



**HOUSE OF COMMONS
CANADA**

A QUESTION OF PRIVILEGE

Report of the Standing Committee on Government Operations and Estimates

**Hon. John McKay, P.C., M.P.
Chair**

FEBRUARY 2011

40th PARLIAMENT, 3rd SESSION

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**FEBRUARY 2011
40th PARLIAMENT, 3rd SESSION**

STANDING COMMITTEE ON GOVERNMENT OPERATIONS AND ESTIMATES

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THE STANDING COMMITTEE ON GOVERNMENT OPERATIONS AND ESTIMATES

has the honour to present its

EIGHTH REPORT

Pursuant to its mandate under Standing Order 108(3)(c), the Committee has studied the renewable energy projects funded by the government and has agreed to report the following:

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INTRODUCTION

This report is further to the report the Committee presented in the House of Commons on Thursday, June 17, 2010 (Fourth Report). In that report, the Committee suggested that one of the individuals who had appeared during its study of renewable energy products funded by the government, Rahim Jaffer, appeared to have misled it.

The June report expressed the immediate concerns of Committee members on the eve of the summer recess. It did not however provide the House the significant, detailed reasons for its concerns. This report seeks therefore to fill in this gap and to provide additional information for the House and its Speaker for a potential decision on the matter. It summarizes the four main inconsistencies noted in Rahim Jaffer's testimony.

From April 21, 2010 until June 16, 2010, the Standing Committee on Government Operations and Estimates (hereafter the Committee) held eight hearings as part of its study of renewable energy projects funded by the government. After noting a number of contradictions between the April 21, 2010 testimony of Rahim Jaffer and the testimony of the other witnesses, the Committee called Rahim Jaffer as a witness a second time, in order to give him an opportunity to clarify certain aspects of his initial testimony. However, at his second appearance before the Committee, on June 17, 2010, Rahim Jaffer did not succeed in satisfying the Committee of the veracity of his statements.

SUMMARY OF THE MAIN INCONSISTENCIES IN THE TESTIMONY OF RAHIM JAFFER

FORMER MEMBER OF PARLIAMENT'S BUSINESS CARD

A. Initial Testimony

At the April 21, 2010 hearings of the Committee, a Committee member asked a question about the veracity of the allegation that Rahim Jaffer used his former Member of Parliament's business card when he was no longer a Member of Parliament. Rahim Jaffer responded that he had never distributed his former Member of Parliament's business card after ceasing to be a Member of Parliament.¹

Pat Martin (Winnipeg-Centre, NDP):

Have you ever circulated your MP's business card after you ceased to be an MP?

Rahim Jaffer (Green Power Generation Corporation, GPG):

I don't even understand what good that would provide. It would ...

Pat Martin:

It would only imply that you still have some sort of relationship to Parliament, even though you're no longer a member of Parliament.

Rahim Jaffer:

As I said, I'll go back to my opening statement, because I think it's clear that ...

Pat Martin:

Can you answer that question first?

Rahim Jaffer:

I told you I never did those things. These are allegations. I never would make unsubstantiated claims that I couldn't follow through.

(i) Contradiction 1

When he appeared before the Committee on April 28, 2010, Nazim Gillani contradicted Rahim Jaffer's testimony, stating that on August 25, 2009 he saw

¹ See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4450419&Mode=1&Parl=40&Ses%20=3&Language=E>, at p. 9.

Rahim Jaffer give his former Member of Parliament's business card to at least one person at La Castile restaurant.²

Ed Holder (London West, CPC):

If I may, Chair, I have two fast questions. First of all, I was thinking about the comment you made about Mr. Jaffer passing out his business cards, and he didn't have his current one, so he took out his old card that he had—and I suppose that can happen—and he crossed out information. I was imagining that if I took out my member of Parliament card, took off "House of Commons"—that doesn't apply—and "London West"—that doesn't apply—and my justice building address, and my residence address, so I'm kind of stuck with my name, what's the purpose of the business card?

Nazim Gillani (Chief Executive Officer, International Strategic Investments):

I don't know what to say to you. I just saw him do this, and he wrote down another number, and I walked out. That was one person. There were other people at that table, so I don't know whether other people got the card or not. At the close of the meeting, I saw him do that with one person. I got up to go out and have a cigarette.

(ii) Contradiction 2

When he appeared before the Committee on May 26, 2010, Ian Harvey contradicted Rahim Jaffer's testimony, stating that on August 25, 2009 Rahim Jaffer gave him his former Member of Parliament's business card at La Castile restaurant.³

Ian Harvey (as an individual):

On August 25, 2009, I was invited to attend an afternoon meeting by Nazim Gillani at La Castile restaurant in Mississauga. I was introduced to Rahim Jaffer, and he provided me with his business card, a copy of which I'm going to submit to the committee as exhibit 1.

INTERNET SITE CONTENT

A. Initial Testimony

At the April 21, 2010 hearings, a Committee member asked a question about the veracity of the allegations that Rahim Jaffer stated on his Internet site that he was able to obtain support from the Canadian government.⁴ Rahim Jaffer stated before the Committee that his Internet site did not contain such a statement.

2 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4474445&Mode=1&Parl=40&Ses=3&Language=E>, at p. 18.

3 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4556834&Mode=1&Parl=40&Ses=3&Language=E>, at p. 12.

4 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4450419&Mode=1&Parl=40&Ses%20=3&Language=E>, at p. 8.

Chris Warkentin (Peace River, CPC):

Just so that I'm completely clear, I haven't seen it, but it was reported that on your website at one point it said that you would be able to secure support from the Canadian government.

Rahim Jaffer:

I don't even recall that that was what it said, and ...

Chris Warkentin:

I haven't seen that, but I ...

Rahim Jaffer:

[...] We would have never put that in there because that's not the nature of our business. So I would even say that those particular reports are inaccurate.

(i) Contradiction 1

When he appeared before the Committee on April 21, 2010, Rahim Jaffer first denied that he had stated on his personal Internet site that he was able to obtain assistance from the Canadian government, and then contradicted his own testimony by admitting that this statement did appear on his personal Internet site.⁵

Chris Warkentin:

Thank you, Madam Chair. Mr. Jaffer, not even an hour ago, I asked you specifically if it stated on your website that you would be able to secure support from the Canadian government. You said that it didn't. You made it absolutely clear. I don't think there's anybody in this room who heard it differently.

I have a copy now. I looked, actually ... When the news report came out, your website had come down. There was no cache of it. I hadn't been able to see it, so I was relying on news reports. You denied that those news reports were accurate. I now have in my hand the biography, I guess from rahimjaffer.com, which states exactly that. It also goes on to talk about the important role that your former relationships, or the relationships you developed over your career as a politician, might avail you in terms of assisting in your current career. I don't know why you would deny it if in fact it had been there. Clearly it was there when the reporter wrote the story, and then it subsequently went down. You must have been aware that there was something within that website that was untoward or not correct, or that at least appeared to be unethical. Considering this, I don't even know what question I have. I mean, the evidence is before me. The statement is obviously untrue—at least it could imply unethical behaviour. What bothers me more is that we have you before our committee and you've stated, as a matter of fact, one thing and I now have a copy that indicates something different.

5 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4450419&Mode=1&Parl=40&Ses%20=3&Language=E>, at p. 18.

Rahim Jaffer:

May I respond, Mr. Warkentin?

As I mentioned to you, and I'm glad you're clarifying this, we were discussing my business website earlier and I told you that on that website there is no reference to securing any sort of government support—on our business website. Now, there was some sort of reference to that on my personal website.

BUSINESS RELATIONS BETWEEN RAHIM JAFFER AND NAZIM GILLANI

A. Initial Testimony

At the April 21, 2010 hearings, Rahim Jaffer denied that there were business relations between his business, GPG, and International Strategic Investments, directed by Nazim Gillani.⁶

Rahim Jaffer:

So you know the process you have to go through to explore who you may want to work with, what sorts of relationships you're going to build, or what focus your business is going to have. Over the course of the last year, Mr. Glémaud and I have met different people and have taken the time to explore whether or not there are synergies with their companies. Mr. Gallani [*sic.*] was one of those, but we realized very quickly after a few meetings with him that our firms were very divergent and that we had no real synergies whereby we could develop a relationship, so that exploration ended at that stage. Unfortunately, as a result, we've still been pulled into something in which we don't even know Mr. Gallani's [*sic.*] business and his dealings that are out there.

(i) Contradiction 1

When he appeared before the Committee on April 28, 2010, Nazim Gillani contradicted Rahim Jaffer's testimony, stating that on September 21, 2009 he had signed a contract for services with GPG, a business directed by Rahim Jaffer and Patrick Glémaud.

Nazim Gillani:

We first met in August 2009, and I have met Mr. Jaffer on six other occasions since then. I have provided you in advance with relevant documents, which I believe you already have. The services offered by GPG, listed on both the GPG website and Mr. Jaffer's personal website, were what my company, ISI, was interested in. GPG formalized the provision of those services in a contract with my company. On page 2 of that contract, which was revised by Mr. Glémaud and signed by him, dated September 21, 2009, it states that the "Consultant," that being GPG: "warrants and represents that it is in ongoing dialogue with, and has valuable connections to and with, the government of Canada and various departments, ministries, and wholly or partially owned entities

6 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4450419&Mode=1&Parl=40&Ses%20=3&Language=E>, at p. 5.

thereof, all for the purposes of providing participatory and non-participatory government funding (and other incentives) as well as ongoing support for various prospective private sector projects, ventures and initiatives ...”⁷

(ii) Contradiction 2

When he appeared before the Committee on April 28, 2010, Nazim Gillani contradicted Rahim Jaffer’s testimony, stating that he and Rahim Jaffer were to travel to China together on April 13, 2010.⁸

Nazim Gillani:

Further, Mr. Jaffer and I were to travel to China together on April 13, 2010, yet Mr. Jaffer seemed to state to this committee last week that he ended our relationship months ago. This was untrue.

SUBJECTS RAISED DURING DISCUSSIONS BETWEEN RAHIM JAFFER AND HIS FORMER COLLEAGUES

A. Initial Testimony

At the April 21, 2010 hearings, a Committee member questioned Rahim Jaffer about the subjects he raised during discussions he had with his former colleagues. Rahim Jaffer stated before the Committee that he had never discussed business projects with his former colleagues.⁹

Siobhan Coady (St. John’s-South–Mount Pearl, Lib.):

Thank you. Now, we know that you spoke with Brian Jean, who’s the parliamentary secretary to Minister Baird, who’s responsible for infrastructure, in particular for a billion dollars of the green fund. We know that you spoke with Minister Prentice, the Minister of the Environment. And we know that you had dinner with Mr. Baird; that has been established. Mr. Jaffer, have you spoken with any other members of the Conservative caucus or senior government officials on any business projects in which you have a direct or indirect financial interest?

Rahim Jaffer:

I would like to clarify, because it’s—

7 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4474445&Mode=1&Parl=40&Ses=3&Language=E>, at p. 1.

8 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4474445&Mode=1&Parl=40&Ses=3&Language=E>, at p. 2.

9 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4450419&Mode=1&Parl=40&Ses=3&Language=E>, at p. 4.

Siobhan Coady:

Please do.

Rahim Jaffer:

You're suggesting that I may have discussed business with the particular members you identified in your question. As I mentioned in my statement, most of my interactions with any of my former colleagues have always been social. I've never discussed any business, never even asked them for anything, other than to give them an update on what I've been working on.

(i) Contradiction 1

When he appeared before the Committee on June 2, 2010, the Honourable Christian Paradis contradicted Rahim Jaffer's testimony, stating that Rahim Jaffer called him on August 27, 2009 to discuss an innovative idea about solar panels.¹⁰

Siobhan Coady:

Thank you. I guess that's a yes, Mr. Paradis. I have another question. Thank you for your answer. Mr. Paradis, on August 27, Rahim Jaffer wrote to your staff, the director of parliamentary affairs, Sébastien Tognéri—who was supposed to appear today—and this was in the e-mail: "I just spoke with Christian and we are going to try and get together for beers next week," and "He also suggested that I coordinate with you the chance to find someone like the deputy minister to speak with" about a proposal. Did you personally order that his proposal be fast-tracked? Just a simple yes or no.

Hon. Christian Paradis:

Mr. Jaffer did in fact call me to say that he had an innovative idea about solar panels or some such thing. I told him to contact my office to set up a meeting with officials to see if his ideas held any interest, making it clear that—

Siobhan Coady:

So I guess your answer is yes.

Hon. Christian Paradis:

[...] if anything came of the meeting, there would be a competitive process, or a call for bids. That was made clear from the outset.

10 See <http://www2.parl.gc.ca/HousePublications/Publication.aspx?DocId=4581317&Mode=1&Parl=40&Ses=3&Language=E>, at p. 14.

CONCLUSION

The inconsistencies noted in Rahim Jaffer's testimony are of concern to the Committee as they appear to undermine two fundamental privileges of the House and MPs: freedom of speech and the right to conduct inquiries, require witnesses to appear and order the production of documents.

MPs enjoy freedom of speech during parliamentary proceedings, which permits them to debate with immunity from prosecution or civil action. This right is also extended to witnesses appearing before House committees to ensure that the committees can gather candid, truthful and complete evidence. For a witness to lie or deliberately mislead a committee is a misuse of this freedom of speech and is unacceptable.

If a witness gives testimony without the expected truthfulness, this considerably undermines the investigative powers of parliamentary committees and their ability to carry out their work.

The second edition of the *House of Commons Procedure and Practice* says on page 95 that "If a committee determines that a witness has given untruthful testimony, it may report the matter to the House" and that "The House alone is responsible for deciding if the witness has deliberately misled the committee and is in contempt of the House as well as for determining the appropriate punitive action."

The Committee wishes therefore to draw to the attention of the House what appears to be a violation of its privileges and/or a potential instance of contempt of Parliament, and recommends that it take whatever measures it considers appropriate.

MEMORANDUM OF UNDERSTANDING

THIS AGREEMENT dated as at the ___ day of November, 2009.

BETWEEN:

INTERNATIONAL STRATEGIC INVESTMENTS INC. a corporation incorporated pursuant to the laws of the Province of Ontario, Canada, with offices at 1356 Islington Avenue, Toronto, Ontario, Canada M9A 3K4. (Hereinafter referred to as "**ISI**")

OF THE FIRST PART

AND:

GREEN POWER GENERATION CORP., a corporation incorporated pursuant to the laws of the Canada, with offices at 141 Blackburn Avenue, Ottawa, Ontario, Canada K1N 8A6. (Hereinafter referred to as "**GPG**")

OF THE SECOND PART

AND:

RENEWABLE ENERGY GROUP a corporation incorporated under the laws of the province of Ontario and having an office at 45 Kingspoint Circle, Stoney Creek, Ontario, Canada, L8E 6E6. (Hereinafter referred to as the "**Company**")

OF THE THIRD PART

ISI and GPG are referred hereinafter collectively as the "**Service Provider**".

WHEREAS, the Company detains the exclusive distributor rights and benefits in Canada, Russia, India and the North American Truck Stop market for certain renewable energy technology which is commonly referred to as the “Dragon Power System” (Hereinafter referred to as “DPS”). The Company also has non-exclusive rights to the entire transportation industry worldwide and a technology license to manufacture the DPS;

WHEREAS, the Service Provider specializes in bringing to market innovative technology solutions in renewable power generation; and

WHEREAS, the Company wishes to obtain the Service Provider’s expertise and services as described herein upon and subject to the terms and conditions set forth in this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual premises and covenants contained in this Agreement, the receipt and sufficiency of which is hereby expressly acknowledged by the parties hereto, the parties hereto covenant and agree as follows:

1. Provision of Services

1.1 Subject to the terms of this Agreement, the Service Provider shall provide to the Company the Services as set out in Schedule “A” hereto and all such other services as are necessarily incidental thereto that are necessary or desirable to further the interests of the Company as contemplated hereunder (collectively, the “**Services**”).

1.2 The Service Provider shall use its best and timely efforts to further the interests of the Company in providing the Services.

2. Changes in Service

2.1 The Company shall be entitled to order changes and/or deletions in respect of the Specified Customer and Territory or the Services and Duties as set out in Schedule "A" by giving written notice to the Service Provider without invalidating this Agreement. The Service Provider shall be deemed to have agreed to such changes and/or deletions, and the Services to be provided hereunder shall be modified accordingly.

3. Remuneration of ISI/GPG

3.1 The Company shall pay Service Provider, in equity, as follows for the project herein contemplated.

The equity for this project payable to the Service Provider shall be 1/3 (one-third) of all equity in said project and the remaining 2/3 (two-thirds) of equity to be owned or otherwise dealt with in the sole and unfettered discretion of the Company. The Service Provider and the Company shall be subject to a "Pooling" agreement as outlined in Schedule "1" attached herewith.

Further to this equity remuneration, both parties agree to the following additional forms of remuneration:

a) The parties shall enter into and be bound by a form of investor relations consulting agreement (the "**IR Contract**"), in the form annexed hereto as Schedule "2".

b) The Service Provider shall have the benefit of an options program for the project to be provided to both the Company and the Service Provider in order to achieve the maximum amount of incentive-based payment for performance-based goals for both the Company and the Service Provider (the "**Options Program**"), in the form annexed hereto as Schedule "3".

c) the Service Provider shall have the benefit of a "finders fee" agreement and/or completion fee for all funds generated for the Company whether it be by way of financings or any additional form of revenue to the Company (the "**Finders Fee Agreement**"), in the form annexed hereto as Schedule "4".

3.2 Subject to such restrictions and requirements as the Company may impose from time to time, the Company shall reimburse the Service Provider for such reasonable out-of-pocket expenses as are pre-approved by the Company in writing and incurred in performance of the Services, upon receipt of such evidence of those expenses as the Company may reasonably require.

4. The Service Provider Not Agent or Employee

4.1 It is acknowledged and agreed that the Service Provider is not the employee or agent of the Company and accordingly, shall not purport to enter into any contract or subcontract on behalf of the Company or otherwise purport to act on its behalf. Nothing in this Agreement shall be deemed to require the Service Provider to provide its services exclusively to the Company and the Service Provider hereby acknowledges that the Company shall not be required to make any remittances or payments required of employers by statute, regulation, ordinance, bylaw or otherwise on Service Provider's behalf, and the Service Provider or any of its agents, employees and/or representatives shall not be entitled to the fringe benefits provided by the Company to its employees.

4.2 The Company acknowledges that since the Service Provider is an independent contractor and not an employee of the Company, the Service Provider shall have direction and control of the manner, methods, techniques and procedures used by its agents, employees and representatives to perform the Services.

5. Books and Records

5.1 The Service Provider shall keep proper accounts and records of all expenditures made by it in connection with the Services, and of the time expended by it or any of its agents or servants in performing the Services and all invoices, receipts and vouchers relating thereto.

6. Company's Obligations

6.1 The Company shall make available to the Service Provider such information and data and shall permit Service Provider, its agents and employees to have access to such documents or premises as are reasonably necessary to enable it to perform the Services.

7. Confidentiality and Ownership of Work Product

7.1 The Non-Disclosure and Confidentiality Agreement executed by the Company and Service Provider, remains in full force and effect;

7.2 All plans, reports, data, documents, concepts, systems, programs and products, processes together with any business financing and marketing schemes, business or financing contacts, or information pertaining to prospective debt or equity plans, proposals, acquisitions, joint ventures or business combinations or any business opportunities

prepared, produced, developed, or acquired, by or at the direction of Service Provider, directly or indirectly, in connection with or otherwise developed or first reduced to practice by the Service Provider in the course of performing services pursuant to this Agreement including, without limiting the generality of the foregoing, all contact lists, and contract sheets, financing leads, sales material and marketing information pertaining to the Company's business (collectively, the "**Work Product**") shall belong exclusively to and shall be the sole property of the Company and the Company, shall be entitled to all right, title and interest therein, and all profits, or benefits therefrom. No copies, summaries or other reproductions of any Work Product shall be made by the Service Provider without the express permission of the Company and the Service Provider shall, forthwith upon the Company's request, deliver to the Company all Work Product in the possession of or otherwise available to or under the control of the Service Provider notwithstanding a termination of this Agreement.

7.3 The Service Provider shall not at any time either during the term of this Agreement or thereafter divulge to any person, firm or corporation, any information, documents or Work Product (other than information, documents or Work Product which the Company has authorized for public disclosure or which has previously been disclosed to the public) received by him during the course of its providing the Services to the Company with regard to the personal, financial or other affairs of the Company or any of its subsidiaries, or the Company's directors, officers and employees and all such information shall be kept confidential and shall not in any manner be revealed to anyone by Service Provider, except as may be required by law or otherwise permitted by the Company in writing.

7.4 The Service Provider shall comply, and shall take proper measures to cause all employees of the Service Provider or other persons under its direction or control to comply, with such directions as the Company shall make to ensure the safeguarding or confidentiality of all such information, documents, and Work Product.

8. Duties of Service Provider

8.1 It is acknowledged and understood that, pursuant to the terms hereof, the Service Provider shall be required to cause to be credited to the account of the Company a minimum net value of no less than ONE HUNDRED AND FIFTY THOUSAND (€150,000) EUROS in cash, readily liquidable securities or the like, within NINETY (90) days of the execution of this Memorandum of Understanding, failing which, the Company may unilaterally elect to terminate this Memorandum of Understanding on TEN (10) days notice. Upon such termination, the Service Provider shall forthwith cause all transferred shares of the Company to be returned to the Company or as otherwise directed by the Company.

8.2 During the term of this Agreement, the Service Provider shall, in a reasonable and timely manner, devote such of its time, attention and abilities to the business of the Company as is reasonably necessary for the proper exercise of its duties pursuant to this Agreement. Nothing contained herein shall be deemed to require the Service Provider to devote its exclusive time, attention and ability to the business of the Company.

8.3 During the term of this Agreement, the Service Provider agrees that it will:

- (a) At all times, except when disabled by sickness or incapacity, faithfully and diligently perform its duties and use its best efforts to promote and advance the business of the Company;
- (b) Except as otherwise provided herein, refrain from engaging in any business, venture, or other commercial or sales activities that in any way conflict with or detract from its ability to fulfill its duties in the manner contemplated in this paragraph;
- (c) Not work for, including employment, self-employment, consulting, contract work, or any similar arrangement with any competitor of the Company;
- (d) Not take advantage for personal gain, either directly or indirectly, of a business opportunity, which opportunity arose because of the Service Provider's relationship with the Company unless such opportunity is first presented to the Company and the Company expressly declines to take advantage of or pursue such opportunity and agrees in writing that the Service Provider may take advantage thereof.

9. Liability of Company

9.1 Company shall indemnify and save the Service Provider harmless from and against all costs, expenses, losses, damages and obligations it may suffer or incur as the result of the breach of any material covenant or warranty made by Company in this Agreement.

10. Term & Termination

10.1 The term of this Agreement shall be in effect for a term of twelve (12) months commencing upon execution of this Agreement unless terminated earlier pursuant to the provisions hereof, or unless renewed in writing by the parties.

10.2 This Agreement may be terminated prior to the completion of the Services upon 30-days written notice to Service Provider.

10.3 This Agreement may be terminated prior to the completion of the Services immediately upon the Company giving written notice to the Service Provider of the occurrence of an Event of Default as defined in clause 10.4.

10.4 An Event of Default shall be deemed to occur if:

- (a) The Service Provider is in breach of any material covenant, obligation or warranty hereunder; or
- (b) The Service Provider becomes insolvent or unable to discharge its liabilities generally as they become due, makes an assignment for the benefit of its creditors, or is made subject to a petition or other proceedings in bankruptcy.

10.5 In the event that the Company terminates the Services under the provisions of Paragraph 10.2, the Company shall continue to pay the Service Provider remuneration due under Paragraph 3.1 for those Specified Customers with signed contracts prior to termination.

10.6 Upon the termination of this Agreement, the Company shall, subject to its right to set off any damages or other amounts claimed by the Company from Service Provider, pay to the Service Provider all amounts accruing hereunder.

10.7 In the event that the Company terminates the Services for any reason, you will not, for a period of twelve months, either directly or indirectly employ, offer to employ, directly or indirectly solicit or use the services of any person who was an employee of the Company.

11. Non-Assignability

11.1 The Service Provider shall not subcontract to any person, any right, duty or obligation hereunder without the prior written consent of the Company. This Agreement may not be assigned by either party without the prior written consent of the other party.

12. Co-operation with Other Parties

12.1 The Service Provider shall co-operate with all other parties engaged or employed by the Company from time to time and shall co-ordinate its activities with the activities of such parties as and when requested by the Company.

13. Force Majeure

13.1 Notwithstanding anything herein to the contrary, neither party hereto shall be deemed to be in default with respect to the performance of the terms, covenants and conditions of this Agreement if the same shall be due to any strike, lock-out, civil commotion, invasion, rebellion, hostilities, sabotage, governmental regulations or controls, or acts of God.

14. Notice

14.1 Any written notice given under this Agreement shall be sent by: (a) courier or first class mail, postage prepaid, to the address of the Service Provider specified below in this Agreement, or to the Company, attention: John Mogford, President at the aforementioned address and shall be duly made when received at that address, or (b) facsimile, if sent to the Service Provider to 647-349-7750; and if sent to the Company to 905-984-9692; or (c) by electronic mail, if sent to the Service Provider to nazim@isinvestments.ca; and if sent to the Company, to john.mogford@poweredbytraffic.com; shall be deemed received the business day of successful transmission.

15. Entire Agreement

15.1 The provisions herein contained constitute the entire agreement between the parties and supersede all previous communications, representations and agreements, whether oral or written, between the parties with respect to the subject matter hereof. Singular terms shall include the plural, and vice-versa, unless the context otherwise requires.

16. Proper Law

16.1 The proper law of this Agreement is the law of the Province of Ontario, Canada.

17. Time of Essence

17.1 Time is of the essence of this Agreement.

18. Waiver of Breach

18.1 The waiver by either the Company or the Service Provider of a breach of any provision of this Agreement by the other party to this Agreement shall not operate or be construed as a waiver of any subsequent breach by that party.

IN WITNESS WHEREOF the parties have affixed their common seal hereto in the presence of their officers duly authorized for that purpose.

Signed, sealed and delivered by
RENEWABLE ENERGY GROUP
per:

John Mogford, President
(I Have Authority to Bind the Corporation)

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Witness

Signed, sealed and delivered by
**INTERNATIONAL STRATEGIC
INVESTMENTS INC.**
per:

Nazim Gillani, President
(I Have Authority to Bind the Corporation)

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Witness

Signed, sealed and delivered by
GREEN POWER GENERATION CORP.
per:

Patrick Glémaud, President
(I Have Authority to Bind the Corporation)

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Witness

Schedule "A" Services to be provided by the Service Provider

Complete review of all corporate materials and assessment of project feasibility

Completion of all necessary documentation as required listing project on both the Frankfurt and Xetra markets in Germany culminating in the listing of said project within 6 weeks of submission of application to the exchanges

Completion of Capital Structure

Issuance of Shares: 1/3 to Project, 1/3 to Company, 1/3 to Service Provider

Completion and regulation of Stock Pooling Agreement

All marketing and PR, IR requirements. Budgets for all necessary undertakings and administration of such as related to market activity, marketing efforts, investor relations, press and public relations.

Set up of offshore IBC's as required and completion of debit cards, banking, and brokerage.

Set up of attorney trust accounts for distribution of funds to all parties.

Daily trading activity and market stability and liquidity

Review and Dissemination of all press releases

Strategic development and acquisition targets

Sales and Marketing assistance along with brand and corporate identity development

Overall Strategic Planning and business development

Possible 20f dual list filings in the U.S.

Broker dealer network marketing and retail distribution

Financing / Investment Banking duties

** The Service Provider shall provide all the expertise and contacts to complete the above but shall not be responsible for any cash payments to any parties. the Service Provider shall by virtue of its relationships compensate most of the parties by utilizing stock as currency and these shares shall be deemed to be payable by the entire group as a whole. The cost shall be borne by all three parties on the same basis that the stock has been issued meaning each party—Project, Company, and the Service Provider shall pay 1/3 of the costs equally from their respective positions.



**Office of the National
Conservative Caucus Chair**

*Rabbin Jaffer, M.P.
Edmonton — Strathcona*

National Caucus Chair

Suite 449-D, Centre Block - House of Commons
Caucus Line: 992-7381
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Fax: 995-5342



cpccaucus@parl.gc.ca

jaffer@parl.gc.ca

Source: Exhibit 1 provided by Ian Harvey on May 26, 2010.

APPENDIX C LIST OF WITNESSES

Organizations and Individuals	Date	Meeting
Green Power Generation Corporation	2010/04/21	11
Patrick Glémaud		
Rahim Jaffer		
International Strategic Investments	2010/04/28	13
Nazim Gillani, Chief Executive Officer		
As an individual	2010/05/12	17
Derrick Snowdy		
As an individual	2010/05/26	18
Ian Harvey		
Wright Tech Systems		
Jim Wright, Chairman		
Canadian Solar Solutions Inc.	2010/05/31	20
David Arenburg, Vice-President, Business Development		
Milfred Hammerbacher, President		
Upper Canada Solar Ltd.		
Joe Jordan, Director		
Department of Industry	2010/06/02	21
Hon. Gary Goodyear, Minister of State (Science and Technology), Federal Economic Development Agency for Southern Ontario		
Department of Natural Resources		
Hon. Christian Paradis, Minister		
Department of Public Works and Government Services		
André C. Morin, Director, Valuation and Payments in lieu of taxes (PILT) Programs		
Department of Transport, Infrastructure and Communities		
Hon. John Baird, Minister		
Western Economic Diversification Canada		
Doug Maley, Assistant Deputy Minister, Alberta Region		

Organizations and Individuals	Date	Meeting
Cassels, Brock & Blackwell LLP	2010/06/09	23
Arthur Hamilton		
Green Power Generation Corporation	2010/06/17	26
Rahim Jaffer		

MINUTES OF PROCEEDINGS

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 11, 13, 17, 18, 20, 21, 23, 25, 26 and 44](#)) is tabled.

Respectfully submitted,

Hon. John McKay, P.C., MP
Chair

