THE COMPETITION TRIBUNAL

IN THE MATTER OF an application by the Commissioner of Competition for a Consent Order pursuant to sections 92 and 105 of the *Competition Act*, R.S.C. 1985, c. C-34;

AND IN THE MATTER OF the acquisition of a majority share of Chapters Inc. by Trilogy Retail Enterprises L.P. and the proposed merger of Indigo Books & Music Inc. and Chapters Inc. and their respective affiliates, Indigo Online Inc. and Chapters Online Inc.;

BETWEEN:

THE COMMISSIONER OF COMPETITION Applicant	
- AND -	
TRILOGY RETAIL ENTERPRISES L.P. CHAPTERS INC. AND INDIGO BOOKS & MUSIC INC.	
Respondents	
COMPETITION TRIBUNAL TRIBUNAL DE LA CONCURREN	NCE p M O
L APR 18 2001 REGISTIKAR - REGISTRAIRE OTTAWA, ONT. # 1	

TAKE NOTICE THAT :

 The Commissioner of Competition (the "Applicant") will make an application on consent of Trilogy Retail Enterprises L.P., Chapters Inc. and Indigo Books & Music Inc. (the "Respondents") to the Competition Tribunal pursuant to sections 92 and 105 of the *Competition Act* (the "*Competition Act*") for:

- (a) an order pursuant to sections 92 and 105 of the *Competition Act* as set out in the draft Consent Order attached hereto; and
- (b) such further and other order as the Applicant and the Respondents, on consent, may advise and this Honourable Tribunal considers appropriate.

AND TAKE NOTICE THAT:

- 2. In support of this application, the Applicant relies upon the Statement of Grounds and Material Facts, the Draft Consent Order, the Affidavit of Glenn McDonald dated the 17th day of April 2001, the Consent Order Impact Statement, the Consent of the Parties to this application, all filed, and such other material as may be filed or counsel may advise.
- 3. The Applicant and the Respondents agree, unless the Tribunal requests otherwise, that no other evidence will be given in connection with this application and that the evidence will be limited to the Affidavit of Glenn McDonald dated the 17th day of April, 2001 attached hereto.
- 4. The names and addresses of the persons against whom a Consent Order is sought are listed below.

5. The Applicant and the Respondents request that, should a hearing be necessary, this application be held in Ottawa, Ontario, and that the proceedings be conducted in the English language.

DATED at Hull, Quebec this

day of April, 2001

Konrad von Finckenstein, Q.C. Commissioner of Competition Flace du Portage, Phase I 50 Victoria Street, 21st Floor Hull, Quebec K1A 0C9 Telephone: (819) 997-3301 Facsimile: (819) 953-5013

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Counsel for the Commissioner of Competition

TO: The Registrar of the Competition Tribunal 90 Sparks Street, Suite 600 Ottawa, Ontario K1P 5B4

ADDRESS FOR SERVICE OF THE RESPONDENTS:

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Counsel for the Respondents

THE COMPETITION TRIBUNAL

IN THE MATTER OF an application by the Commissioner of Competition for a Consent Order pursuant to sections 92 and 105 of the *Competition Act*, R.S.C. 1985, c. C-34 as amended;

AND IN THE MATTER OF the acquisition of a majority share of Chapters Inc. by Trilogy Retail Enterprises L.P. and the proposed merger of Indigo Books & Music Inc. and Chapters Inc. and their respective affiliates Indigo Online Inc. and Chapters Online Inc.

BETWEEN:

THE COMMISSIONER OF COMPETITION

Applicant

- and -

TRILOGY RETAIL ENTERPRISES L.P. CHAPTERS INC. AND INDIGO BOOKS & MUSIC INC.

Respondents

NOTICE OF APPLICATION

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