board of Dynaco. (I had no previous knowledge of any of these corporate arrangements. I had assumed that Mr. Soucy would not have spoken for Dynaco without authority.)
64. Mr. Faucher said that the Boards of both Acadia and Dynaco had authorized him to cut off supply to Nadeau. He advised that he would be sending Nadeau letters confirming the cut-off of supply in accordance with these Board resolutions. I asked if there was not a way that we could clear matters up. He mentioned that we should send a letter to the Minister stating that we were wrong to include Dynaco in our comments to the Minister. He said this would demonstrate good faith and transparency on our part. He would then be prepared to bring the matter up again with his Boards – no guarantees, but he would present this again.
65. I wrote to Mr. Faucher on the same day, again apologizing, and asking that they reconsider. I also asked Mr. Faucher to confirm in writing that Mr. Soucy had not had any authority to speak on behalf of Dynaco. Attached as **Exhibit "I"** is a true copy of my letter to Mr. Faucher. Mr. Faucher never confirmed in writing that Mr. Soucy had not had any authority to speak for Dynaco.
66. We wrote to the Minister on January 31st. That letter noted, among other things, that we were in discussions with Dynaco, and that if it was confirmed that Nadeau was misled by Mr. Soucy, we would withdraw the allegations previously made "that Dynaco was part of the consortium which tried to force a sale of the Nadeau business with the threat of supply termination". I sent a copy of this letter to Mr. Faucher by e-mail on February 7, 2008. Attached as **Exhibit "J"** is a true copy of the e-mail and attached letter.

H/ The Current Situation

67. I am advised by Mr. Landry, and verily believe, that he spoke to Mr. Faucher on February 6, 2008. Mr. Faucher confirmed that supply from Dynaco would terminate in the middle of September, 2008. Attached hereto as **Exhibit "K"** is a copy of Mr. Landry's e-mail to me setting out this conversation.
68. By letter dated February 7, 2008, Westco confirmed its prior Notice of Termination. Attached as **Exhibit "L"** is a true copy of this letter.
69. By letter dated February 28, 2008, Acadia gave us formal notice that Acadia would cease supplying live chickens to Nadeau, effective September 15, 2008. Attached hereto as **Exhibit "M"** is a copy of this letter.
70. By two letters dated March 6, 2008 (amended by two letters dated March 10, 2008 to correct the quota period reference), Dynaco gave notice that its (Bolduc) chickens would cease arriving at Nadeau, effective September 15, 2008. Attached hereto and marked collectively **Exhibit "N"** to this my affidavit are true copies of these termination letters. I am advised by Mr. Landry and verily believe, that the Slipp Farm (Dynaco) quota is included in this notice of termination.
71. Accordingly, Westco will refuse to deal with us from and after July 20, 2008, thus removing about 50% of our New Brunswick supply from the St-François Plant. Two months later, Dynaco and Acadia will add their refusals, for a total of close to 75% of Nadeau's supply of live birds from New Brunswick. The refusal to deal of each of Westco, Acadia and Dynaco, separately, would substantially affect Nadeau in its business. Together, they might destroy the business completely.
72. Nadeau is willing to continue to meet all of the usual trade terms, and to pay fair market price to the Producers for the continuation of their former supply of live chicken to Nadeau. The Producers are however refusing to supply after the cut-off date, because they wish Nadeau to either be forced to sell the plant to the Consortium, or be denied the ability to carry on business in New Brunswick.

73. Nadeau cannot obtain replacement supplies of live chicken from within or outside New Brunswick if supplies from the Producers are cut off.

I/ Substantial Detrimental Effect of the Refusal to Deal

74. Currently, the St-François Plant processes about 565,800 chickens per week, on average, from the following sources:

Westco	186,230
Acadia	58,670
Dynaco	26,450
New Brunswick, other	94,450
(Total New Brunswick)	365,800
P.E.I.	40,000
Nova Scotia	160,000

75. Historically, Nadeau obtained all of its supply from New Brunswick. However, in April 2007, one of Nova Scotia's two processing plants (Maple Leaf Foods) shut down, which resulted in a diversion of chicken from that plant to the St-François Plant. As a result, Nadeau has been receiving Nova Scotia chicken (160,000) and P.E.I. chicken (40,000) since May, 2007.

76. However, the current level of supply from Nova Scotia is not guaranteed, and as a result, we cannot rely on it for future planning purposes. The live chickens must travel for over 12 hours from Nova Scotia to get to the St-François Plant. These are not ideal conditions. Further, we are processing these chickens from Nova Scotia because the one remaining plant in that province has stated that it is not able to process and market them profitably at this time. I fully expect that this will change, and the supply of chicken Nadeau currently receives from Nova Scotia will eventually be re-directed to the remaining plant in Nova Scotia.

If Westco, Acadia and Dynaco cut off our supply, the St-François Plant will suffer enormous losses

77. The St-François Plant is highly dependent on the Westco, Acadia and Dynaco groups for the supply of live chicken. They represent about 271,350 chickens out of 365,800 New Brunswick chickens processed on a weekly basis.
78. Nadeau requires a guarantee of 350,000 chickens per week to stay viable. The absolute minimum Nadeau requires to simply "get by" is 300,000 chickens per week. Thus, if Acadia, Westco and Dynaco divert their 271,350 chickens (close to 75% of our historical supply) elsewhere, Nadeau may not be able to "get by", and will definitely suffer enormous loss of revenue.
79. Each 100,000 chickens represent approximately 150,000 kgs. of saleable product with a selling value of approximately \$3 per kg., or \$450,000. The profit on this volume would be approximately \$.50 per kg., or \$75,000. Accordingly, the removal of Westco's 186,230 birds alone would cause revenue loss of over \$830,000 *per week*, and loss of profit of more than \$139,000 *per week*. Because of the high level of fixed costs, loss of the Westco birds alone would reduce profits by about 50% on an annualized basis.
80. Because the supply management system creates monopoly production rights for producers and all production is already allocated to other processing plants, Nadeau would be unable to replace the lost volumes from other sources.

If Westco, Acadia and Dynaco cut off Nadeau's supply, employees will have to be laid-off

81. If Westco, Acadia and Dynaco cut off Nadeau's supply, the St-François Plant will only be able to run at 40% of capacity (just over $\frac{3}{4}$ of 1 shift). Nadeau would be unable to continue to employ its employees. A majority of the 340 jobs would be lost immediately, and the viability of the whole plant would be severely compromised.

If Westco, Acadia and Dynaco cut off Nadeau's supply, customers will be lost

82. Even a short interruption of supply would lead to irreparable harm for Nadeau.

83. Nadeau is a very successful enterprise largely because of the relationships it has built with its customers over the years.
84. Nadeau supplies reliable and predictable amounts of chicken to its customers, in a timely manner, that meet specific weight requirements for each individual customer. Nadeau requires a full range of chickens (with different sizes and weights, etc) to be able to continue to meet volume and size commitments.
85. Interruption of supply would create an immediate inability to fulfill the needs of Nadeau's customers. This would cause immediate damage to the relationships Nadeau has built with its customers over the last 18 years. More specifically, this would result in: a loss of confidence, a loss of goodwill, a potential loss of market share, and a potential loss of customers.

If Westco, Acadia and Dynaco cut off Nadeau's supply, the competitive market will suffer

86. I also believe that if the St-François Plant shuts down, this would result in a significant reduction of competition in the chicken market in Québec and the Maritime provinces.
87. If Nadeau disappears from the marketplace, this would create an opportunity for Olymel to increase its prices for fresh raw poultry in the Québec and Maritimes markets.
88. Nadeau is a significant competitor to Olymel in fresh raw poultry. Based on my extensive experience in the industry, I believe the vast majority of the customers in Québec and the Maritime Provinces would be opposed to such reduced competition in the marketplace.
89. In late November, I had lunch in Vaughan with Stephen Langford, General Manager of Unified Purchasing Group of Canada, which is an association that purchases all the fresh chicken supplies for all Kentucky Fried Chicken ("KFC") restaurants in Canada. KFC is one of Nadeau's customers. Nadeau supplies most of the fresh chicken purchased for KFC in New Brunswick, Nova Scotia and P.E.I. Mr. Langford expressed concerns about the possibility Nadeau could close. As a customer, he is opposed to any reduction in competition amongst processors. He fears that if Nadeau were to shut down, there would

be an adverse impact on both supply and price to customers like KFC. Attached hereto as **Exhibit "O"** is a copy of a letter to me from Mr. Langford dated January 30, 2008, confirming his views as previously expressed to me.

90. Attached hereto as **Exhibit "P"** is a copy of a letter to me from Cara Operations Ltd., another major customer of Nadeau's, also expressing concerns about the reduced competition in the event the St-Francois Plant were to be shut down. Attached as **Exhibit "Q"** are four (4) additional customer letters expressing similar concerns about reduced competition.
91. As well, competition in other sectors of the chicken marketplace would be adversely affected if the Producers are able to drive out Nadeau by cutting off supply. As noted above, Westco has already stated its intention to force all producers to buy chicks from Westco's hatchery once Westco has its own processing plant. In addition, with Nadeau gone, Westco will be able to demand that other producers of live chickens accept lower prices, thus reducing their viability.

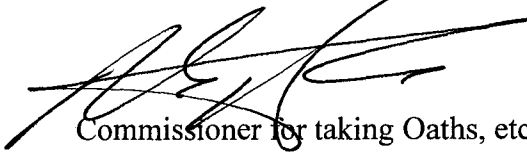
Balance of Convenience

92. If the existing supply of live chicken to Nadeau is maintained, this would not negatively impact the Consortium, nor would it negatively impact the Producers.
93. The Producers would continue to receive fair market value for their chickens, and all of their production would continue to be purchased under the supply management system.
94. Further, Olymel would not suffer any negative consequences, as its current supply of live chickens, and its current customer base, would be unaffected.
95. On the other hand, chicken processing is Nadeau's only business. If supply is not guaranteed, Nadeau will not be able to continue to carry on business.
96. Nadeau is prepared to continue ordering chicken under the usual trade terms from the Producers. Accordingly, the Producers will suffer no harm from the maintenance of the status quo pending the determination of this matter.

97. Nadeau undertakes to abide by any order that may be made against it as a result of the granting by the Tribunal of the interim relief being requested by Nadeau.

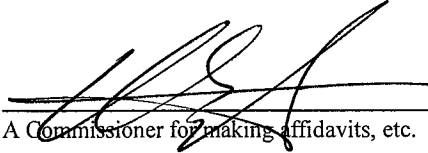
98. I make this Affidavit in support of an application made by Nadeau for leave pursuant to section 103.1 of the *Competition Act* to make an application against the Respondents pursuant to section 75 of the Act, and in support of an application for an interim Order pursuant to section 104 of the Act.

A SWORN BEFORE ME at the)
City of ~~Toronto~~ ^{Brampton} in the)
Province of Ontario)
this 14th day of March, 2008)


Commissioner for taking Oaths, etc.
LSUC # 14221P


ANTHONY TAVARES

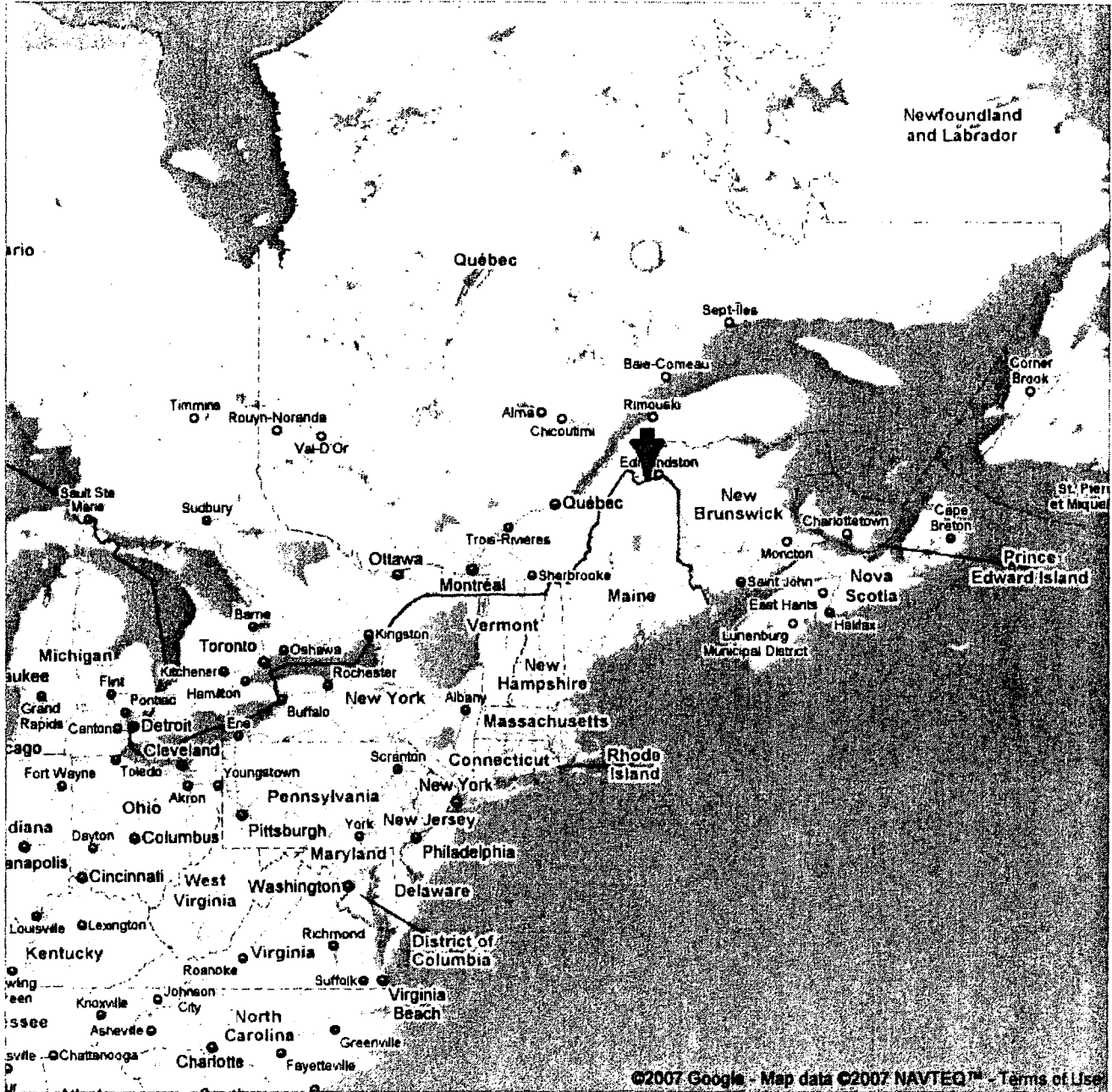
This is **Exhibit "A"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008

A handwritten signature in black ink, appearing to be 'A. Tavares', is written over a horizontal line.

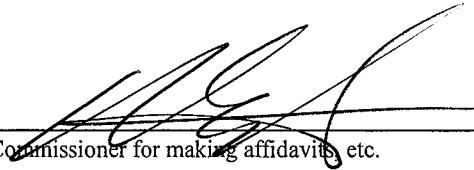
A Commissioner for making affidavits, etc.



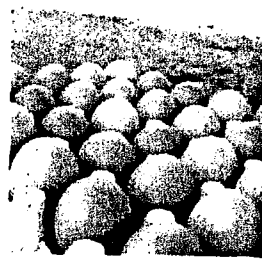
Address **St-François de Madawaska,**
NB



This is **Exhibit "B"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.



W GROUPE
estco



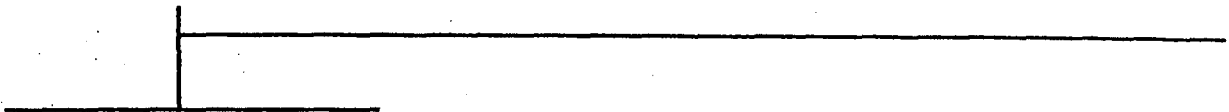
THOMAS SOUCY
 ACTIONNAIRE
 PRÉSIDENT
 DIRECTEUR GÉNÉRAL



BERTIN CYR
 ACTIONNAIRE
 CHAIRMAN C.A.



YVON CYR
 ACTIONNAIRE
 DIRECTEUR C



ADMINISTRATION

LUC MOREN
 VICE-PRÉSIDENT
 FINANCE



**POULAILLERS
 WESTCO**

DANIEL DUPUIS
 VICE-PRÉSIDENT
 OPÉRATIONS



MARCO VOLFÉ
 AGRONOME



MICHÈLE LEVESQUE
 GÉRANTE
 DIVISION REPRODUCTRICE



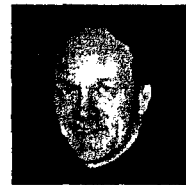
MARIO PLOURDE
 GÉRANT
 DIV. POULETS À GRILLER



JEAN-YVES CYR
 GÉRANT
 DIV. POULETS À GRILLER



RICHARD BOUCHARD
 GÉRANT
 DIV. POULETS À GRILLER



BLAIR McLAUGHLIN
 GÉRANT
 DIVISION MANITOBA



MARCEL MI
 GÉRANT
 DIVISION COI



Thomas Soucy

Président & CAO / President & CEO
 westcothomas@hntmail.com

Groupe Westco Inc

9, rue Westco
 St-François, NB
 E7A 1A5

Tel.: (506) 992-3112
 Cell.: (506) 992-5247
 Fax: (506) 992-3990



RODRIGUE NADEAU
ACTIONNAIRE
DIRECTEUR C.A.



ALBERT BOUCHARD
ACTIONNAIRE
SECRETARE C.A.



RINO LEVASSEUR
ACTIONNAIRE
VICE-CHAIRMAN C.A.

**DISTRIBUTION
WESTCO**



NORMAND BOULAY
TRANSPORT ET MAGASIN

**YVES BOULAY
TRANSPORT**



YVES BOULAY
DIRECTEUR

**MARITIME
PRIDE EGGS**



HANS KRISTENSEN
CHEF DES OPERATIONS

MAR EAST FARMS



DANNY GILBERT
GERANT

NUTRITEC



MARC PELLERIN
DIRECTEUR

HELICO 616459



LAURENT CORON
CHEF PILOTE

FORÊT



MARTIN BOUCHARD
DIRECTEUR



JOHN GUNN
GERANT DES VENTES



MARK BEAL
DIRECTEUR
PLAN DE MIRAGE



DANNY WALKER
GERANT
PLAN DE MIRAGE



MIKE DICKI
CHEF DE PRODUCTION
PLAN DE MIRAGE



SCOTT BARKHOUSE
GERANT
MARITIME PRIDE POULTRY



DENIS BEAULIEU
GERANT DU MOULIN

FILIALES AVICOLES

GROUPE WESTCO

REPRODUCTION

COUVOIR

DISTRIBUTION

POULETS À GRILLER

DINDES À GRILLER, DINDES TOM

MARITIME PRIDE POULTRY

CO-ENTREPRISES

VIA GROUPE WESTCO

MARITIME EGGS

EASTERN EGGS

MARITIME PRIDE EGGS

VOLAILE ACADIA

NUTRITEC

YVES BOULAY TRANSPORT

HÉLICO 616 459 N.-B. INC.

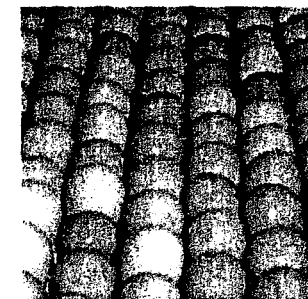
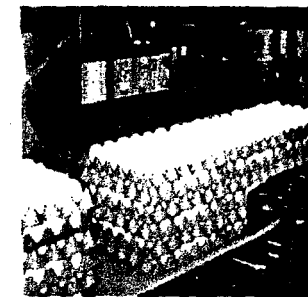
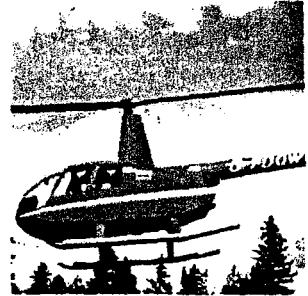
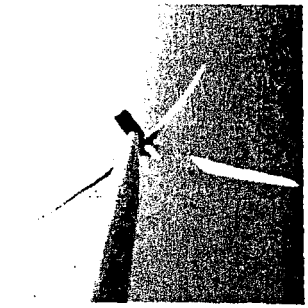
ALLIANCES

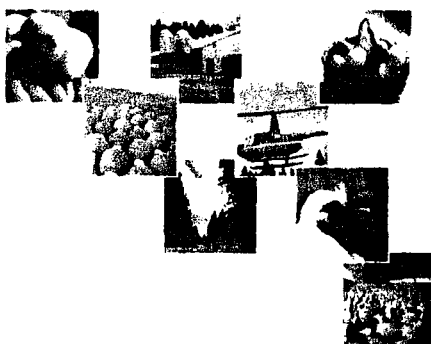
VIA ACTIONNAIRES

AMÉNAGEMENT FORESTIER PORTNEUF

INNERGEX

SKY POWER





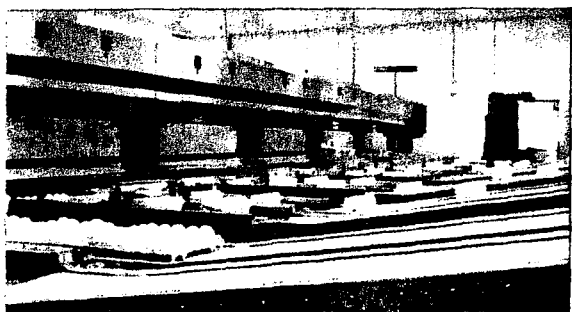
HISTORIQUE

Groupe Westco est une société néo-brunswickoise qui siège à Saint-François de Madawaska, aux frontières canado-américaines. Fondée de l'union de producteurs avicoles qui partageaient une vision commune d'expansion, cette association est devenue notre réussite et un exemple de ferveur, d'innovation et de rentabilité. Nous sommes d'ailleurs bien connus des chambres de commerce, des divers paliers gouvernementaux et nous sommes souvent cité en exemple par plusieurs entreprises médiatiques. Très engagés socialement, nous parrainons plusieurs programmes sociaux et nous contribuons à des levées de fonds dans notre communauté.



Groupe Westco est l'une des plus importantes organisations dans le domaine de la production avicole au Canada. Ayant dépassé le stade d'élevage de poulets et de dindes de chair, notre groupe possède maintenant ses propres couvoirs, fermes de reproduction et compagnies de transport. Nous avons développé une connaissance approfondie dans notre domaine et, depuis quelques années, nous cherchons à nous diversifier dans d'autres domaines connexes et complémentaires tels que :

- * L'alimentation (oeufs de table, oeufs liquides),
- * La récupération (production d'engrais organiques),
- * Le transport (réseau de transport et de distribution),
- * L'énergie (hydroélectrique et éolienne),
- * La foresterie (usine de bois franc, exploitation forestière) .



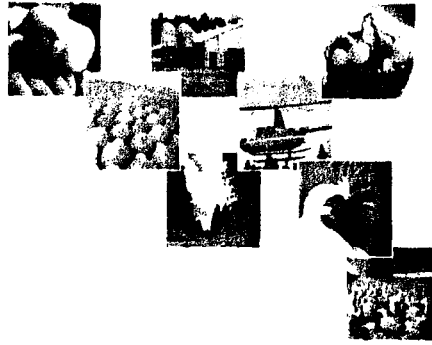
1

2

3

4

5



NOS FILIALES AVICOLES

REPRODUCTION : Afin de mettre en marché un poulet de première qualité, nos fermes utilisent les techniques génétiques américaines *Cobb* et *Aviagen*, de réputation internationale, pour la reproduction de la volaille. Les oiseaux sont

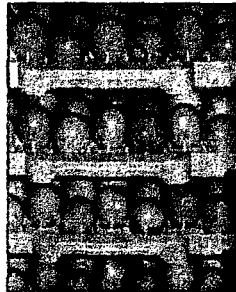


traités avec respect et vivent dans un environnement de ponte naturel. Réparties sur 12 poulaillers de 10 000 unités chacun, ces fermes fournissent les oeufs fécondés pour la production de poulets de chair. Les oeufs (plus de 14 millions par année) sont ensuite acheminés à notre couvoir pour la période d'incubation.

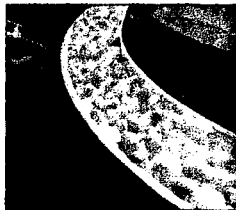
COUVOIRS: Les œufs, reçus de différentes fermes, sont placés en incubation pour 18 jours. Nous recréons l'environnement naturel de l'oiseau en installant les œufs sur des plateaux qui se balancent à intervalles réguliers. Dans ces chambres closes, la température est réglée à 99,5°C et l'humidité est à 86 %.



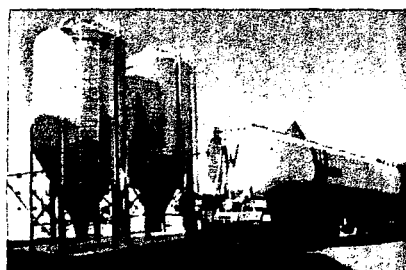
Après la gestation, les œufs sont placés dans la chambre d'éclosion. La technologie nous permet alors de vacciner les poussins à travers la coquille afin de les immuniser et d'éviter une future prise de médicaments. Les œufs écloront 3 jours plus tard, soit entre 22 et 28 jours après avoir été pondus.

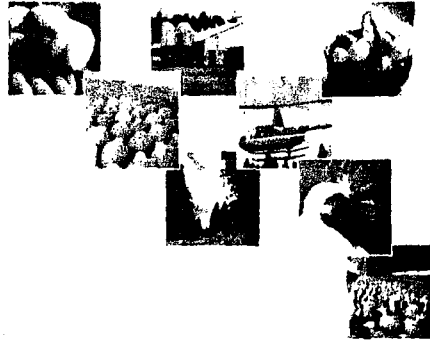
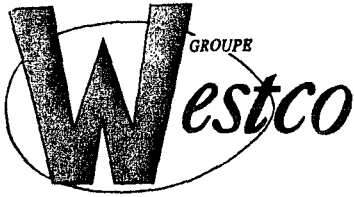


À leur naissance, les poussins reçoivent un autre vaccin et sont séparés par sexe. On reconnaît les femelles aux rangées inégales de plumes sur leurs ailes alors que les plumes des mâles sont égales. Après que le personnel se soit assuré de la santé des poussins, ceux-ci sont comptés et acheminés par camion vers les fermes d'élevage.



DISTRIBUTION : Le transport est essentiel à l'approvisionnement et aux transferts. Ainsi, *Groupe Westco* et ses filiales possèdent plus de 30 unités de transport qui servent au transport des poussins, du grain, des œufs, de la moulée et des copeaux de bois.





NOS FILIALES AVICOLES (SUITE)

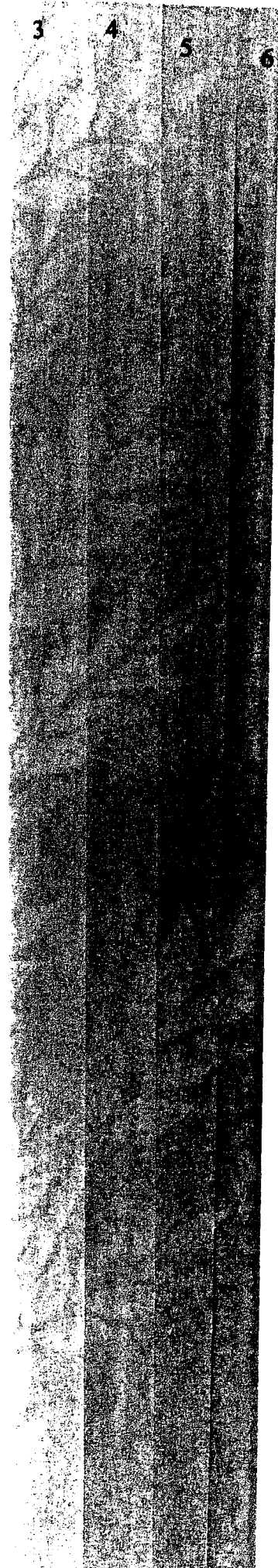
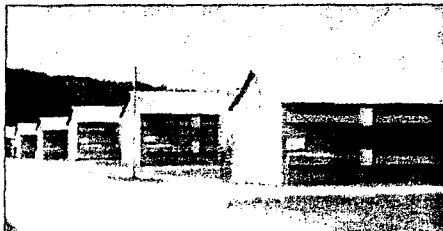
POULETS À GRILLER, DINDES À GRILLER ET DINDES TOM: L'élevage est une activité majeure de notre groupe. En plus d'avoir la 2^{ème} plus grosse ferme au Manitoba, nous détenons 51% de la production du Nouveau-Brunswick en poulets et 67% de celle en dindes. Nous sommes fiers d'être l'un des plus gros producteurs canadiens.

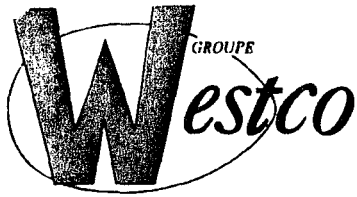
Le processus d'élevage débute à l'arrivée des poussins de notre couvoir. Chaque poulailler a été préalablement nettoyé et désinfecté. Les poulets de chair ne sont pas élevés en cage; ils sont déposés sur une litière de copeaux de bois et grandissent librement selon un nombre limité. Les poulets arrivent à maturité au bout d'environ 6 semaines d'élevage, il en faudra 12 pour une femelle dinde et 17 pour le mâle. Ces oiseaux iront ensuite à l'abattoir.

Nos granges ultramodernes sont munies d'un système de climatisation qui garde l'air propre. La température et la luminosité sont maintenues selon des normes bien précises. Les fermes sont d'ailleurs liées entre elles par un système d'information qui avise, par exemple, de toute fluctuation de la température et du niveau d'humidité. L'alimentation des oiseaux en grains de première qualité et en eau fraîche s'opère aussi automatiquement. Sur les fermes, la prévention est de rigueur. Les principes de biosécurité dictent des règles sévères pour tous les visiteurs afin d'éviter les contaminations extérieures. De plus, notre équipe d'agronomes et de vétérinaires évalue régulièrement la santé de la volaille.

Le saviez-vous?

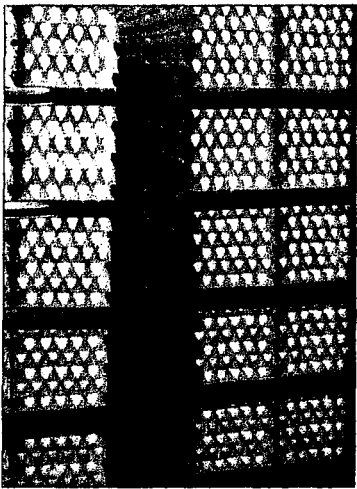
*Groupe Westco produit annuellement: 50 millions de livres de poulets à griller, 2 millions de livres de dindes à griller et 3,5 millions de livres de dindes tom.





NOS COENTREPRISES

MARITIME EGGS, EASTERN EGGS ET MARITIME PRIDE POULTRY : Ces trois copropriétés se spécialisent dans la production d'œufs de table. Sur les fermes nous retrouvons des granges séparées pour deux types d'oiseaux : les poules pondeuses et les poulettes de remplacement. Tout comme pour les autres poulaillers du *Groupe Westco*, la biosécurité est de rigueur pour prévenir tout risque d'infection. Les œufs pondus sont recueillis automatiquement et transportés par camions réfrigérés à l'usine de mirage pour la mise en marché. Les oiseaux pondent dès l'âge de 20 à 72 semaines. Ensuite, ils sont envoyés à l'abattoir pour la consommation.



Maritime eggs, Nouveau-Brunswick :

- *Production = 15 millions d'œufs / année.
- *Fermes de production d'une capacité de 46 000 poules.
- *Fermes de remplacement d'une capacité de 46 000 oiseaux.

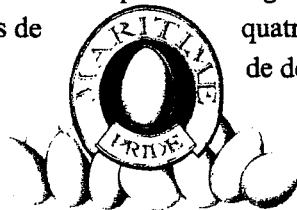
Eastern eggs, Nouveau-Brunswick :

- *Production = 15 millions d'œufs / année.
- *Fermes de production d'une capacité de 46 000 poules.
- *Fermes de remplacement d'une capacité de 46 000 oiseaux.

Maritime Pride poultry, Nouvelle-Écosse :

- *Production = 60 millions d'œufs / année.
- *Fermes de production d'une capacité de 180 000 poules.
- *Fermes de remplacement d'une capacité de 180 000 oiseaux.

MARITIME PRIDE EGGS : Cette coentreprise a inauguré en 2006 un tout nouveau plan de mirage à Amherst en Nouvelle-Écosse. Unique en son genre et très avant-gardiste, cette nouvelle usine centralise les activités de quatre anciens plans. *Maritime Pride* met en marché plus de 15 millions de douzaines d'œufs par année. Ces œufs, reçus des différentes fermes, entrent sur un plan entièrement automatisé. Ils sont d'abord lavés et rincés, puis mirés pour détecter toute anomalie (taches de sang, saletés, brisures ou failles). Les œufs sans imperfections sont ensuite séparés par catégories, datés et emballés. Nous pouvons ainsi dire que nos œufs sont frais de la ferme... chaque jour!



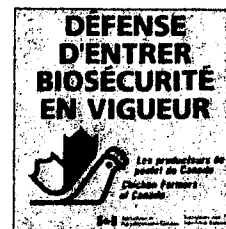
Le saviez-vous? *Une poule peut pondre jusqu'à 324 œufs par année.

*Il y a 6 catégories de tailles d'œufs : pee-wee (- 42g), petit (42-49g), moyen (49-56g), gros (56-64g), extragros (64-70g) et ultra (70g +) .



NOS COENTREPRISES (SUITE)

VOLAILLES ACADIA : Acquisée en 2006, cette coentreprise est un important producteur avicole du Nouveau-Brunswick. Située à proximité des autres installations du *Groupe Westco*, cette nouvelle alliance augmentera encore la rentabilité des opérations. *Volailles Acadia* représente 17 % de la production provinciale de poulets de chair et 23% des dindons. L'entreprise envoie à l'abattoir annuellement plus de 6,5 millions de kilogrammes de poulets et dindes.



Conçus et opérés de la même façon que les autres fermes du *Groupe Westco*, les poulaillers *Acadia* sont suivis de façon constante par des agronomes et des vétérinaires qui veillent à la santé de la volaille. L'équipe d'entretien et le personnel s'assure de la qualité des installations, de la sécurité et du confort des oiseaux.



NUTRITEC : Ayant à cœur l'environnement, *Groupe Westco* et ses partenaires, ont décidé de récupérer le fumier de poulet et de le convertir en engrais organique de première qualité. Le produit est d'abord séché puis pasteurisé, pour ensuite être cubé et ensaché. Le fumier de poulet devient alors un engrais organique puissant et surtout sans odeur. Les propriétaires de terrains de golf, entre autres, reconnaissent déjà son efficacité sur le gazon. On retrouve notre compost en vente sur les marchés de la Nouvelle-Angleterre puisqu'il est commercialisé par la compagnie *Envirem Technologies Inc.*

YVES BOULAY TRANSPORT : Cette entreprise s'occupe de l'écurage des poulaillers. Tâche importante, puisque chacun d'eux doit être nettoyé et désinfecté entre les cycles d'élevages. Ce partenaire s'occupe aussi du transport du fumier à son site de compostage. De là, le fumier brut peut prendre différentes routes: expédié aux tourbières, étendu sur des terres agricoles ou envoyé chez *Nutritec*.

HÉLICO 616459 N.B. INC. : Cette compagnie d'hélicoptères est détenue par *Groupe Westco* et la compagnie forestière *Aménagement forestier Portneuf*. Elle permet aux propriétaires de se transporter d'un site à l'autre de leurs installations réparties à travers le Canada. Devenu indispensable, le voyage via les airs permet d'économiser un temps précieux. L'hélicoptère sert aux déplacements et aux repérages sur les propriétés avicoles et forestières.



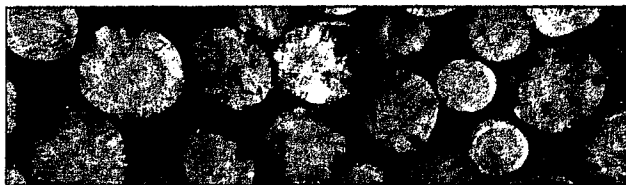


NOS ALLIANCES

AMÉNAGEMENT FORESTIER PORTNEUF : Cette entreprise possède un peu plus de 90 000 acres de terres forestières au Québec. Nous y effectuons la coupe de conifères et de feuillus. Bientôt, nous y ouvrirons, en partenariat un moulin de tremble et de bois franc. Nos activités sont réparties sur trois régions administratives, soit la Côte-Nord, le Lac-St-Jean et la Mauricie. À l'intérieur de nos forêts, les compagnies de coupe et d'excavation de routes travaillent à exploiter ces ressources intelligemment, en harmonie avec la nature. D'ailleurs nous respectons des principes de sylviculture dans tous les boisés.



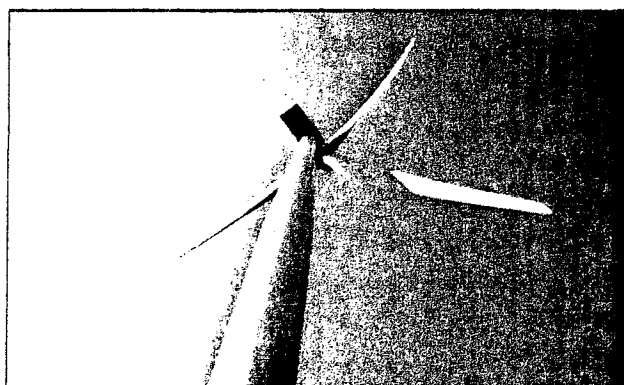
**Aménagement forestier
Portneuf**




INNERGEX : Cette entreprise, en bail emphytéotique, s'occupe de la gestion de trois barrages hydroélectriques détenus par deux actionnaires du *Groupe Westco*. Les barrages sont situés sur les terres forestières de la Côte-Nord, au Québec. L'énergie qui y est produite est vendue en totalité à Hydro-Québec.



SKYPOWER : En 2006, nous nous sommes affiliés, via deux actionnaires, à l'énergie verte au Nouveau-Brunswick. L'entreprise analyse présentement un projet totalisant 300 mW en énergie éolienne dans quatre communautés de la province: Grand Bay, Salisbury, Miramichi et Cap Pelé. Ces quatre emplacements sont une excellente source de vent constant. Non polluante, cette énergie est renouvelable. Nous sommes fiers de jouer un rôle dans ce secteur d'avenir.



This is **Exhibit "C"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.

ORDER

**Chicken Farmers of New Brunswick
Marketing Plan**

1. The object of the marketing plan is to control the number of chickens raised for marketing within the Province, in such a manner:
 - (a) As to ensure there is an adequate supply of New Brunswick grown chicken available to the consumer.
 - (b) To provide an opportunity for the maximum number of residents in New Brunswick to earn a living in the marketing of chicken.
 - (c) To ensure a reasonable rate of return from the sale of chicken and to ensure a continuity of supply.
 - (d) To avoid the development of monopolies which could result in excessive cost to the consumers of chicken.
 - (e) To avoid a curtailment of the overall supply in the event one or more producers cease to market chicken.
2. There shall be established a periodic marketing limit being the number of kilograms of chicken live weight which can be raised for marketing within the Province in conformity with the objectives of the plan. The Board shall establish a marketing quota for each marketing period.
3. To regulate the marketing of chicken, licences may be issued to raise and market a specified number of kilograms of chicken.
4. For purposes of the marketing plan "chicken" means Gallus Domesticus, or any part thereof.
5. The responsibility for the administration and implementation of the plan shall be that of the Chicken Farmers of New Brunswick.
6. This Order comes into force January 2, 2006.

Jean-Robert Bourgeois
Chairman

Louis Martin
Secretary-Manager

ARRÊTÉ

**Les Éleveurs de Poulet du Nouveau-Brunswick
Plan de Commercialisation**

1. Le but du plan de commercialisation est de réglementer l'élevage du poulet destiné à la commercialisation dans la province, de façon à:
 - (a) assurer au consommateur un approvisionnement adéquat de poulets produits au Nouveau-Brunswick,
 - (b) offrir à un nombre maximum de résidents du Nouveau-Brunswick l'occasion de gagner leur vie dans la commercialisation du poulet,
 - (c) assurer un profit raisonnable de la vente de poulets et assurer un approvisionnement continu.
 - (d) éviter la réalisation de monopoles qui pourraient entraîner un coût excessif au consommateur,
 - (e) éviter une réduction de l'approvisionnement global advenant le retrait d'un ou de plusieurs producteurs de la commercialisation du poulet.
2. Une limite de commercialisation périodique est établie, correspondant au nombre de kilogrammes (poids vif) de poulets pouvant être élevés à des fins de commercialisation dans la province, conformément aux objectifs du plan.
3. Pour réglementer la commercialisation du poulet, des permis peuvent être émis en vue de l'élevage et de la commercialisation d'une quantité établie de kilogrammes de poulets.
4. Aux fins du plan de commercialisation, "poulet" désigne l'espèce Gallus Domesticus ou une partie de cette désignation.
5. L'administration et la mise en application du plan relèvent de les Éleveurs de Poulet du Nouveau-Brunswick.
6. Le présent arrêté entre en vigueur le 2 janvier 2006.

Le président
Jean-Robert Bourgeois

Le secrétaire-gestionnaire
Louis Martin

Department of Agriculture / Ministère de l'Agriculture

**ORDER III
Chicken Farmers of New Brunswick
Producer's License**

1. No producer shall market chicken unless he is the holder of a producer's license.
2. No producer who is licensed to market chicken shall market in excess of the marketing quota allocated to the producer
3. A license shall, unless suspended or revoked, be valid until December 31st of the year for which it is issued.
4. No part of any producer's quota shall be raised outside the Province of New Brunswick.
5. When, in the opinion of the Board, it is feasible to increase or decrease the marketing quota, the Board may do so
6. The Board shall allot a marketing quota to each license and may allocate marketing quota for each classification to one license.
7. The Board may allot to a license a marketing quota less than that for which the application was made.
8. (1) Subject to subsection (2) No marketing quota may be leased, rented, loaned or assigned to another person other than to a family incorporated farm in which the producer who holds the marketing quota is an active shareholder.

(2) A producer may, with the prior written authorization of the Board lease all or part of the producer's marketing quota to another producer subject to the following:
 - (a) Any application to lease quota must be:
 - (i) Made by the proposed lessor;
 - (ii) Endorsed by the proposed lesser;
 - (iii) In the form and contain the following required by the Board;
 - (iv) Accompanied by a fee of \$10.
 - (b) The Board shall not grant an authorization if
 - (i) The proposed lessor or proposed lessee has outstanding indebtedness with the Board for services charges or marketing penalties;
 - (ii) The proposed production under the lease plus the lessee's quota exceeds the limit contemplated by section 4;
 - (iii) The proposed lessor or proposed lessee has contravened the Act, the plan, any regulation made under the Act or an order or direction of the Commission of the Board.
 - (c) Each lease agreement must be for a specified period of time. The Board's authorization to lease is valid and continuing until the occurrence of the first of one of the following events:
 - (i) The time period set out in the lease has expired;
 - (ii) The Board receives a written request signed by both the lessor and the lessee to terminate the lease agreement;
 - (iii) The Board withdraws its approval of the lease because the lessor or lessee has contravened the Act, the plan, any regulation made under the Act or an order or direction of the Commission or Board.

**ARRÊTÉ III
Les Éleveurs de Poulet du Nouveau-Brunswick
Permis de Producteur**

1. Nul producteur ne peut faire la commercialisation du poulet à moins d'être titulaire d'un permis de producteur.
2. Nul producteur titulaire d'un permis de commercialisation du poulet ne peut commercialiser plus de poulet que le contingent de commercialisation qui lui est attribué.
3. Un permis, à moins d'être suspendu ou révoqué, est valide jusqu'au 31 décembre de l'année pour laquelle il a été délivré.
4. Tout le contingent d'un producteur doit être produit au Nouveau-Brunswick.
5. S'il juge qu'il est possible de le faire, l'Office peut augmenter ou réduire le contingent de commercialisation.
6. L'Office doit allouer un contingent de commercialisation à chaque permis et il peut attribuer un contingent de commercialisation pour chacune des catégories d'un permis.
7. L'Office peut allouer à un permis un contingent de commercialisation inférieur à celui demandé.
8. (1) Sous réserve du paragraphe (2) Le contingent de commercialisation ne peut être donné à bail, loué, prêté ou cédé à un tiers, si ce n'est à une ferme familiale constituée en corporation et dont le producteur titulaire du contingent est un actionnaire actif.

(2) Un producteur peut, en vertu des conditions suivantes et avec une autorisation préalable écrite de l'Office, louer à un autre producteur l'ensemble ou une partie de son contingent de commercialisation :
 - (a) Une demande de location du contingent doit être :
 - (i) présentée par le bailleur proposé;
 - (ii) appuyée par le preneur proposé;
 - (iii) présentée selon la formule demandée par l'Office et contenir l'information nécessaire;
 - (iv) accompagnée d'un frais de 10\$.
 - (b) L'Office doit pas accorder d'autorisation si
 - (i) le bailleur proposé ou le preneur proposé a des dettes non acquittées envers l'Office pour des frais d'administration ou des pénalités de commercialisation;
 - (ii) la production proposée en vente de la location en plus du contingent du preneur excède la limite prévue dans l'article 4;
 - (iii) le bailleur proposé ou le preneur proposé a enfreint une disposition de la Loi, du plan, de tout règlement établie en vertu de la Loi ou d'un arrêté ou d'une directive de la Commission ou de l'Office.
 - (c) Tout contrat de location doit être établie pour une période précise. L'autorisation de location accordée par l'Office est valide et continue jusqu'à ce que survienne un des événements qui suit :
 - (i) la période établie dans le contrat de location est expirée;
 - (ii) l'Office reçoit une demande écrite signée par le bailleur ou le preneur a enfreint une disposition de la Loi, du plan, de tout règlement établi en vertu de la Loi ou d'un arrêté ou d'une directive de la Commission ou de l'Office.

Department of Agriculture / Ministère de l'Agriculture

9. Where a corporation has applied for a license, which corporation is not listed on a public stock exchange, the Board shall require and the corporation shall provide a list of the names of all of the shareholders in the corporation, which list shall be verified by providing to the Board a copy of the current shareholder's register of the corporation.
10. If there is any change in the beneficial ownership of the shares, of a corporation, which was required to make disclosure of ownership, unless such change is disclosed to the Board at the time the change is made, the Board may refuse to renew the license held by the corporation.
11. Marketing quota shall be allocated by the Board on a *pro rata* basis to existing producers.
12. No license shall be transferable unless authorized by the Board.
13. When a person who holds a license has mortgaged his chicken production facilities as security for financing and the mortgage realizes on the security by sale, the purchaser of the production facilities may apply for a license to be issued in lieu of the license held by the mortgagor.
14. If the facilities are to continue to be used as a going concern for the production of chicken the issue of a license to such purchaser shall not be unreasonably withheld provided the purchaser applies for such license and otherwise meets the conditions and provisions of the *Natural Products Act* the Regulations and Orders made by the Board.
15. Where a person holding a license sells his chicken production facilities and business as a going concern, the purchaser may apply for a license to be issued in lieu of the license held by the seller and where the purchaser otherwise meets the conditions and provisions of this Order the issue of such license shall not be unreasonably withheld.
16. Where a person becomes the beneficiary of a bequest of a chicken production business under the Will of a deceased person who held a license at the time of his death and the beneficiary of such bequest makes application for a license to be issued in lieu of the license issued to the testator, if he otherwise meets the conditions and provisions of this Order, such license shall not be unreasonably withheld.
17. A license shall be renewed upon the holder making application and the Board being satisfied that the holder of the license has met all the terms and conditions of the Board during the term of the license.
18. There shall be an annual license renewal fee of ten Dollars (\$10.00) to be paid with the application for renewal.
19. Where a producer holds more than one license the Board may consolidate the licenses on application for renewal and issue one license with an allotted marketing quota equal to the total of the marketing quotas allotted to the licenses being renewed.
20. Upon notice to and upon giving the holder of a license the opportunity to appear before the Board to show cause why his license should not be suspended or revoked or why a renewal should not be refused, the Board may suspend, revoke or refuse to renew any license upon being satisfied that the holder has failed to observe, perform, or carry out any provision of the *Natural Products Act* and Regulations pursuant thereto or any Order of the Board at any time during the period the license is in force.
9. Lorsqu'une corporation demande un permis et qu'elle n'est pas inscrite à la bourse, l'Office exigera que la corporation lui fournisse une liste des noms de tous ses actionnaires, laquelle liste sera corroborée par une copie du registre des actionnaires de la corporation.
10. Si un changement intervient dans la propriété bénéficiaire des actions d'une corporation tenue de divulguer le nom de ses propriétaires, l'Office peut refuser de renouveler le permis dont cette corporation est titulaire, à moins qu'il n'ait été informé de ce changement au moment où il s'est produit.
11. L'Office attribue au *pro rata* les contingents de commercialisation aux producteurs existants.
12. Aucun permis ne peut être transféré sans l'autorisation de l'Office.
13. Lorsque le titulaire d'un permis a, dans le but de financer sa production de poulets, hypothéqué ses installations de production et que le créancier hypothécaire réalise la garantie par voie de vente, l'acheteur peut demander qu'un permis lui soit délivré en remplacement de celui dont le débiteur hypothécaire était titulaire.
14. Si les installations doivent continuer à être utilisées comme entreprise de production de poulets en pleine activité, la délivrance d'un permis à cet acheteur ne peut être refusée sans raison valable, pourvu que l'acheteur en fasse la demande et se conforme aux conditions et aux dispositions de la *Loi sur les produits naturels*, à ses règlements et aux arrêtés pris par l'Office.
15. Lorsque le titulaire d'un permis vend ses installations et son entreprise de production de poulets comme entreprise en pleine activité, l'acheteur peut demander qu'un permis lui soit délivré en remplacement de celui dont le vendeur était titulaire. Si par ailleurs l'acheteur se conforme par ailleurs aux conditions et aux dispositions du présent arrêté, la délivrance du permis ne peut lui être refusée sans raison valable.
16. Il ne peut être refusé, sans raison valable, de permis au légataire d'une entreprise de production de poulets pour laquelle le testateur était titulaire d'un permis au moment de son décès, si ce légataire demande qu'un permis lui soit délivré en remplacement de celui du testateur et s'il se conforme aux conditions et aux dispositions du présent arrêté.
17. Un permis est renouvelé si son titulaire en fait la demande à l'Office qui s'assure que le titulaire s'est conformé à toutes les modalités de l'Office pendant la durée de validité de son permis.
18. Des droits de renouvellement de permis de dix dollars (10 \$) doivent être acquittés chaque année avec la demande de renouvellement.
19. L'Office peut fusionner les permis d'un producteur titulaire de plusieurs permis lors d'une demande de renouvellement et ne délivrer qu'un seul permis allouant un contingent de commercialisation égal à la somme des contingents de commercialisation attribués aux permis faisant l'objet du renouvellement.
20. Après en avoir avisé le titulaire du permis et lui avoir donné l'occasion de venir exposer les raisons pour lesquelles son permis ne devrait pas être suspendu ou révoqué, ou les raisons pour lesquelles l'Office ne devrait pas refuser de le renouveler, l'Office peut suspendre, révoquer ou refuser de renouveler le permis s'il constate que son titulaire a négligé, à tout moment au cours de la période de validité du permis, de se conformer ou de donner suite à toute disposition de la *Loi sur les produits naturels*, à ses règlements ou à tout arrêté de l'Office.

Department of Agriculture / Ministère de l'Agriculture

21. When the Board suspends, revokes, or refuses to renew a license, it shall give its reasons to the person affected.
22. Before making any order to refuse a license, which the Board could issue, the Board shall give the applicant an opportunity of appearing before it to show cause why such license should not be refused.
23. A conditional license shall also set out the conditions, which have not been met to the satisfaction of the Board and shall specify a time within which they shall be fulfilled.
24. When the applicant has satisfied the conditions as set out in the conditional license within the specified time, he shall be entitled to receive a license for the production of chicken with the marketing quota specified in the conditional license.
25. A conditional license shall not authorize the holder to market chicken.
26. The Board may reinstate a license, which has been suspended or revoked.
27. The producer's license shall contain the following information:

**Chicken Farmers of New Brunswick
Producer's License**

**PURSUANT TO THE PROVISIONS OF THE CHICKEN FARMERS
OF NEW BRUNSWICK ORDERS,**

(Name) _____

IS HEREBY GRANTED A LICENSE TO MARKET CHICKEN IN THE
PROVINCE OF NEW BRUNSWICK SUBJECT TO THE FOLLOWING
CONDITIONS:

1. The marketing quota allotted to this license is ____ % of the provincial allocation in any given period.
2. The production of chicken shall not exceed the marketing quota established by paragraph 1.
3. The holder of this license shall observe and conform to the Orders of the Board.
4. This license is non-assignable and non-transferrable.
5. This license does not authorize the marketing of any chicken that has not been raised in the Province of New Brunswick.

DATED this _____ day of _____, A.D. _____

Secretary-Manager
Chicken Farmers of New Brunswick

THIS LICENSE EXPIRES DECEMBER 31, 20 ____

28. No marketing quota may be acquired except from the Board or by a transfer approved by the Board.
29. This Order comes into effect January 2, 2006.

Jean-Robert Bourgeois
Chairman

Louis Martin
Secretary-Manager

21. L'Office doit donner à la personne visée les raisons pour lesquelles il suspend, révoque ou refuse de renouveler son permis.
22. Avant de décider de refuser un permis qu'il pourrait délivrer, l'Office donne au demandeur l'occasion de venir exposer les raisons pour lesquelles le permis ne devrait pas être refusé.
23. Le permis conditionnel précise également les conditions qui n'ont pas été remplies d'une manière jugée satisfaisante par l'Office et le délai d'observation imparti.
24. Le demandeur qui a rempli dans le délai imparti les conditions précisées dans le permis conditionnel est en droit de recevoir un permis de production de poulets ainsi que le contingent de commercialisation fixé dans le permis conditionnel.
25. Un permis conditionnel n'autorise pas son titulaire à commercialiser des poulets.
26. L'Office peut rétablir un permis suspendu ou révoqué.
27. Le permis de producteur renferme les renseignements suivants:

**Les Éleveurs de poulet du Nouveau-Brunswick
Permis de Producteur**

**CONFORMÉMENT AUX ARRÊTÉS DES ÉLEVEURS DE POULET
DU NOUVEAU-BRUNSWICK.**

(Nom) _____

OBTIENT PAR LES PRÉSENTES UN PERMIS L'AUTORISANT À
COMMERCIALISER DU POULET DANS LA PROVINCE DU
NOUVEAU-BRUNSWICK AUX CONDITIONS SUIVANTES:

1. Le contingent de commercialisation attribué à ce permis est ____ p. 100 de l'allocation attribué à la province pour une période donnée.
2. La production de poulet ne peut dépasser le contingent de commercialisation établi au paragraphe précédent.
3. Le titulaire du permis doit se conformer aux arrêtés de l'Office.
4. Le présent permis ne peut être cédé ni transféré.
5. Le permis n'autorise pas le commercialisation de poulets qui n'ont pas été élevés au Nouveau-Brunswick.

FAIT le _____

Louis Martin
secrétaire-gestionnaire


LE PRÉSENT PERMIS EXPIRE LE 31 DÉCEMBRE 20 ____

28. Le contingent de commercialisation n'est acquis que de l'Office ou par un transfert approuvé par l'Office.
29. Le présent arrêté entre en vigueur le 2 janvier 2006.

Le président
Jean-Robert Bourgeois

Le secrétaire-gestionnaire
Louis Martin

This is **Exhibit "D"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.

Allocations by Ownerships and Groupes

Ferme Avicole Bolduc	208958	Luc P Nadeau	273176	Quebec Owner	
Ferme Avicole J.J.C Bolduc	154961	Scott Broilers	251988	Quebec Owner	
Quebec Owner	363919	6.22%	Michel P (058385NB Inc)	68658	
			593822	10.15%	
Volaille Acadia 1	Quebec Co-Owned	116768	Cormico Inc.	290443	Co-owned by Dynaco and Cormier 50-50
Volaille Acadia 2	Quebec Co-Owned	322520	290443	4.96%	
Volaille Acadia 3	Quebec Co-Owned	305957			
Volaille Acadia 4	Quebec Co-Owned	39432	Ferme Cormier	252317	
Volaille Acadia 5	Quebec Co-Owned	60546	Avicole DMS	156849	
Volaille Acadia 6	Quebec Co-Owned	93350	409166	6.99%	
		938573	16.04%		
Montagnaise	282687	Dianna Edgett	93350	1.59%	
De la Riviere	150223				
Avicole Boulay	301201	Les Peres Trappistes	85262	1.46%	
Du Moulin	322763				
Du Lac	207119	S. Nickerson (Hugh Harmon)	39697	0.68%	
Frontiere	190024				
Samalex	358296	Slipp Farm (Dynaco)	58876	1.01%	Rented to Quebec
Alexam	282651				
Louiselle Bouchard	81271				
Nordic	192842	Total net allocation	5,853,076		
Chapi	124531				
MJ Michaud(503430NBInc.)	193174		2,031,754	34.71%	
MJ Michaud(503431NBInc.)	93350				
Group Westco	81987				
Veroco	112768				
Couvoir Westco	5081				
	2979968	50.91%			

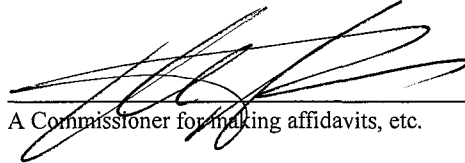
Percent of quotas owned and
co-owned by Quebec interests

Old ownership

Note:

Acadia 1	Ferme Anima
Acadia 2	Ferme Monique Ouellet
Acadia 3	Avicole J-P Ouellet
Acadia 4	Marc Ouellet(052641 NB Inc)
Acadia 5	Ferme Avicole Marc Ouellet
Acadia 6	Entreprise JPO

This is **Exhibit "E"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.

From: Tony Tavares [ttavares@maplelodgefarms.com]
Sent: September 20, 2007 2:26 PM
To: Tom Soucy (westcothomas@hotmail.com)
Cc: Bob May (bobmay@maplelodgefarms.com); John Feenstra (jfeenstra@nadeaupoultry.com)
Subject: Sale Negotiations for Nadeau Poultry Farm Ltd.

Dear Tom,

This is to follow up on our meeting on September 6 with representatives of the Westco group and my meeting on August 19 with you and Rejean Nadeau of Olymel.

The Board of Directors of the Maple Lodge Group has instructed me to put together a team to undertake negotiations for the potential sale of the Nadeau business in accordance with the demands of Westco and Olymel.

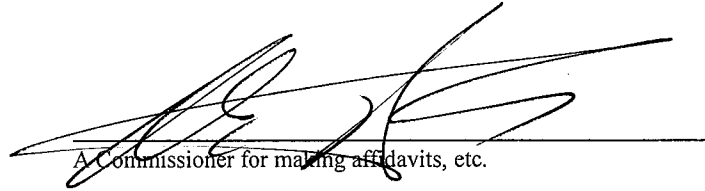
This decision has been a very difficult one for the Maple Lodge shareholders. Nadeau has been an important part of our business for the past 18 years. In addition to the obvious investments of money and capital, we have invested substantial energies in developing a successful sales and marketing strategy for the benefit of all industry stakeholders. Over this time we have clearly demonstrated our commitment to New Brunswick's chicken producers and to serving and expanding the New Brunswick chicken industry. Our first desire is to continue the very successful business relationship we have built with Westco and the other producers of New Brunswick.

You will appreciate that this will not be a sale in the usual course where a number of bidders provide a transparent process to determine fair market value. In order to determine fair market value in our current situation, we will be hiring two chartered business valuers to prepare separate reports on the fair market value of the Nadeau business. These reports will consider Nadeau Poultry's record of profitability as well as earnings multiples for comparable businesses in the food and other industries. The valuations will also obviously reflect that the business is being sold to an important competitor of Maple Lodge. Olymel will realize substantial benefits to their existing operations as a result of their strengthened competitive position in the Eastern Canadian market place and these need to be factored into an assessment of the fair market value of the Nadeau operations.

We expect to have the valuation reports finalized by October 31 and would expect to be in a position to meet with your negotiation team in early November.

Regards
Tony Tavares
CEO
Maple Lodge Farms

This is **Exhibit "F"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.



Groupe Westco inc.

9, rue Westco, Saint-François, N.-B. E7A 1A5
TÉL: (506) 992-3112 - Fax: (506) 992-3990

Le 17 janvier 2008

Monsieur John Feenstra
NADEAU POULTRY LTD
2222, rue Commerciale
Saint-François (Nouveau-Brunswick) E7A 1B6

Objet : Avis de cessation de livraison

Monsieur,

Comme vous le savez, depuis le 10 juillet 2007, Groupe Westco Inc. (« Westco ») a cessé de faire parvenir ses cédules de placement de poussins à Nadeau Poultry Ltd. (« Nadeau »).

Le 19 août dernier, nous avons fait part à M. Tony Tavares, directeur général de Maple Lodge, de notre intention de mettre fin à notre relation d'affaires avec Nadeau, puisque nous avons établi un nouveau partenariat avec Olymel s.e.c.

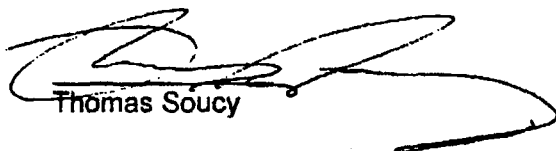
Par lettre datée du 24 août 2007, nous avons informé Nadeau qu'à compter de cette date, Westco ne confirmerait les volumes de poulets vendus à Nadeau qu'une semaine à la fois. Depuis cette date, Nadeau s'informe à chaque semaine du volume de poulets qui lui sera livré par Westco au cours de la semaine suivante.

La présente a pour but de vous aviser que, tel qu'annoncé précédemment, Westco a décidé de mettre fin à sa relation d'affaires avec Nadeau. Soyez avisé qu'à compter du 20 juillet 2008, Westco Inc. cessera de faire abattre ses poulets par Nadeau et cessera toute livraison de poulets à votre abattoir.

1

Veillez agréer, Monsieur, l'expression de nos salutations distinguées.

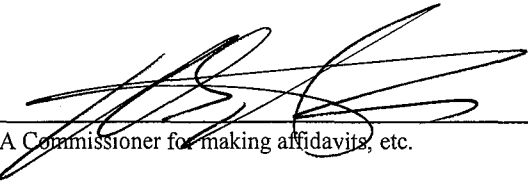
Le Président et CAO,



Thomas Soucy

Cc Honorable Ronald Ouellette (Ministre d'agriculture et aquaculture)
Cc Louis Martin (Producteur de poulet du N.B.)
Cc M. Réjean Nadeau (Olymel sec)

This is **Exhibit "G"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.



Nadeau Ferme Avicole
NLtée
Nadeau Poultry Farm
Ltd.
Groupe Maple Lodge Group

Tél.: (506) 992-2192
Fax: (506) 992-3660

2222, rue Commerciale
St-François, N.-B. E7A 1B6

January 23, 2008

Groupe Westco Inc.
9 Rue Westco
Saint-Francois, New Brunswick
E7A LA5

Attention: Thomas Soucy

Dear Sir:

Re: Westco's Notice of Termination of Delivery, dated January 17, 2008

We acknowledge receipt of your letter of January 17, 2008, indicating that Westco had decided to terminate its business relationship with Nadeau Poultry Farm Ltd. following July 20, 2008.

In your letter, you also state that Westco had taken certain other steps on July 10th, August 19th and August 24, 2007 preliminary to the notice of January 17th. We do not accept that you gave us any prior notice of termination. You did advise us that Westco and Dynaco had "assigned" their production to Olymel and that this was to be scheduled for slaughter at Nadeau. Your announcements were clearly intended to pressure us to sell the Nadeau business to you and Olymel. They were coupled with the threat that unless we negotiated a deal which you found acceptable for the sale of Nadeau, that Nadeau's supply from Westco and Dynaco might be terminated sometime in the future.

Your letter of January 17, 2008, received by us on January 21, 2008, indicates the termination of supply of New Brunswick grown live chicken to Nadeau, as of July 20, 2008. This is the first clear notice of termination which we have received. Your letter does not specify whether you are also speaking on behalf of the producers in the Dynaco group. If this is the case, you have now given notice that more than 80% of Nadeau's live chicken supply is to be terminated. This also represents more than 80% of New Brunswick's total live chicken production.

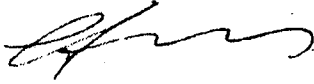
Nadeau has dealt with you and the producers who are now in the Westco and Dynaco groups for more than 18 years. We have always purchased their live chicken production in good faith. Nadeau is highly dependent upon this production for its economic viability. You are only too well aware that Nadeau does not have an opportunity to replace the supply in New Brunswick. Relationships between producers and processors in neighbouring provinces are well established and a number of provinces have central allocation systems to supply processors. It will be impossible for Nadeau to replace the cancelled supply, even after the most diligent and costly efforts.

Westco, Dynaco and Olymel clearly intend to target Nadeau to cause economic damage, either through destroying our business by terminating most of our long-standing supply arrangements or forcing a sale of the business below market value. In turn, this will create economic hardship in the Saint-Francois community, where Nadeau is the principal employer.

Westco's actions, in concert with Olymel and Dynaco, amount to an illegal conspiracy.

We ask that Westco and Olymel reconsider and withdraw your notice of cancellation immediately. If this is not done, Nadeau will take immediate steps to pursue all available legal remedies.

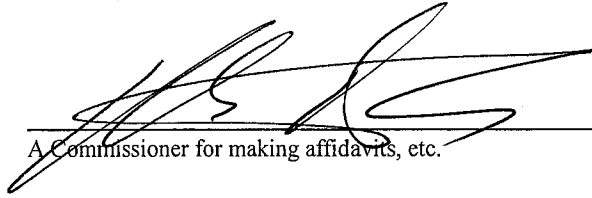
Yours truly,

A handwritten signature in black ink, appearing to read 'Anthony Tavares', with a stylized flourish at the end.

Anthony Tavares, C.E.O.

c.c.: The Honourable Ronald Ouellette

This is **Exhibit "H"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.

Price, Leah

From: Tony Tavares [ttavares@maplelodgefarms.com]**Sent:** Thursday, January 24, 2008 4:38 PM**To:** Grant Robinson; Greg Scott; John Feenstra; Kristine Doyle-Sanders; Price, Leah; Ron Folkes; Tony Tavares; Yves Landry; 'Bob May'; 'Debi Kee'; 'Grant, Susan'; 'Kathy Wienhold (E-mail) Wienhold'; 'Larry May (E-mail)'; 'May, Beth'; 'May, David'; 'May, Jack'; 'Wendy Robson'**Subject:** FW: Convo Remi Faucher**From:** Yves Landry [mailto:yves.landry@nadeaupoultry.com]**Sent:** January 24, 2008 3:15 PM**To:** Tony Tavares**Subject:** Convo Remi Faucher

Tony,

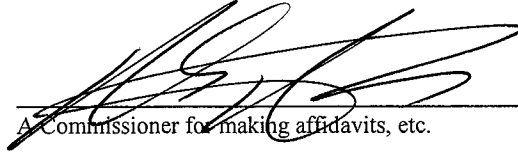
Le matin, à la demande de John, j'ai téléphoné Rémi Faucher de Dynaco. Je lui ai dit que j'avais une question pour lui. Il lui explique qu'en Nov. dernier Tom Soucy et Olymel ont eut une réunion avec Maple Lodge et Nadeau, durant laquelle Tom a été informé par Tom Soucy qu'à partir du 6 nov. c'est Olymel qui va nous donner les placements de poulets pour Westco. Et à partir du 16 nov. Olymel nous fournira les placements pour Dynaco. Cette semaine nous avons reçu une lettre provenant de Westco. Celle-ci nous avise qu'après le 20 juillet 2008, nous ne recevrons plus de poulet de Westco à notre abattoir. Est-ce qu'on va recevoir une lettre de Dynaco pour la même chose?

Il me répond: "Oui, vous allez recevoir une lettre vous informant que Dynaco retire son poulet de votre abattoir, mais les conditions sont différentes de celles de Westco"

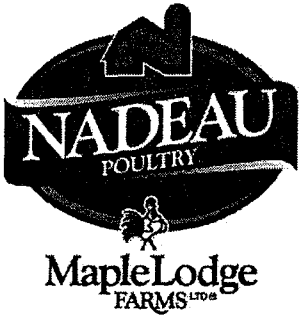
Il dit qu'il est fâché que Tony a sali le nom de Dynaco avec une lettre envoyée au gouvernement. Je lui ai répondu que Tom Soucy nous avait dit qu'il avait l'autorité de parler pour Dynaco. Il continu en disant que ni Tom Soucy, ni Olymel n'ont, à aucun moment, eut le droit de parler pour Dynaco. Même s'ils avaient l'autorité de parler en leur nom, ce n'est pas le rôle professionnel de notre part (Tony et Yves) de ne pas avoir vérifié auprès de lui avant d'avoir écrit une lettre au ministre. C'est pour ces raisons qu'il retire son poulet, s'il n'est pas plus important que cela en temps qu'éleveur. Il m'a aussi demandé: "Est-ce que vous avez reçu des placements de Olymel pour Dynaco?" Je lui ai répondu, non. Je lui ai aussi demandé la date qu'il retirait son poulet et il m'a répondu que j'allais le savoir lorsque je recevrais la lettre. Il ajoute hors contexte: "Par exemple si le maire parle de Nadeau, j'irais vérifier avec vous avant de partir des choses." Je lui répond que je vais attendre sa lettre.

es

This is **Exhibit "I"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.



adeau Ferme Avicole
N Ltée
adeau Poultry Farm
Ltd.
Groupe Maple Lodge Group

Tél.: (506) 992-2192
Fax: (506) 992-3660

2222, rue Commerciale
St-François, N.-B. E7A 1B6

le 29 Janvier, 2008

M. Rémi Faucher, agr.
Directeur general
Groupe Dynaco
87, route 132 Ouest
La Pocatière, Québec
G0R 1Z0

Cher Rémi

Merci pour notre conversation de ce matin. J'apprécie beaucoup les clarifications que vous avez porté. Pour faire résumé de notre situation, depuis la première rencontre avec Olymel et Westco, le mois d'août, Tom Soucy a toujours dit qu'il parlait pour Westco et Dynaco. Le volume de poulets donc Soucy a toujours parlé est de 325,000 par semaine...ce volume comprend clairement les volumes de Dynaco et Westco. Il a aussi mentionné le nom de Dynaco a plusieurs reprises. Tom Soucy a aussi dit directement à Yves Landry qu'il avait l'autorité de parler pour Dynaco et Acadia. Nous croyons dans les circonstances que c'était clair qu'il parlait pour Dynaco.

Rémi, je suis entièrement d'accord avec vous que cela n'excuse pas du tout le fait que nous aurions dû vous appeler directement pour confirmer les faits. Je n'ai personnellement pas d'excuse pour ce manque de sagesse autre que la fatigue et le stress de la situation. Ce n'est pas certainement réfective de la façon que nous faisons affaires. Les derniers mois ont été très difficiles à cause de la situation à Nouveau Brunswick.

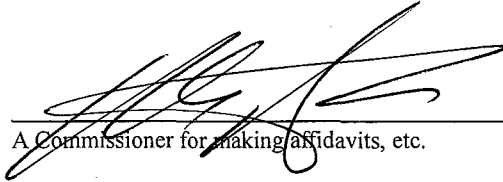
C'était une erreur de notre part et nous sommes prêts à corriger le portrait des choses avec le Ministre d'Agriculture de Nouveau Brunswick. Pour éliminer toute confusion possible, nous vous demandons de bien vouloir nous confirmer par écrit que Tom Soucy n'a jamais été autorisé de représenter Dynaco et Acadia aux discussions qui ont eu lieu avec nous. Lorsque nous recevrons votre lettre, nous allons vous envoyer des copies de nos lettres au Ministre Ouellette. Nous allons aussi prendre toutes les mesures nécessaires afin de clarifier que Dynaco n'était pas impliqué.

Rémi, nous espérons être capable de continuer notre relation avec Dynaco. Nous avons toujours eu des excellentes relations avec votre groupe et ca serait un grand dommage si on laisserait les événements des derniers mois détruire cela. J'espère que vous serez capable de changer votre décision.

Bien à vous

Anthony Tavares, C.E.O.

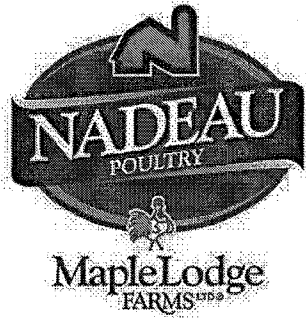
This is **Exhibit "J"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.

From: Tony Tavares [mailto:ttavares@maplelodgefarms.com]
Sent: February 7, 2008 8:24 AM
To: remi.faucher@dynaco.coop
Subject: Lettre a Ministre Ouellette

Cher Rémi ,
Vous trouverez ci attaché une lettre que nous avons envoyé à Ministre Ouellette suit a notre discussion la semaine passée. Nous attendons toujours aussi votre réponse à notre lettre et nous souhaitons et espérons être capable de clarifier et régler la mésentente entre Nadeau et Dynaco.
Tony Tavares



Nadeau Ferme Avicole
NLtée
Nadeau Poultry Farm
Ltd.
Groupe Maple Lodge Group

Tél.: (506) 992-2192
Fax: (506) 992-3660

2222, rue Commerciale
St-François, N.-B. E7A 1B6

January 31, 2008

The Honourable Ronald Ouellette
Minister of Agriculture and Aquaculture
P.O. Box 6000
Fredericton, New Brunswick
E3B 5H1

Dear Minister Ouellette:

Re: Nadeau Poultry Farm Ltd.

We are writing to inform you that negotiations for the sale of the Nadeau plant to Westco and Olymel have broken down.

Faced with the notice of termination of supply from Westco, as of July 20th, we must take steps to inform the union representing the Nadeau plant employees. If the Westco supply cannot be re-directed to us, significant employee layoffs will be necessary.

Very recently, we have received assurances from Dynaco that Westco and Mr. Soucy had no authority to threaten termination of the Dynaco and Acadia bird supply to Nadeau.

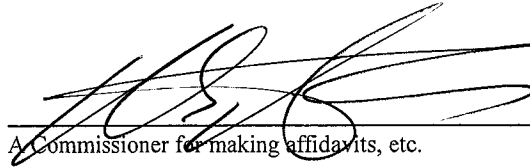
We are now in discussions with Dynaco to clarify the situation and, hopefully, to restore the Dynaco supply to Nadeau. If it is confirmed that Nadeau was misled by Mr. Soucy and Westco, we are willing to withdraw allegations, in previous correspondence, that Dynaco was part of the consortium which tried to force sale of the Nadeau business with the threat of supply termination. We will advise further in this regard.

Yours truly,

Anthony Tavares, C.E.O.

c.c.: Premier Shawn Graham – N.B. Government
Robert Goggin – N.B. Farm Products Commission
Hazen Myers – N.B. Farm Products Commission

This is **Exhibit "K"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008

A handwritten signature in black ink, consisting of several overlapping loops and strokes, positioned above a horizontal line.

A Commissioner for making affidavits, etc.

From: Yves Landry [yves.landry@nadeaupoultry.com]
Sent: Wednesday, February 06, 2008 3:15 PM
To: Tony Tavares
Cc: cneal@bellnet.ca; Price, Leah
Subject: Conversation avec Remi Faucher

Bonjour Tony,

Vendredi, le 1 février 2008, Réjean Plourde notre agent d'approvisionnement est venu me voir pour m'aviser qu'il avait téléphoné à Danie Godin du Groupe Dynaco pour lui demander les placements de la période A-84. Elle lui a répondu qu'elle n'avait plus l'autorisation de lui donner les placements.

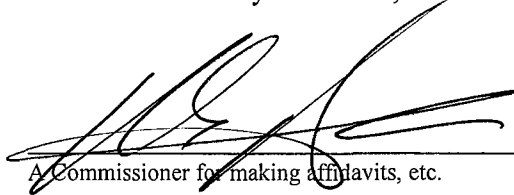
J'ai téléphoné à M. Rémi Faucher lundi, le 4 février. Ce dernier m'a retourné mon appel le 5 février vers l'heure du souper (18 :00).

Il m'a confirmé que Danie Godin n'avait, effectivement, plus l'autorité de nous donner l'information. Je lui ai demandé à qui nous devrions parler. Il m'a répondu que Partick Noël nous donnerait les placements au fur et à mesure, soit en petite quantité. Je lui ai demandé si nous serions obligés de lui parler à chaque semaine; et il m'a répondu par l'affirmatif.

Par la suite, il m'a dit que je devrais recevoir une lettre la semaine prochaine m'avisant que j'aurais jusqu'à la mi-septembre (pour recevoir du poulet) et que cela nous donnait assez de temps.

Bien à vous,
Yves

This is **Exhibit "L"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned above a horizontal line.

A Commissioner for making affidavits, etc.



Groupe Westco inc.

9, rue Westco Saint-François, N.-B. E7A 1A5
Tél.: (506) 992-3112 - Fax: (506) 992-3990

February 7, 2008

Nadeau Poultry Farm Ltd.
2222 rue Commerciale
St. Francois, NB E7A 1B6

Attention: Anthony Tavares, CEO

Dear Sir :

RE: Westco's Notice of Termination of Delivery

We acknowledge receipt of your letter dated January 23, 2008.

Please note that our Notice of Termination of Delivery dated January 17, 2008 remains in full force and effect and relates to Groupe Westco Inc. only.

We strongly deny any and all allegations pertaining to an illegal conspiracy to which we would have been part of in view of inflicting any damages to Nadeau Poultry Farm inc. or forcing its shareholders to come to an agreement with respect to the sale of the processing facility.

We decided to review our long-term business objectives. As a result and in view of our decision to vertically integrate our operations, we will be exploring all alternatives available to us for the slaughtering of our poultry.

In this context, we approached you in order to reach an agreement with respect to the acquisition of your processing facility. Even though we failed to reach such an agreement, our new long-term business objectives remain unchanged. Our intent is to move forward with these objectives, which may include the potential construction of our own processing facility in the area. As such, we have no intention of inflicting any undue economic hardship on the people of the region.

In conclusion, we deny that our decision to terminate our supply arrangement with you is being done for any illegal purpose and we will vigorously defend any public accusations of that nature.

We trust our position is clear.

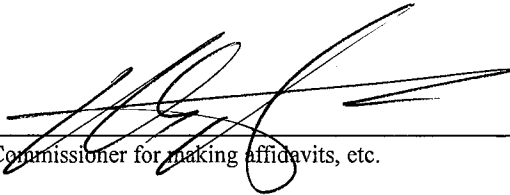
Yours very truly,

A handwritten signature in black ink, appearing to read 'Thomas G. Soucy', written over a horizontal line.

Thomas G. Soucy
President and CEO

c.c. Hon. Ronald Ouellette, Minister of Agriculture
Louis Martin, Secretary-Manager, Chicken Farmers of New Brunswick
Robert Goggin, General Manger, N.B. Farm Products Commission

This is **Exhibit "M"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.

Volailles Acadia s.e.c.

Le 28 février 2008

PRIVILÉGIÉ ET CONFIDENTIEL

Monsieur John Feenstra
NADEAU POULTRY LTD.
2222, rue Commerciale
Saint-François, Nouveau-Brunswick
E7A 1B6

OBJET: Cessation de vente et de livraison de poulets par Volailles Acadia s.e.c. à Nadeau Poultry Ltd.

Monsieur,

Soyez avisé par les présentes que Volailles Acadia s.e.c. cessera toute vente et livraison de poulets à Nadeau Poultry Ltd. à compter du 15 septembre 2008 à savoir à compter du début de la période de production A-89.

Veuillez agréer, monsieur, l'expression de nos salutations distinguées.

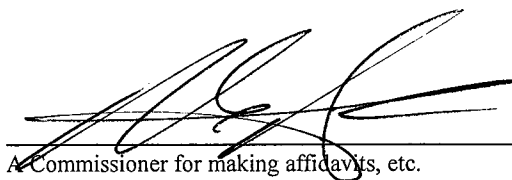
VOLAILLES ACADIA s.e.c.
par : VOLAILLES ACADIA INC.

Par :


Gaétan Desroches
Secrétaire

AG/ld

This is **Exhibit "N"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right. The signature is positioned above a horizontal line.

A Commissioner for making affidavits, etc.

LES FERMES J.J.C. BOLDUC Inc.

Le 6 mars 2008

MAR 10 2008

PRIVILÉGIÉ ET CONFIDENTIEL

Monsieur John Feenstra
Monsieur Yves Landry
NADEAU POULTRY LTD
2222, rue Commerciale
Saint-François, Nouveau-Brunswick
E7A 1B6

OBJET: Cessation de vente et de livraison de poulets par Les Fermes J.J.C. Bolduc inc. à Nadeau Poultry Ltd

Messieurs,

Considérant les fausses représentations de Tony Tavares, chef de la direction de Nadeau Poultry Ltd, concernant Groupe Dynaco, Coopérative agroalimentaire, auprès de l'Office des éleveurs de poulets du Nouveau-Brunswick, de la Commission de l'Agriculture du Nouveau-Brunswick et du Gouvernement du Nouveau-Brunswick, Groupe Dynaco a perdu confiance envers Maple Lodge et Tony Tavares.

Ainsi, nous désirons vous aviser par les présentes, que Les Fermes J.J.C. Bolduc inc. cesseront toute vente et livraison de poulets à Nadeau Poultry Ltd au Nouveau-Brunswick à compter du 15 septembre 2008, date du début de la période de production A-89.

Veuillez agréer, messieurs, l'expression de nos salutations distinguées.

LES FERMES J.J.C. BOLDUC INC.



Caroline Cloutier, secrétaire

LES FERMES AVICOLES BOLDUC Inc.

Le 6 mars 2008

PRIVILÉGIÉ ET CONFIDENTIEL

MAR 10 2008

Monsieur John Feenstra
Monsieur Yves Landry
NADEAU POULTRY LTD
2222, rue Commerciale
Saint-François, Nouveau-Brunswick
E7A 1B6

OBJET: Cessation de vente et de livraison de poulets par Les Fermes avicoles Bolduc inc. à Nadeau Poultry Ltd

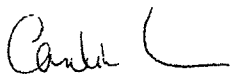
Messieurs,

Considérant les fausses représentations de Tony Tavares, chef de la direction de Nadeau Poultry Ltd, concernant Groupe Dynaco, Coopérative agroalimentaire, auprès de l'Office des éleveurs de poulets du Nouveau-Brunswick, de la Commission de l'Agriculture du Nouveau-Brunswick et du Gouvernement du Nouveau-Brunswick, Groupe Dynaco a perdu confiance envers Maple Lodge et Tony Tavares.

Ainsi, nous désirons vous aviser par les présentes, que Les Fermes avicoles Bolduc inc. cesseront toute vente et livraison de poulets à Nadeau Poultry Ltd au Nouveau-Brunswick à compter du 15 septembre 2008, date du début de la période de production A-89.

Veuillez agréer, messieurs, l'expression de nos salutations distinguées.

LES FERMES AVICOLES BOLDUC INC.



Caroline Cloutier, secrétaire

LES FERMES J.J.C. BOLDUC Inc.

Le 10 mars 2008

PRIVILÉGIÉ ET CONFIDENTIEL

RECEIVED
MAR 12 2008

Monsieur John Feenstra
Monsieur Yves Landry
NADEAU POULTRY LTD
2222, rue Commerciale
Saint-François, Nouveau-Brunswick
E7A 1B6

OBJET: Cessation de vente et de livraison de poulets par Les Fermes J.J.C. Bolduc inc. à Nadeau Poultry Ltd
Correction à la lettre datée du 6 mars 2008

Messieurs,

Considérant les fausses représentations de Tony Tavares, chef de la direction de Nadeau Poultry Ltd, concernant Groupe Dynaco, Coopérative agroalimentaire, auprès de l'Office des éleveurs de poulets du Nouveau-Brunswick, de la Commission de l'Agriculture du Nouveau-Brunswick et du Gouvernement du Nouveau-Brunswick, Groupe Dynaco a perdu confiance envers Maple Lodge et Tony Tavares.

Ainsi, nous désirons vous aviser par les présentes, que Les Fermes J.J.C. Bolduc inc. cesseront toute vente et livraison de poulets à Nadeau Poultry Ltd au Nouveau-Brunswick à compter du **15 septembre 2008**, date du début de la période de production **A-87**.

Veuillez agréer, messieurs, l'expression de nos salutations distinguées.

LES FERMES J.J.C. BOLDUC INC.



Caroline Cloutier, secrétaire

LES FERMES AVICOLES BOLDUC Inc.

Le 10 mars 2008

PRIVILÉGIÉ ET CONFIDENTIEL

Monsieur John Feenstra
Monsieur Yves Landry
NADEAU POULTRY LTD
2222, rue Commerciale
Saint-François, Nouveau-Brunswick
E7A 1B6

RECEIVED

MAR 12 2008

OBJET: Cessation de vente et de livraison de poulets par Les Fermes J.J.C. Bolduc inc. à Nadeau Poultry Ltd
Correction à la lettre datée du 6 mars 2008

Messieurs,

Considérant les fausses représentations de Tony Tavares, chef de la direction de Nadeau Poultry Ltd, concernant Groupe Dynaco, Coopérative agroalimentaire, auprès de l'Office des éleveurs de poulets du Nouveau-Brunswick, de la Commission de l'Agriculture du Nouveau-Brunswick et du Gouvernement du Nouveau-Brunswick, Groupe Dynaco a perdu confiance envers Maple Lodge et Tony Tavares.

Ainsi, nous désirons vous aviser par les présentes, que Les Fermes avicoles Bolduc inc. cesseront toute vente et livraison de poulets à Nadeau Poultry Ltd au Nouveau-Brunswick à compter du **15 septembre 2008**, date du début de la période de production **A-87**.

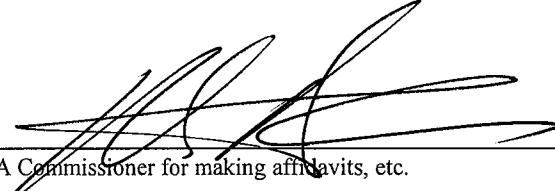
Veuillez agréer, messieurs, l'expression de nos salutations distinguées.

LES FERMES AVICOLES BOLDUC INC.



Caroline Cloutier, secrétaire

This is **Exhibit "O"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.



Prizm Canadian Income Fund
101 Leaburg Avenue
Vaughan, ON L4K 0R8
1 (416) 739 2007 | prizm.com

JANUARY 30, 2008

BY FAX AND MAIL

Nadcau Ferme Avicole Ltée/
Nadeau Poultry Farm Ltd.
2222, rue Commercial
St Francois, N.-B. E7A 1B6

Handwritten initials

Attention: Anthony Tavares, Chief Executive Officer

Dear Sirs:

Re: Nadeau Poultry Farm Limited ("Nadeau")

I write in my capacity as Chief Purchasing Officer for Prizm LP ("Prizm") and as General Manager of Unified Purchasing Group of Canada ("Unified"). Prizm is an income trust that is the largest operator of Kentucky Fried Chicken ("KFC") restaurants in Canada. Prizm operates about 45 KFC restaurants in New Brunswick and Nova Scotia. Unified is a non-profit association, which operates as the purchasing agent for all KFC restaurants in Canada. As General Manager, I oversee purchases, including purchases of fresh chicken for KFC restaurants.

There are a total of 77 KFC restaurants in the Maritimes (including the 49 operated by Prizm). Unified purchases the significant majority of the fresh chicken used in these restaurants from Nadeau. As a rough average, purchases exceed 31,171 kg. of fresh chicken per week.

KFC has a particular specification for its chicken, both as to quality, and as to size. Because of this, and because of the volume of purchases, and the constant turnover we experience, we are always concerned about adequacy of supply. We receive shipments twice each week directly at each restaurant. It is important that the distance from processor to restaurant remain as small as possible in order to maximize freshness. So far, with the number of processors to which we have access, we have been able to obtain all our necessary supplies at an acceptable price from processors located at an acceptable distance from the receiving restaurants.

If events transpire such that Nadeau's plant is shut down, it could have serious repercussions for our business. There would be less competition, which would likely mean that prices would increase. As well, we could have difficulty obtaining adequate supplies. Finally, we would be forced to transport product over greater distances, which would increase transportation and warehousing costs. We might have to take additional steps to ensure optimal freshness, adding to the difficulties and disruptions that we could experience.

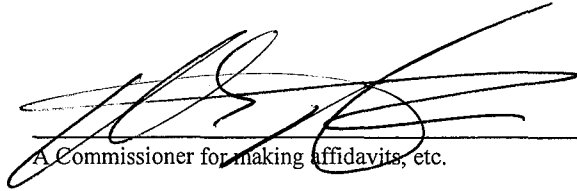
At a business lunch a couple of months ago, I told you that, as a customer, we would be opposed to reduced competition in the marketplace. We prefer to see competition among processors maintained at (at least) the current level, for the reasons set out above.

Yours very truly,

PRISZM LP

Stephen Langford
Chief Purchasing Officer

This is **Exhibit "P"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



A Commissioner for making affidavits, etc.



Nadeau Ferme Avicole Ltée/
Nadeau Poultry Farm Ltd.
2222, rue Commercial
St Francois, N.-B. E7A 1B6

Attention: Anthony Tavares, Chief Executive Officer

Dear Sirs:

Re: Nadeau Poultry Farm Limited ("Nadeau")

I write in my capacity as Vice-President, Strategic Sourcing, for Cara Operations Ltd. ("Cara"). In my position, I am responsible for purchasing and logistics for all products used in restaurants operated by Cara across Canada.

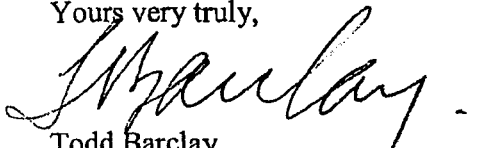
Cara is the largest full-service restaurant operator in Canada. It uses a very large amount of fresh chicken in its Swiss Chalet, Montana's and Milestones restaurants. It utilizes other chicken products in its Harveys, Kelseys and Coza restaurants. As a large consumer of fresh chicken and other chicken products, Cara supports the proposition that there should be competition in the marketplace.

Cara has very specific requirements for its fresh chicken supplies. Over the last few years, Cara has increased the number of processors from whom it purchases its fresh chicken and this has ameliorated previously tight supply chain issues. Cara prefers to deal, if possible, with processors that are located closer to the end-use restaurant. For this reason, and because it has been able to provide necessary supplies to our particular specification at an acceptable price, Cara has purchased the vast majority of its fresh chicken supplies for its NS, NB, PEI and NFLD locations from Nadeau and at this time we would like to continue this relationship.


Our business is very price sensitive. There is virtually no room to increase prices to our customers. Accordingly, any increase in raw price or transportation costs would have an immediate adverse effect on our bottom line.

If the Nadeau plant were to shut down, or even if it were to be acquired by a competitor, I would foresee that prices could rise, and supply problems could occur. We are therefore extremely concerned with any reduced competition.

Yours very truly,


Todd Barclay
Vice-President, Strategic Sourcing
January, 2008

This is **Exhibit "Q"**
to the Affidavit of Anthony Tavares
sworn this 14th day of March, 2008



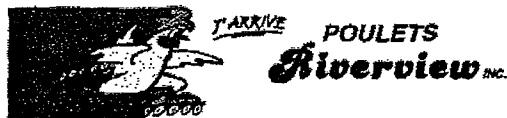
A Commissioner for making affidavits, etc.

From:

To: 15069923660

03/10/2008 14:20

#255 P.002/003



287 MASSON, STE-SOPHIE (QUÉBEC) J5J 1R2

Tél.: (450) 476-9944
Tél.: 1-800-363-2442
Fax: (450) 438-6864
pri@total.net

March, 2008

BY FAX AND BY MAIL**Nadeau Poultry Farm Ltee.
2222, rue Commercial
St. Francois, N.B. E7A 1B6****Attention: Anthony Tavares, Chief Executive Officer****Dear Sir,****Re: Nadeau Poultry Farm**

I am writing to you today in regard to a situation in the New Brunswick poultry market. At this time, take-overs, buy-outs, and "associations" have made it such that instead of their being 10, 15 or even 20 different processors or abattoirs competing for their place in the market, there are now just a handful of players.

Poulets Riverview Inc., is a family owned business and since our beginning in 1960, we have observed many changes in this market.

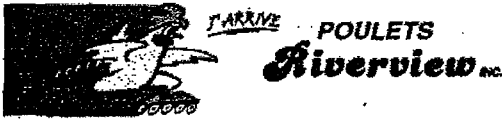
As a processor, we use a large amount of fresh chicken of a specific category and weight. Our clients rely on us to supply them with a product tailored to their specifications at a reasonable price. Nadeau has been a reliable supplier for over twenty-five years. They are able to supply us with the specific product we require at an acceptable price.

From:

To: 15069923660

03/10/2008 14:20

#255 P. 003/003



287 MASSON, STE-SOPHIE (QUÉBEC) J5J 1R2

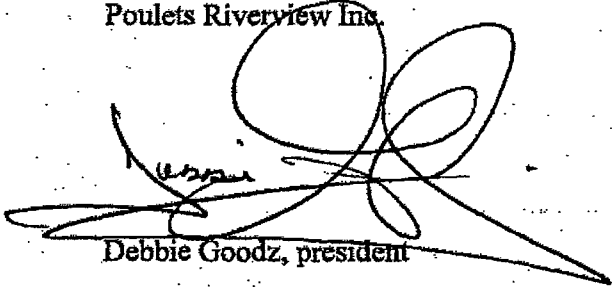
Tél.: (450) 476-9944
Tél.: 1-800-363-2442
Fax: (450) 438-6864
pri@total.net

If the Nadeau plant were to shut down, or even if it were to be acquired by a competitor, I would definitely foresee that prices would definitely rise, and supply problems would occur. We are therefore strongly opposed to any reduced competition in this market.

Since when have we here in Canada, a supposedly democratic country been "obligated" or "coerced" to accept that companies are able to monopolize a particular market through unacceptable measures. I refuse to believe that any Canadian government would knowingly allow such a situation to become reality.

Yours very truly,

Poulets Riverview Inc.



Debbie Goodz, president



March 7,2008

Nadeau Ferme Avicole Ltée
2222, rue commercial
St François, NB E7A 1B6

Attention : Tony Tavares,
Chief Executive Officer

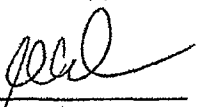
Re : Nadeau Poultry

As President of Service Alimentaire Desco Inc, I am responsible for the purchasing of poultry products fresh and frozen used for the supermarket chains and for food service in Quebec and Ontario and the Maritimes.

Service Alimentaire Desco Inc purchases 125,000,000\$ poultry products a year, in order to supply our customers. We are becoming extremely anxious for the probability that Nadeau Poultry will no longer be able to supply us our poultry due to lack of live chicken being sold to them from large chicken growers. We read that the live chickens will only be sold to Quebec processors, namely Olymel. We also read that Olymel is trying to buy the slaughterhouses' and other business associated with Nadeau Poultry.

This is a big concern for us, for we will no longer be competitive when quoting the supermarket chains or other food services chains due to fact that we will come in direct competition with Olymel. We will definitely have problems getting fair pricing and supply if we would need to rely on Olymel.

We hope that we will be able to continue doing our business with Nadeau poultry.



Guy Chevalier
GC/pr



LA PRÉFÉRENCE
QUALITÉ DEPUIS 1960

March 7 2008

By Fax and Mail

Nadeau Ferme Avicole Ltee.

Nadeau Poultry Farm Ltd.

222 Rue Commercial St-Francois
Nouveau-Brunswick E7A 1B6

Attention: Anthony Tavares, Chief Executive officer

Dear Sir,

I write in my capacity as President of La Preference Poultry Ltd.
In my position I'm responsible for purchasing and finance for the enterprise.

At La Preference, we solely further process fresh and frozen poultry products for the Canadian and USA markets. Our costumers list includes National grocers (i.e. Loblaw's, Provigo,) Costco Canada, GFS (Distal) etc... We are an important key element in keeping the market place honest. As a further processor of fresh and frozen poultry products we support the proposition that there should be competition in the market place, among poultry slaughter houses.

La Preference has strict and specific requirements for its fresh and frozen product lines. Over the many years in business La Preference has been able to establish many poultry suppliers across the country and from the United States (controlled by a quota system) for its purchase of raw poultry in order to maintain and give a competitive edge to its costumers.

Nadeau Poultry has been part of the supply mix for La Preference for over 15 years. Nadeau, only 8 hours away, is considered a close regional supplier. For this simple reason and because he can also adhere to our strict quality requirements, at a workable price for our fresh counter ready product line, La Preference has purchased and continues to purchase a vast majority of its fresh raw poultry products on a daily basis from Nadeau.

Eliminating Nadeau from the supply chain, by way of shut down or purchase from a competitor of there's will only tighten the supply of fresh raw products, and ultimately I foresee an increase in the price of poultry.



LA PRÉFÉRENCE
QUALITÉ DEPUIS 1960

An increase in the price of poultry will hurt La Préférences bottom line. Our clients will not pay for the increase in price for simply having fostered a controlled supply. Therefore we would like to continue doing business with Nadeau. We as an industry need more poultry players in the slaughter end of the business not less! We at La Préférence strongly disagree and oppose to any reduced competition in the poultry slaughter end of the business.

Also on another very important note I believe that the government should not allow the supply management system to be used by producers as a weapon against processors. Competition is already limited by the system. Producer quotas prevent new entrants into the system. This creates sanctioned MONOPOLIES. Producers should not be permitted to use these sanctioned monopolies to reduce competition elsewhere in the marketplace.

Yours truly
Elias (Louis) Simitsakos

La Préférence
575 Montée St-François
Laval, Quebec
E-mail : louis@lapreference.com

Puddy Bros Ltd

7120 Edwards Blvd
Mississauga, Ont
L5S 1Z1
905-795-0001

March 10, 2008

MR. Tony Tavares
Nadeau Ferme Avicole Ltee
Nadeau Poultry Farm Ltd
2222, rue Commercial
St Francois, New Brunswick
E7A 1B6

Dear Mr. Tavares:

Re: Nadeau Poultry Farm Limited ("Nadeau Poultry")

I am writing to you as the owner of a Poultry Processing firm in Ontario that produces fresh chicken products for the Eastern Canadian marketplace. Specifically, we supply Canada's largest grocery retailer "Loblaw Companies" with significant volumes of fresh chicken on a daily basis.

Over the last several years a firm in New Brunswick has become one of Puddy Bros' Ltd. largest suppliers of whole fresh chickens. We estimate that based on past years we will be purchasing in excess of 25 million dollars worth of chicken from Nadeau Poultry in 2008.

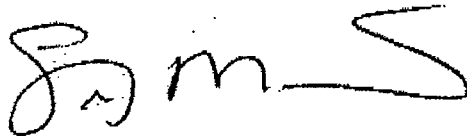
Puddy Bros Ltd has demanding specifications and service requirements that few poultry slaughterhouses can meet. Nadeau Poultry has been one of those firms that have been able to consistently meet our demands in terms of quality, pricing, and supply volumes.

We have been informed that a large group of growers have given notice that they will no longer sell their birds in New Brunswick as they intend to sell them to Quebec processors. We further understand that this same group has attempted to buy the slaughterhouse and its associated business' from Nadeau Poultry.

We are very concerned when supply management can be utilized by the producers in order to threaten a processors livelihood. Supply management was instituted for the producer's benefit. It allows quotas to producers which prevent new entrants into the system and creates a sanctioned monopoly. Producers should not be allowed to use their preferential position to decide the fate of a poultry processor.

We would ask that you ensure that New Brunswick continues as a viable Poultry Processing in the Province.

Sincerely,



Lou Mastromatteo

President
Puddy Bros Ltd.